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Introduction

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Directory of City Officials

City Council



Hung Wei
Mayor



Sheila Mohan
Vice Mayor



Liang Chao
Council Member



J.R. Fruen
Council Member



Kitty Moore
Council Member

Directory of City Officials

- Pamela Wu – City Manager
- Matt Morley – Assistant City Manager
- Christopher Jensen – City Attorney
- Tina Kapoor – Deputy City Manager
- Kristina Alfaro – Director of Administrative Services
- Ben Fu – Director of Community Development
- Chad Mosley – Director of Public Works
- Rachelle Sander – Director of Parks and Recreation
- Bill Mitchell – Chief Technology Officer

Commissions and Committees

ARTS AND CULTURE COMMISSION

Carol Maa
Dana Ford
David Wang
Kiran Varsshneya Rohra
Vacant

AUDIT COMMITTEE

Angela Chen
Sheila Mohan
J.R. Fruen
Sophie Song
Laura Hammer

BICYCLE PEDESTRIAN COMMISSION

Herve Marcy
Grace John
Joel Wolf
John Zhao
Ilango Ganga

HOUSING COMMISSION

Govind Tatachari
Tessa Parish
Sue Bose
Connie Cunningham
Angan Das

LIBRARY COMMISSION

Archana Panda
Janki Chokshi
Liyan Zhao
Sheela Sreekanth
Qin Pan

PARKS AND RECREATION COMMISSION

Carol Stanek
Hemant Buch
Jennifer Shearin
Seema Swamy
Sashikala Begur

PLANNING COMMISSION

Tejesh Mistry
David Fung
Seema Lindskog
Muni Madhhipatla
Steven Scharf

PUBLIC SAFETY COMMISSION

Eric Shan
Rohan Pandit
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
Joyce Cheung
Dhruti Halambi
Elspeth Luu
Pranav Gupta
Rayna Shah
Sudisha Kumar
Adhya Kasamsetty

TECHNOLOGY, INFORMATION & COMMUNICATIONS COMMISSION

Eliza Du
Mukesh Garg
Emma Shearin
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, 2022

Christopher P. Morill

Executive Director

February 09, 2023

Kristina Alfaro
Director of Administrative Services
City of Cupertino
10300 Torre Avenue
Cupertino, CA 95014

Dear Ms. Alfaro:

We are pleased to inform you, based on the examination of your budget document by a panel of independent reviewers, that your budget document has been awarded the Distinguished Budget Presentation Award from Government Finance Officers Association (GFOA) for the current fiscal period. This award is the highest form of recognition in governmental budgeting. Its attainment represents a significant achievement by your organization. In addition to receiving the award, your entity's budget received the following special recognition:

Special Long Range Financial Plans Recognition & Special Financial Policies Recognition

The Distinguished Budget Presentation Award is valid for one year. To continue your participation in the program, it will be necessary to submit your next annual budget document to GFOA within 90 days of the proposed budget's submission to the legislature or within 90 days of the budget's final adoption. Information about how to submit an application for the Distinguished Budget Program application is posted on GFOA's website.

Each program participant is provided with confidential comments and suggestions for possible improvements to the budget document. Your comments are enclosed. We urge you to carefully consider the suggestions offered by our reviewers as you prepare your next budget.

When a Distinguished Budget Presentation Award is granted to an entity, a Certificate of Recognition for Budget Presentation is also presented to the individual(s) or department designated as being primarily responsible for its having achieved the award. Enclosed is a Certificate of Recognition for Budget Preparation for:

Finance Department

Continuing participants will receive a brass medallion that will be mailed separately. First-time recipients will receive an award plaque within eight to ten weeks. Also enclosed is a camera-ready reproduction of the award for inclusion in your next budget. If you reproduce the camera-ready image in your next budget, it should be accompanied by a statement indicating continued compliance with program criteria.

The following standardized text should be used:

Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to **City of Cupertino, California**, for its Annual Budget for the fiscal year beginning **July 01, 2022**. In order to receive this award, a governmental unit

must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

A press release is enclosed.

Upon request, GFOA can provide a video from its Executive Director congratulating your specific entity for winning the Budget Award.

We appreciate your participation in this program, and we sincerely hope that your example will encourage others in their efforts to achieve and maintain excellence in governmental budgeting. The most current list of award recipients can be found on GFOA's website at www.gfoa.org. If we can be of further assistance, please contact the Technical Services Center at (312) 977-9700.

Sincerely,

A handwritten signature in black ink that reads "Michele Mark Levine". The signature is written in a cursive, flowing style.

Michele Mark Levine
Director, Technical Services Center

CSMFO Operating Budget Excellence Award



Resolutions

RESOLUTION NO. 23-068

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CUPERTINO
ADOPTING AN OPERATING BUDGET FOR
FISCAL YEAR 2023-24 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 her 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 2023-24, as submitted by the City Manager in her 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 2023-24 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 her opinion such transfers become necessary for administrative purposes.

Resolution No. 23-068



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 regular meeting of the City Council of the City of Cupertino this 6th day of June, 2023, by the following vote:

Vote Members of the City Council

AYES: Wei, Mohan, Fruen
NOES: Chao, Moore
ABSENT: None
ABSTAIN: None

| | |
|--|------------------------|
| SIGNED:  Hung Wei, Mayor City of Cupertino | <u>6/13/23</u> Date |
| ATTEST:  Kirsten Squarcia, City Clerk | <u>6/20/23</u> Date |

FISCAL YEAR 2023-24 ADOPTED OPERATING BUDGET
FINANCIAL OVERVIEW BY FUND

| Revenue Categories | 2023-24 Adopted Budget | | | | | | |
|-------------------------|------------------------|-----------------------|---------------------|-----------------------|---------------------|------------------------|-----------------------|
| | General Fund | Special Revenue Funds | Debt Service Funds | Capital Project Funds | Enterprise Funds | Internal Service Funds | All Funds |
| Sales Tax | 11,428,930 | - | - | - | - | - | 11,428,930 |
| Property Tax | 31,736,834 | - | - | - | - | - | 31,736,834 |
| Transient Occupancy | 7,500,000 | - | - | - | - | - | 7,500,000 |
| Utility Tax | 3,304,742 | - | - | - | - | - | 3,304,742 |
| Franchise Fees | 3,443,574 | - | - | - | - | - | 3,443,574 |
| Other Taxes | 1,641,486 | 4,664,061 | - | - | - | - | 6,305,547 |
| Licenses & Permits | 4,265,081 | - | - | - | - | - | 4,265,081 |
| Use of Money & Property | 2,328,336 | 572,300 | - | - | 733,250 | 129,000 | 3,762,886 |
| Intergovernmental | 807,624 | 3,753,838 | - | - | 14,812 | - | 4,576,274 |
| Charges for Services | 11,894,786 | 1,498,201 | - | - | 5,996,727 | 4,069,924 | 23,459,638 |
| Fines & Forfeitures | 405,000 | 3,563 | - | - | - | - | 408,563 |
| Miscellaneous | 1,142,836 | - | - | - | - | - | 1,142,836 |
| Other Financing Sources | 367,000 | - | - | - | - | - | 367,000 |
| Transfers In | 15,000 | 2,500,000 | 2,677,600 | - | - | 1,280,000 | 6,472,600 |
| TOTAL REVENUES | \$ 80,281,229 | \$ 12,991,963 | \$ 2,677,600 | \$ - | \$ 6,744,789 | \$ 5,478,924 | \$ 108,174,505 |

| Appropriation Categories | 2023-24 Adopted Budget | | | | | | |
|---------------------------|------------------------|-----------------------|---------------------|-----------------------|---------------------|------------------------|-----------------------|
| | General Fund | Special Revenue Funds | Debt Service Funds | Capital Project Funds | Enterprise Funds | Internal Service Funds | All Funds |
| Employee Compensation | 24,781,492 | 1,901,795 | - | - | 2,016,689 | 1,971,220 | 30,671,196 |
| Employee Benefits | 11,004,730 | 891,001 | - | - | 668,557 | 2,319,832 | 14,884,120 |
| Materials | 6,395,466 | 1,040,163 | - | - | 444,258 | 1,060,611 | 8,940,498 |
| Contract Services | 24,813,166 | 1,037,847 | - | 175,000 | 5,176,958 | 1,789,573 | 32,992,544 |
| Cost Allocation | 10,257,656 | 1,220,614 | - | - | 939,358 | 57,622 | 12,475,250 |
| Capital Outlays | - | 880,224 | - | - | - | - | 880,224 |
| Special Projects | 1,211,157 | 3,403,849 | - | - | 135,733 | 572,000 | 5,322,739 |
| Contingencies | 216,731 | 10,679 | - | - | 67,455 | 26,201 | 321,066 |
| Debt Service | - | - | 2,677,600 | - | - | - | 2,677,600 |
| Transfers Out | 6,457,600 | 15,000 | - | - | - | - | 6,472,600 |
| Other Financing Uses | 925,000 | - | - | - | 222,567 | 926,453 | 2,074,020 |
| TOTAL EXPENDITURES | \$ 86,062,998 | \$ 10,401,172 | \$ 2,677,600 | \$ 175,000 | \$ 9,671,575 | \$ 8,723,512 | \$ 117,711,857 |

| | | | | | | | |
|---|-----------------------|---------------------|-------------|---------------------|-----------------------|-----------------------|-----------------------|
| CHANGE IN FUND BALANCE/ NET POSITION | \$ (5,781,769) | \$ 2,590,791 | \$ - | \$ (175,000) | \$ (2,926,786) | \$ (3,244,588) | \$ (9,537,352) |
|---|-----------------------|---------------------|-------------|---------------------|-----------------------|-----------------------|-----------------------|

RESOLUTION NO. 23-069

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CUPERTINO
ADOPTING A CAPITAL IMPROVEMENT BUDGET FOR
FISCAL YEAR 2023-24 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 2023-24, 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 regular meeting of the City Council of the City of Cupertino this 6th day of June, 2023, by the following vote:

Members of the City Council

AYES: Wei, Mohan, Fruen
NOES: Chao, Moore
ABSENT: None
ABSTAIN: None

| | |
|--|---------------------------------|
| SIGNED:  _____ Hung Wei, Mayor City of Cupertino | <u>6/13/23</u> _____ Date |
| ATTEST:  _____ Kirsten Squarcia, City Clerk | <u>6/20/23</u> _____ Date |

FISCAL YEAR 2023-24 ADOPTED CAPITAL IMPROVEMENT PROGRAM BUDGET
FINANCIAL OVERVIEW BY FUND

| Revenue Categories | 2023-24 Adopted Budget | | | | | | All Funds |
|---|------------------------|-----------------------|-------------------|-----------------------|------------------|------------------------|---------------------|
| | General Fund | Special Revenue Funds | Debt Service Fund | Capital Project Funds | Enterprise Funds | Internal Service 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 | - | - | - | - | - | - | - |
| Other Financing Sources | - | - | - | - | - | - | - |
| Transfers In | - | - | - | 2,027,000 | - | - | 2,027,000 |
| TOTAL REVENUES \$ | - | \$ - | \$ - | \$ 2,027,000 | \$ - | \$ - | \$ 2,027,000 |
| Appropriation Categories | 2023-24 Adopted Budget | | | | | | All Funds |
| | General Fund | Special Revenue Funds | Debt Service Fund | Capital Project Funds | Enterprise Funds | Internal Service Funds | |
| Employee Compensation | - | - | - | - | - | - | - |
| Employee Benefits | - | - | - | - | - | - | - |
| Materials | - | - | - | - | - | - | - |
| Contract Services | - | - | - | - | - | - | - |
| Cost Allocation | - | - | - | - | - | - | - |
| Capital Outlays | - | - | - | 2,027,000 | - | - | 2,027,000 |
| Special Projects | - | - | - | - | - | - | - |
| Contingencies | - | - | - | - | - | - | - |
| Debt Service | - | - | - | - | - | - | - |
| Transfers Out | - | - | - | 2,027,000 | - | - | 2,027,000 |
| Other Financing Uses | - | - | - | - | - | - | - |
| TOTAL EXPENDITURES \$ | - | \$ - | \$ - | \$ 4,054,000 | \$ - | \$ - | \$ 4,054,000 |
| CHANGE IN FUND BALANCE/ NET POSITION | \$ - | \$ - | \$ - | (2,027,000) | \$ - | \$ - | (2,027,000) |

RESOLUTION NO. 23-070

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CUPERTINO
ESTABLISHING AND ADOPTING THE APPROPRIATION
LIMIT IN THE AMOUNT OF \$127,886,394 FOR FISCAL YEAR 2023-24**

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 County of Santa Clara's population percentage change over the prior year is -0.25%, and the California per capita personal income change is 4.44%; and

WHEREAS, in computing the 2023-24 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 2023-24 fiscal appropriation limit of \$127,886,394, 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 regular meeting of the City Council of the City of Cupertino this 6th day of June, 2023, by the following vote:

Members of the City Council

AYES: Wei, Mohan, Fruen
NOES: Chao, Moore
ABSENT: None
ABSTAIN: None

| | |
|--|-----------------|
| SIGNED:  Hung Wei, Mayor City of Cupertino | 6/13/23 Date |
| ATTEST:  Kirsten Squarcia, City Clerk | 6/20/23 Date |

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Budget Message

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Budget Message

June 6, 2023

To the residents of Cupertino, Honorable Mayor, and members of the City Council,

Typically, a butterfly is not the first thing that comes to mind when we think about the City budget, yet the life cycle of the butterfly provides a strong analogy to what this year's budget brings. The caterpillar, through focused efforts, undergoes a transformative change to something unexpected. Like the caterpillar, the City faces a necessary transformative period. Through its transformation, the butterfly becomes a testament to the caterpillar's perseverance and resilience in the face of adversity.

Similarly, while the City's budget situation for this year and beyond may feel like a dark and uncertain place, it presents an opportunity for transformation and innovation. To deal with a significant reduction in sales tax revenue, as described in greater detail below, the City must be nimble and adapt to change. We will need to reduce our expenditures to balance the budget. In the face of these challenges, I firmly believe that the best for Cupertino is yet to come, and that the commitment of the City's residents, City Council, and employees will create a new and different Cupertino. We may even gain some new abilities as we move to right size the City's resources to our new reality.

The adopted budget for FY 2023-2024 is \$121,765,857, funded with \$110,201,505 in revenue and \$11,564,352 in the use of one-time funds. The General Fund, the City's largest tax-supported fund, was adopted at \$86,062,998, funded with \$80,281,229 in revenue and \$5,781,769 in the use of one-time funds. The use of fund balance and reserves are necessary to close the structural deficit, which is an unprecedented situation. In previous years, unallocated funds were typically transferred to the Capital Reserve or other funds to support initiatives such as our Section 115 trust funds.

The uncertainty of the California Department of Tax and Fee Administration (CDTFA) audit has been looming in the City's budget since the FY 2021-2022 Mid-Year Financial Report. In this report, the City staff informed the City Council and the community for the first time that one of the City's taxpayers was being audited by the State, and that the impacts on the budget were unknown but could potentially be significant.

The FY 2022-2023 Adopted Budget included staff's best estimate of the impacts of the audit at that time, given the limited information available. The estimated impacts could be weathered with the City's strong financial foundation that includes fully funded reserves and a significant unassigned fund balance in the General Fund. In addition, the City maintains well-funded Section 115 trusts for both retiree health and pension. Also, after budget adoption, the City Manager initiated a soft hiring freeze that primarily impacted new positions that had been added as part of the budget to limit expenses.

Fast forward to April 13 of this year, after staff had met with the impacted taxpayer and the CDTFA, we provided an updated financial forecast to the City Council and community. This impact was much larger than previously estimated. It included an estimated 73% drop in sales tax revenue, that translates to a \$30 million ongoing decrease. This has put the City in a structural deficit, meaning ongoing expenses exceed ongoing revenue.

The Adopted Budget serves to inform what the impacts of the currently recommended budget reduction strategies will have on day-to-day operations and to the residents of Cupertino. Those strategies include:

- Reduced spending across all categories
- Reduced full time staffing over a 10-year period through elimination of vacant positions
- Use of both the pension trust and retiree health trust

- Significant use of reserves

As a result of these revenue reductions, the City will need to reduce or eliminate some services. City leadership understands this will be difficult for residents and staff but will be necessary to ensure the City's long-term success. Details of those reductions are included in the Budget Message: Budget Overview and in each program budget. They include:

- Elimination of some free events
- A reduction in free Wi-Fi in parks
- Fewer professional development opportunities due to reduced Citywide training and conference attendance
- A decrease in technology purchases and fewer pilots of future tech, like augmented and virtual reality
- A reduction in services and longer response times for Cupertino 311 requests
- Decreased frequency of maintenance at City facilities, parks, streets, and trees
- Reduced pavement maintenance expenditures which may affect the pavement condition index (PCI)

While the current situation may appear dire, the City Council's and staff's advanced planning over the years have established an unparalleled solid financial foundation. As a result, even with necessary service reductions, this foundation is expected to significantly lessen the impact of navigating this challenge.

This is an ever-evolving situation, and this budget represents our best estimates. I am committed to continuing communication and feedback with our residents, City Council, and staff as we navigate these changes. I am confident that with our hard work, dedication, and innovative thinking, we will emerge from these difficult times even better than before.

Respectfully Submitted,



Pamela Wu

City Manager

Strategic Goals

On March 1, 2023, the City Council held a Goal Setting Workshop to discuss City goals and priorities for the next two years. The City Council re-affirmed their commitment to the following five goals, which were formally adopted in February 2020:

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/). Special Projects with budgetary impacts associated with the City Work Program are listed in the respective program budgets. Some City Work Program projects from prior fiscal years may be carried forward into FY 2023-24.

FY 2023-25 City Work Program

On April 4, 2023, the City Council approved the FY 2023-2025 City Work Program, which comprised a total of 24 projects requiring \$2,340,000 in additional funding, in addition to \$2,539,625 of previously allocated funds, totaling \$4,879,625. As part of the City’s budget reduction strategy, staff is proposing the following list of 15 projects that only require \$215,000 in additional funding. These 15 projects include all previously funded items and all high priority items that require additional funding. Additionally, staff is proposing to include one low-priority item aimed at supporting the unhoused, as Santa Clara County will be matching the funds for this project. The remaining nine projects can be considered for funding next year when more special project funds are available.

FY 2022-23 Funded Work Program and FY 2023-24 Adopted Work Program

| Strategic Goal | Project | Description | Department | Funded in FY 2022-23 | FY 2023-24 Recommended Funding |
|----------------------------------|--|---|---|-------------------------|--------------------------------------|
| Quality of Life | CWP - Public Safety in both residential/commercial areas | 1) Deploy city-owned license plate readers and implement policies to allow neighborhood-owned ones. 2) Strengthen Block Leader/Neighborhood Watch programs to ensure the leaders are active and expand the coverage of active neighborhoods. 3) Explore best practices to deter crime in commercial areas and | Administration | 60,000 | 10,000 |
| Publ Eng and Transparency | CWP - Senior Services and Youth Engagement | 1) Assess Survey results and develop a plan to increase awareness of programs and services for seniors based on gaps identified by the survey. 2) Connect seniors with youth and their families | Parks and Recreation | - | 20,000 |
| Quality of Life | CWP - Dogs Off Leash Area | 1) Transition successful trial DOLA programs to permanent programs with a staff level permitting process housed in Parks and Rec 2) Amenities for DOLA programs in City parks, e.g., water facilities for dogs, fencing, benches, etc. | Parks and Recreation | 200,000 | 5,000 |
| Sustainability & Fiscal Strategy | CWP - Tree List | Project phases: 1) Review and revise development tree list (per Ch. 14.18: Protected Trees) with an emphasis on appropriate trees and native species. 2) Review, revise, and communicate street tree list with an emphasis on appropriate trees and native species. 3) Develop an Urban Forest program scope and cost for future consideration. | Community Development/ Public Works | - | 110,000 |
| Housing | CWP - Support for the Unhoused | Collaborate and fund jointly with West Valley efforts to address regional needs and find workable support for the Unhoused. 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, | Community Development | - | 50,000 |
| Transportation | CWP - Planned Transportation Project (Vision Zero) | Cupertino schools. | Public Works | 80,000 | 20,000 |
| Sustainability & Fiscal Strategy | CWP - Analyze Potential Revenue Resources | Analyze potential revenue resources such as transient occupancy tax, sales tax, property tax, utility users tax, the City-owned municipal water system, and potential lease/rental income to address possible future financing challenges. | Administrative Services | 50,000 | - |
| Sustainability & Fiscal Strategy | CWP - Fiscal Procedures and Policies Handbook | Develop the handbook to ensure standardization of accounting, budget, investment, procurement policies, procedures, rules and regulations. | Administrative Services | 45,000 | - |
| Sustainability & Fiscal Strategy | CWP - Budget Audit | Audit the Budget and Budget Policies. | Administrative Services | 15,000 | - |
| Publ Eng and Transparency | CWP - Whole City Policy Review | Repeat the 2013 process of compiling and reviewing all City Policies including 1) Administrative and 2) Council policies and provide recommendations/updates, e.g. Green Purchasing, Property Acquisition | Administrative Services/City Attorney's Office/City Manager's Office | 10,000 | - |

| | | | | | |
|----------------------------------|---|--|--|------------------|-------------------|
| Publ Eng and Transparency | CWP - Council Governance Reform Package | 1. Revised Ethics Policy consistent with City response to the Civil Grand Jury Report authorized on 2/21/2023 2. Investigate and report back on incidents of violations of the Municipal Code and Ethics Policy relative to the Council-staff relationship cited in the Civil Grand Jury Report | City Attorney's Office/City Manager's Office | 25,000 | - |
| Publ Eng and Transparency | CWP - Commission Governance Reform Package | 1. Revised Commissioner's Handbook to align it with Council Procedures Manual 2. Investigate & report back on incidents of violations of the Muni Code re: the Commission-Staff relationship 3. Realignment of Commissioner terms of office 4. Establishment/revision of commissioner qualifications | City Attorney's Office/City Manager's Office | - | - |
| Sustainability & Fiscal Strategy | CWP - Study Session on City-Owned Properties | Inventory and assess existing facilities and prepare a long-range planning report for three City-owned properties (including, but not limited to Blesch, Byrne, and Stocklemer) | City Manager's Office | 90,000 | - |
| Housing | CWP - Preserve existing and develop new BMR/ELI Housing | Explore opportunities to preserve existing expiring BMR housing. Develop ELI (Extremely Low Income) and BMR housing units for Developmentally Disabled individuals (IDD) on City-owned property as well as the County-owned sites. | Community Development | 250,000 | - |
| Housing | CWP - Housing Element Update 2023. | Update Housing Element and complete rezoning, General Plan Amendments and EIR by December | Community Development | 1,714,625 | - |
| TOTAL \$ | | | | 2,539,625 | \$ 215,000 |

FY 2024-25 Proposed City Work Program

| Strategic Goal | Project | Description | Department | Funding Requests for FY 2024-25 |
|----------------------------------|--|---|-----------------------|---------------------------------|
| Publ Eng and Transparency | CWP - The Rise: construction stakeholder engagement | Improve engagement with stakeholders to ensure progress with construction and reduce barriers. | City Manager's Office | 100,000 |
| Sustainability & Fiscal Strategy | CWP - Real Estate Purchasing Policy | Create Real Estate Purchasing Policy | City Manager's Office | 75,000 |
| Quality of Life | CWP - Revise & Update Heart of the City Special Area | Prioritize following completion of Housing Element: 1. Address effect of AB 2011 and build on Housing Element goals to facilitate housing production in transit-oriented locations 2. Tailor permissible uses to revitalize local public-facing commercial uses (retail/restaurant/entertainment/professional office, etc.) | Community Development | 1,050,000 |
| Housing | CWP - Homelessness Jobs Project and Transitional Housing | Continue the Homeless Jobs program for two individuals for the third year. Revisit for review and consider Transitional Housing | Community Development | 225,000 |
| Quality of Life | CWP - Privacy Screening and Balconies Code | Prioritize following completion of Housing Element: Muni Code (Ch.19.28: R-1 Zones) Privacy Screening and Balconies. Update privacy planting list to be climate appropriate/native | Community Development | 200,000 |
| Sustainability & Fiscal Strategy | CWP - Recycled Water Feasibility Study | Develop Recycled Water Feasibility Study. Include Blackberry Farm focus and extension of recycled water from SCVWD. | Public Works | 200,000 |
| Quality of Life | CWP - Pond Repurposing at Blackberry Farm | Repurposing ponds at Blackberry Farm, focus on groundwater recharge. | Public Works | 50,000 |
| Transportation | CWP - New Bicycle-Pedestrian Plan | 1) Update the current Bicycle and Pedestrian Plans and combine them to create a comprehensive Active Transportation Plan. 2) Consider Complete Streets concepts to enhance the interface between Active Transportation improvements and public and private transportation systems. | Public Works | 200,000 |
| Quality of Life | CWP - 280 stretch as scenic highway | Establish/maintain I-280 as scenic highway | Public Works | 25,000 |
| TOTAL \$ | | | | 2,125,000 |

Notable Accomplishments

Administration Department

Wildfire Protection and Local Hazard Mitigation Planning - Coordinated with Santa Clara County Fire and Santa Clara County Sheriff's office to develop evacuation planning maps for residents. This initiative addresses the requirements of AB 747 and AB 1409. The Office is currently updating both the Local Hazard Mitigation Plan and the Community Wildfire Protection Plan, with a focus on incorporating projects identified in other City plans. Integrating these plans provides the opportunity to meet additional legislative requirements related to [hazards and land use planning](#).

Emergency Operation Training - Initiated a new training program for City Emergency Operations Center Staff and set completion dates for Disaster Service Worker training for all City staff. In April 2023, OEM worked with the Department of Parks and Recreation to train 25 City staff who have a role in staffing emergency shelters in a disaster. Finally, the Office developed a program to initiate and track emergency public messaging using volunteer units to share information with the community.

Cupertino Business Outreach Program - Further enhanced the quality working relationship with companies that choose Cupertino as their location, the Economic Development Division introduced the new Cupertino Business Outreach Program (or CBOP) - a program designed to facilitate a dialogue between the private and public sectors. This program provides an opportunity to understand the unique needs of our local businesses and connect them with resources. CBOP incorporates an in-person (or virtual) visit to companies located within Cupertino for a conversation with the leadership team and an optional tour of the operations. With insights gained during these visits, the City hopes to double down on supporting programs that work or create new ones to fill gaps in addressing common business needs.

New Business Connect Newsletter - Enhanced the City's business newsletter - Business Connect. The newsletter serves as another way for the City to stay in touch with and provide updates and resources to Cupertino businesses for growth and vitality. The Business Connect newsletter has grown exponentially to almost 8,000 subscribers and is another testament to the City's desire to engage the business community as well as an unwavering commitment to their success.

Cupertino Online Store - Designed and launched an online store selling Cupertino-branded merchandise. The City team explored the design and technology platform options, launched an internal trial, and introduced the store to the public in February 2023. This pilot is expected to run through the current fiscal year.

Community Outreach and Events - Planned, executed, and supported various outreach efforts and community events, including: India Flag Raising Ceremony, Public Safety Forum, Swearing-In Ceremony, Tree Lighting Ceremony, 2023 State of the City, Housing Element, Spelling Bee Competition, Revitalize Memorial Park, Online Cupertino Store, Jollyman All-Inclusive Playground, Lawrence-Mitty Park and Trail, Regnart Creek Trail, ribbon cuttings, grand openings, Pizza and Politics, video montages of events played during regular City Council meetings, monthly Morning Chat with Cupertino Mayor meetings, Earth and Arbor Day Festival, Lehigh Town Hall with Supervisor Simitian, Safe Routes to School, Office of Emergency Management programs, Environmental Programs and Sustainability programs, and more.

Publications and Videos - Published eight monthly editions of The Scene (10 by end of the Fiscal Year (FY)), 19 editions of the Items of Interest newsletter (24 by end of the FY), and 16 editions of the Council Actions Newsletter (20 by end of the FY). The Video Division has shot and edited multiple video projects including: Cupertino 311 promotional video, Gridics instructional video, Cupertino City Staff introductory video, Upgraded Bike Lanes video, Pedestrian Scramble video, and have several ongoing currently.

Administrative Services Department

GFOA Distinguished Budget Presentation Award - GFOA awarded the City of Cupertino the 2022 GFOA Distinguished Budget Presentation Award with special recognition for Special Long Range Financial Plans Recognition & Special Financial Policies Recognition. The policies can be found under the Financial Policies section.

HR Hub – 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.) and the City’s training management application.

BEST Training Program - Offered 70 training courses via 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.

Coordinated the City’s participation in the Santa Clara and San Mateo County NextGen program and the Santa Clara County Leadership Academy to promote professional growth and succession planning within our agency.

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, contact tracing, creation of new and revised OSHA policies, noticing and reporting requirements pursuant to AB685 and SB1159 and related health and safety trainings.

Diversity, Equity, and Inclusion (DEI) – Offered staff DEI training through webinars, onsite and virtual presentations, and activities as part of the City’s BEST program to increase cultural awareness, knowledge, and communication as well as promote a more inclusive and diverse work environment.

Recruitment and Retention – In FY 2021-22, there were 22 Full Time (FT) separations, a 12% turnover rate. In FY 2022-23, there have been 21 FT separations, an 11% turnover rate. Hosted a recruitment booth at the City’s Earth Day Event to promote City job opportunities within the community.

Benefits Administration – Continued to process a considerable number of employee onboarding and offboarding functions. In FY 2021-22, there were 38 FT new hires and 22 separations. In FY 2022-23, there have been 18 FT new hires and 21 separations.

Labor and Employee Relations- Successfully negotiated successor MOUS with both Labor Unions as well as updated the City’s Unrepresented and Elected Employee Compensation Programs and salary plans. Continued to work collaboratively with the City’s labor unions through monthly labor management meetings.

Risk Management and Worker’s Compensation - Continued to administer the City’s general liability and property insurance programs with the City Attorney’s Office. Administer the City’s Worker’s Compensation program and coordinate with the City’s third-party administrator. Managed and administered the City’s unemployment insurance program as well as the City’s DOT commercial driver program. Coordinated City’s OSHA safety and training programs and Risk Management Committee.

Community Development Department

Permit Activities – To date, 1,954 permits have been issued for a variety of projects. As a result, a total of 229 housing units were approved, a total of 280,320 square feet of office space were approved, and 44,129 square feet of retail space were approved.

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 nongovernmental, 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.

Process Improvement – 1) Streamlined the permitting process for minor permits such as Electric Vehicle, Air Conditioning, Photovoltaic, and Temp Power Pole by creating online permit applications and issuance processes. 2) Coordinated with Santa Clara County Fire to re-establish the in-person over-the-counter coverage. Fire Department staff is in the office on Tuesdays and Thursdays from 11am to 12pm to perform permit reviews in person. 3) Updated online application forms (public art, planning entitlements, Accessory Dwelling Unit, etc.) to reflect any changes in state laws and regulations and to facilitate an easier and smoother application process.

Housing Outreach and Coordination– 1) Drafted and finalized the U.S. Dept of Housing & Urban Development (HUD) National Environmental Policy Act (NEPA) Manual to improve the City’s Community Development Block Grant (CDBG) environmental processes and meet HUDs compliance requirements. 2) Established regular outreach efforts to homeless encampments with the Bill Wilson Center and the County. 3) Joined the West Valley Collaboration- Housing and Homelessness Group to address regional needs.

Innovation & Technology Department

Video Capture Camera Expansion - Successfully expanded video capture to public areas within City facilities by adding or replacing cameras in areas such as the lobby, entry, and exit points. Cameras were installed in Blackberry Farm, Quinlan Recreation Center, and McClellan Ranch Preserve, specifically around high-risk areas such as the pool to provide enhanced security to City residents.

Supplemental Wi-Fi Expansion in Public Areas - Continued expansion of the City’s Internet services to Wilson City Park. Members of the public can access Wi-Fi internet services at this park and City staff working at this park have a secure seamless connection to the City’s network.

Proactive Managed Risk and Security Monitoring– Procured Cybersecurity Professional Services to respond to active threats through proactive monitoring and management tools that scan, manage and resolve security vulnerabilities.

Quinlan Touch Screen – Replaced the existing 24-inch poster staff used to post calendar of events, building layout, and room booking info in the Quinlan lobby. The replacement is a state-of-the-art interactive display that allows customers to navigate through all that Parks & Recreation has to offer, e.g., classes, facilities, parks, events, and more.

Laserfiche Roadmap (Concluding Phase) – Accomplished the file plan design, Laserfiche template and metadata population, and reorganization of records for all departments. This endeavor also involved overseeing the commencement of scanning of all archival records, as well as developing the internal web-link portal and delivering training tailored to each Division.

Capital Improvement Plan (CIP) Management System – Implemented 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.

Business Process Automation – Continued to pursue business process automation, having achieved the successful automation of 40 forms, workflows, approval processes, and routine tasks. Our aim is to enhance process and technology integration, facilitating the adoption of streamlined, digital workflows that optimize efficiency while

minimizing risk exposure. Our dependable platform offers users a secure and easily configurable solution that can be scaled to meet evolving needs.

Drone Program – Integrated drone operations into emergency operations procedures and collaborate with city departments to identify opportunities for utilizing drones in routine workflows, thereby enabling our certified personnel to maintain their flying and image-processing skills while achieving enhanced efficiencies and benefits.

Disaster Preparedness – Through a collaborative effort with OES, we have successfully developed a suite of tools designed to aid in the aftermath of a disaster. The Quick Capture tool, specifically tailored for Cupertino staff and OES Volunteers, facilitates prompt and efficient reporting of issues to the EOC in the immediate aftermath of a disaster via a windshield survey. Additionally, we have designed a Building Damage Assessment Survey on the standard state form to gauge the extent of building damage. EOC Dashboards have been implemented to enable real-time monitoring of data being collected from the field, and a Reviewer Map has been configured for the GIS staff to review and edit reports as necessary as they come in. Furthermore, we have produced detailed evacuation maps for each evacuation zone to aid in emergency evacuations.

Enterprise Resource Planning (ERP) Phase I Need Analysis– Procured an external consultant to 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.

Consolidation of Code Enforcement Services – Consolidated Code Enforcement operations under Accela Land Management System (LMS) and Cupertino 311 service request. The project consisted of automating Code Enforcement business processes under LMS. Working with one system creates a more efficient, trusted outcome. Additionally, custom reports become an easier task due to one application – one database. Finally, code enforcement complaints and service requests are routed from Cupertino 311 system to Code Enforcement officers.

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

Accela Roadmap – Developed 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.

Climate Monitoring and Noise Measurement extension – Installed four air quality sensors 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– Upgraded the audiovisual system in the Cupertino Room to allow for better connection as well as updated infrastructure.

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

Sports Center Audio system upgrade– Upgraded 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.

Parks & Recreation Department

Camps - In the 2022 Summer Season, more than 500 kids enjoyed endless fun at the City's camp programs run by the Parks and Recreation part-time staff at Quinlan Community Center and McClellan Ranch Preserve. To support the camp program, the Leaders in Training volunteer program is designed for teens aged 14 to 18 to learn

valuable life skills. Leaders in Training are invaluable Parks and Recreation summer team members as they support our recreation leaders and are trained in supervision, safety, problem-solving, and leading camp activities.

Hidden Treasures 2022 - The Hidden Treasures event returned to the Cupertino Senior Center for the first time since 2019. The return was a great success, with more than \$14,000 worth of donated items sold. Proceeds from this event go to support the Stay Active Fund, which helps pay for Senior Center memberships and programs for seniors in need of financial assistance. In addition to the monetary benefit of Hidden Treasures, the months of sorting, pricing, and preparation for the day of the sale provided members an opportunity to give back. More than 50 volunteers donated over 1,000 hours.

Winter Holiday Events – Parks and Recreation staff held the annual Tree Lighting event. This heartwarming event brought the community together to experience the joy and excitement of the holiday kickoff. Other sold-out, fee-based holiday programs include Breakfast with Santa with over 300 registrations, and Santa Visits in which Santa visited over 40 homes. One of the most heartwarming events of the year was Signing Santa. This event provides an opportunity for deaf and hard-of-hearing children to communicate with Santa using ASL.

Closing the Gap: An Intergenerational Mixer – More than 50 teens and adults 50+ attended an intergenerational engagement event at the Cupertino Senior Center, interacting through fun and enriching recreational activities. The event opened with heartfelt speeches from the Parks and Recreation and Teen Commission representatives about the importance of connecting with different generations and its positive impact on their lives. Event participants enjoyed various activities, including hula dancing, chair volleyball, giant Jenga, and Connect-4. The City's Geographic Information Services (GIS) department gave a very informative presentation about the City's useful applications available to residents. Topics included Cupertino 311, Service Finder, and Cupertino Augmented Reality Tour, also known as ARTour. The event concluded with a "Bingocize" demonstration led by Silicon Valley Healthy Aging Partnership.

Senior Strategy Survey – The City of Cupertino conducted a Community Assessment Survey for Older Adults (CASOA) to better understand the contributions that adults (50+) make to their communities, as well as the needs they have and challenges they experience. The feedback will help the City be sure that our policies and programs align with our residents' values. This survey was conducted in partnership with Polco, an online civic engagement platform that enables residents to provide direct input to local government decision-making processes. The survey launched in March, with 2,800 randomly selected households receiving a postcard invitation to take the survey online. A week later, these same residents received a printed survey in the mail with a postage-paid return envelope. In April, the open participation outreach window opened allowing all members of the community a chance to complete the survey and share their input online. The survey closed on April 25 resulting in more than 630 responses.

Spring Swing Scramble at Blackberry Farm Golf Course- Hosted the first Spring Swing Scramble at Blackberry Farm Golf Course on Saturday, April 23. The 36-person tournament had filled up a month in advance. Participants were a mix of new and experienced golfers, including Blackberry Farm regulars and first-timers. At the conclusion of play, there was a three-way tie for first place. To break the tie, the three teams participated in a putting contest that went through three rounds before crowning a winner. Prizes were awarded to the first-place team and the contest hole winners for the closest to the pin and longest drive. The event was a success, with many participants inquiring about future tournaments.

Teens – Teen events which have come back for the first time in-person since Covid are Hack Cupertino, Pizza and Politics, and Summer Job Fair. HACK Cupertino was hosted by the Youth Activity Board and City staff. Almost 100 teens participated to de-stress, socialize, and flex their coding skills. Friday, October 21, more than 50 teens and guests attended Pizza and Politics. This youth political event for teens was jointly coordinated by the Cupertino Youth Activity Board, Campbell Youth Commission, and Saratoga Youth commission. The program had a mayor's roundtable, a forum panel with the Fremont Union High School District (FUHSD) board of trustee

candidates, and a teen debate with teens from FUHSD. City staff hosted a Summer Job Fair, an event that gave the teen community an opportunity to come speak to staff about summer jobs and volunteer opportunities. In conjunction with the Job Fair, Teen Commission also hosted the City's first 'Spring Window Decorating,' which highlighted local youth-led organizations. The Wildfire Awareness Initiative Organization, Fremont Animation Club, Cupertino Teen Commission, and Youth Activity Board set the tone for spring with amazing window art! This teen day was topped off with the teen organization, Health Connect, running a spike ball tournament for teens attending the event.

Activities at McClellan Ranch Preserve - From March to May, City staff hosted third grade classes from the Cupertino Union School District and guided them on environmental educational tours around the preserve. The Creek Tours, which serve students across the Cupertino Union School District, are an essential component of the third-grade curriculum. The tours introduce students to the local watershed, the importance of keeping a healthy creek by reducing pollutants and promoting a healthy relationship with nature. Along with Creek Tours, McClellan Ranch Preserve hosted a variety of highly popular Park Ranger led activities including a night hike and flashlight tour, apex predator workshop, wildflower walk, and wildlife tracking class. Additionally, the Baer Blacksmith shop was open monthly for open houses and facilitated regular blacksmithing classes for adults and teens.

Festivals - City staff worked with several festival organizers to ensure festivals offered at Memorial Park met with all City policies and guidelines while providing large-scale events for the community in a fun and safe manner. In FY 23, the festivals were Dilli Haat, Day N' Night Fest, Diwali, Community Egg Hunt, Holi, Cherry Blossom, and Relay for Life. The Ikebana Show was also hosted at Quinlan Community Center presented by the Wafu School of Ikebana. On November 11 at 11 a.m. Cupertino Veteran's Memorial held the Veteran's Day Ceremony at the Memorial in Memorial Park.

Events – City staff directly coordinated several fee-based events in FY 23. City Parks and Recreation staff hosted the Cupertino Campout. More than 190 campers from 80 families of all skill levels visited Creekside Park to camp under the stars. Participants enjoyed mobile recreation activities, the McClellan Ranch Preserve pop-up museum, crafts, and an outdoor movie. Scout troop members from Troop 688 volunteered as campsite attendants to assist families with setting up their tents. Staff also hosted a sold-out Halloween special event, Monster Mash. Families enjoyed a night of crafts, games, and trick-or-treating at the Quinlan Community Center. The first in-person spelling bee since 2020 returned for 2nd through 5th graders, hosted by the Cupertino Parks and Recreation Department and the Cupertino Youth Activity Board. Over 35 students battled in a fierce competition to be the best speller. This year's Spelling Bee was moderated and judged by members of the Teen Commission and Youth Activity Board. The Parks and Recreation Department also hosted the second in-person Big Bunny 5K and Kids Run since 2019. This year's event had over 500 participants with 5K runners navigating the local streets around the Civic Center Plaza.

Public Works Department

- *11th 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.
- Received and reviewed applications for approximately 13 development projects and 400 encroachment permits between January 1, 2022 and December 31, 2022.
- Reviewed and facilitated the approval of Vallco Parkway 1 for Apple and a 7 lot subdivision at 20860 McClellan Road.
- Installed water-saving drip irrigation on Bandlely Dr, between Mariani Ave and Lazaneo Dr.
- Removed the dirt mound (for water conservation efforts) and re-landscaped the median on Stevens Creek Blvd, east of De Anza Blvd (completion expected in June 2023).

- Completed the Memorial Park Ponds removal project and provided more usable open space area for Cupertino residents and visitors.
- Completed Bicycle Boulevard Interim Improvements (Phase 2), Stelling and Alves Crosswalk Installation.
- Completed and opened the Regnart Creek Trail and Fencing project.
- Completed installation of the Creekside Tot Lot playground.
- Renamed the I-280 trail to “Tamien Innu” through a successful community engagement process.
- Passed a Single-Use Plastics ordinance effective September 2023 that will ban single-use plastic foodware, require fiber-based compostable alternatives, and require reusable foodware for dining on-site.
- Provided organics service or exemptions as appropriate to all businesses in Cupertino to meet Senate Bill 1383 and Assembly Bill 1826 requirements for the diversion of organics.
- Conducted over 200 site visits in 2022 to assist businesses with sorting and recycling issues.
- Arranged installation of 23 full trash capture devices to keep trash out of our creeks.
- Reviewed 693 building and demolition permits for debris management and stormwater compliance.
- Conducted 109 preventative stormwater inspections
- Responded to 98 reports of discharges and threats of discharge to the storm drain system
- Completion of Local Roadway Safety Plan, and subsequent initial development of Vision Zero Policy and Action Plan, to be completed late 2023.
- Coordinated 2022 Fall Bike Fest, the largest and most attended Bike Fest to date. 10th Anniversary Fall Bike Fest in planning stages for 2023.
- Substantial completion of School Walk Audit improvements and completion of crossing guard warrant analysis.
- Completed the installation of hydration stations in city parks as part of the park amenities project.
- Effective maintenance response and clean-up during the intensive 2023 winter storm season.
- Replaced 68 fluted street light poles to provide enhanced lighting, power, and communication services to residents as well as sustainable infrastructure for the City.
- Installed 15 new street lights in various neighborhoods as part of the annual new street light infill project.
- Completed 356 bi-annual inspections/cleanings of storm drain inlets that have trash capture devices
- Completed installations for the way finding signage project. This project included 384 new signs.

New Initiatives

Administration Department

Council/Commission Governance Reform Package – As part of the new FY 2023-25 City Work Program, the City Manager’s Office and the City Attorney’s Office will be working to revise the Ethics Policy and address the Civil Grand Jury Report. Staff will also be updating the Commissioner’s Handbook to align it with the new Council Procedures Manual and realign terms of office and qualifications.

Public Safety Initiatives - As part of the new FY 2023-25 City Work Program, the City Manager’s Office will strengthen the Block Leader/ Neighborhood Watch programs to ensure greater participation as well as explore best practices to deter crime in commercial areas.

Administrative Services Department

Fee Study and Cost Allocation Study – The City is working with Matrix Consulting Group to 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.

Revenue Measures – The City is working with Urban Futures, Inc. (UFI) to analyze potential revenue measures, such as transient occupancy tax, sales tax, property tax, and utility users tax.

Community Development Department

Process Improvement – 1) Ongoing effort to create and update handouts to facilitate a more transparent and efficient review process, such as Accessory Dwelling Unit (ADU), planning inspections, etc. 2) Project review software updates for improved integration and access. 3) Review and establish new and updated policies and procedures for the permitting, plan review, and inspection functions. 4) Collaboration for data migration from permitting softwares.

Environmental Protection Standards – Finalize a standardized plan review sheet to help applicants implement requirement of Chapter 17.04 (Standard Environmental Protection Requirements) as result of new Cupertino Municipal Code Chapter approved by City Council.

Tree List Update - Review and revise development tree list (per CMC Ch. 14.18: Protected Trees) with an emphasis on appropriate trees and native species.

Revise & Update Heart of the City Special Area -Prioritize following completion of Housing Element: 1) Address effect of AB 2011 and build on Housing Element goals to facilitate housing production in transit-oriented locations, 2) Tailor permissible uses to revitalize local public-facing commercial uses (retail/restaurant/entertainment/professional office, etc.).

Privacy Screening and Balconies Requirements - Prioritize following completion of Housing Element to update CMC Ch.19.28: R-1 Zones on Privacy Screening and Balconies and privacy planting list to be climate appropriate/native.

Support for the Unhoused - Collaborate and fund jointly with West Valley efforts to address regional needs and find workable support for the Unhoused.

Innovation & Technology Department

Virtual Reality (VR) Decarb – Using the Silicon Valley Clean Energy (SVCE) awarded grant funds, Cupertino will develop a VR experience providing an engaging way to learn about decarbonization. The virtual environment will be a way to create familiarity with a zero-emissions home and ideally inspire residents to adopt these zero-emission options in their own homes. The VR DECARB system will be available at Cupertino festivals, Block Parties, and available as requested by the community.

Enterprise Resource Planning (ERP) Phase II Request for Proposals (RFP) Development and Vendor Selection– Work with the Consultant for RFP development detailing all business and functional requirements and specifications that will come out of 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.

Enterprise Resource Planning (ERP) Phase III Implementation - ERP is the most important application for any business, including government. The goal of a new ERP system includes improved collaboration, better data analytics, improved productivity, better customer (internal & external) experience, and move to SaaS which aligns with IT Strategic Plan.

ProjectDox move to SaaS –The City currently utilizes ProjectDox for Plan Check reviews and approval of all permit applications since 2017. The system works to ensure that proposed construction plans meet life safety, accessibility, sustainability, and structural safety requirements of the code. Currently, the ProjectDox servers are an on-premises environment, and the maintenance and upgrades of the servers is the responsibility of the City IT Staff. Moving to the SaaS (Software as Service) model will shift the responsibility of the day-to-day maintenance, upgrades, and back-ups will shift to the vendor.

Parks & Recreation Department

Senior Services and Youth Engagement – Connect seniors with youth and their families with inclusive activities.

Dogs Off-Leash Area (DOLA) Programs – Transition successful trial DOLA programs to permanent programs with a staff level permitting process housed in Parks and Rec.

Public Works Department

- Initiated the Storm Drain Outfall Inspection Project which is anticipated to be completed in Fall 2023.
- Started construction of the Wilson Park Community Garden and Basketball projects.
- Successful application for funding for McClellan Road Bridge from Evan Low's office (\$5M) and cleared initial stages of CPG funding from Ro Khanna's office (\$2.5M) for this project.
- Successful application for funding for Jollyman All-Inclusive Playground through Evan Low's office (\$1M).
- Negotiated a 2-year extension to the current landfill agreement (to November 2023) and have begun work toward negotiation of a new one. The current agreement, established in 1989, expires in November 2023.
- Successfully awarded a \$8.465 million grant to initiate a significant four-year expansion of the Via-Cupertino on-demand shuttle into City of Santa Clara, including electrification of fleet. Program rollout efforts underway, expanded service begins July 1.
- Lawson Middle School Bikeway Study in progress, to evaluate alternatives to enhance safety for students riding bicycles to and from Lawson Middle School. Three community meetings and draft study completed to date, City Council meeting anticipated summer 2023.
- Implementation and ongoing evaluation of pedestrian scramble traffic signal phasing at Bubb Rd/McClellan Rd intersection.
- Implementation of traffic adaptive traffic signal operations along North De Anza Blvd. Acquisition of hardware for citywide traffic signal and communication upgrade. Installation and improvements in progress.

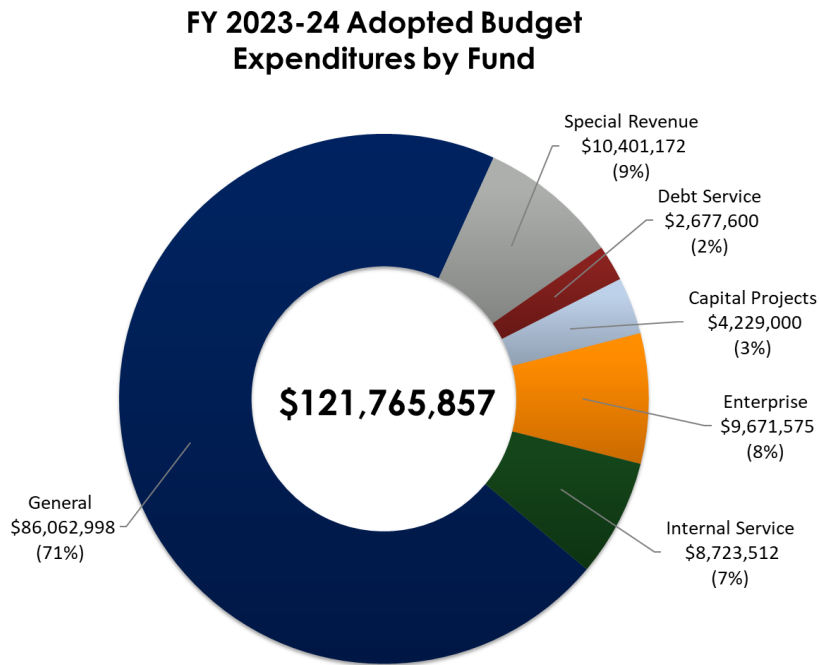
Budget Overview

The Adopted Budget for the upcoming fiscal year highlights a decrease in both expenditures and revenues compared to the previous year's Adopted Budget. Total expenditures are expected to be \$121.8 million, a \$8.8 million or 6.8%, reduction from the previous year. Similarly, total revenues are anticipated to be \$110.2 million, a \$20.0 million or 15.4%, decrease from last year's Adopted Budget.

Expenditures in the General Fund, which supports the majority of City operations, are expected to be \$86.1 million, a decrease of \$9.1 million or 9.6%, from the previous year's Adopted Budget. General Fund revenues are anticipated to be \$80.3 million, which is a \$14.4 million or 15.2%, decrease from the previous year's Adopted Budget.

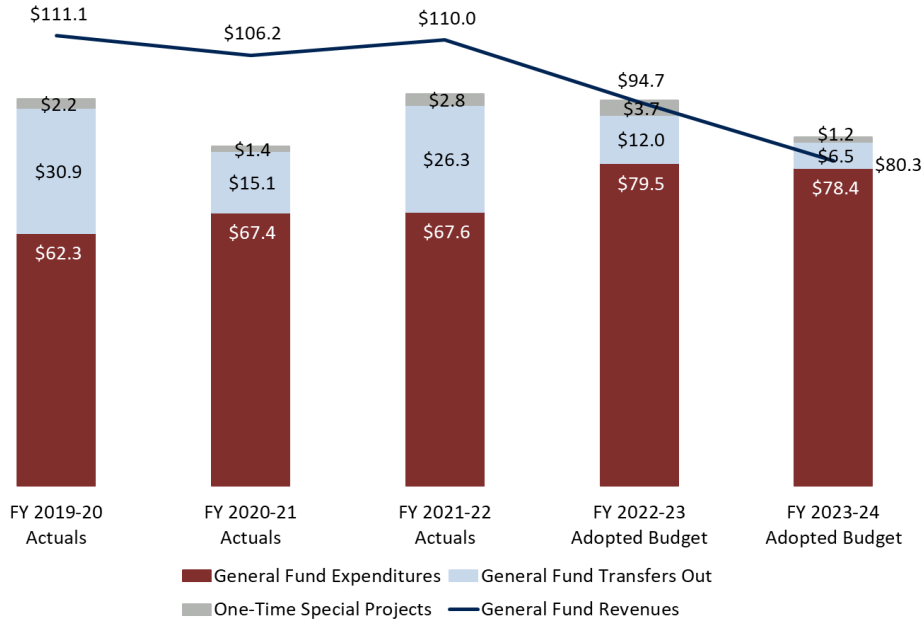
| Fund Type | Adopted Revenues | Adopted Expenditures | Change in Fund Balance/Net Position |
|------------------|-----------------------|-----------------------|-------------------------------------|
| General | 80,281,229 | 86,062,998 | (5,781,769) |
| Special Revenue | 12,991,963 | 10,401,172 | 2,590,791 |
| Debt Service | 2,677,600 | 2,677,600 | - |
| Capital Projects | 2,027,000 | 4,229,000 | (2,202,000) |
| Enterprise | 6,744,789 | 9,671,575 | (2,926,786) |
| Internal Service | 5,478,924 | 8,723,512 | (3,244,588) |
| TOTAL \$ | 110,201,505 \$ | 121,765,857 \$ | (11,564,352) |

As shown in the chart below, the largest fund is the General fund at 71%.



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

General Fund Revenues, Expenditures, and Transfers Out
\$ In Millions



The FY 2023-24 Adopted Budget proposes funding for a total of 212 positions, representing a reduction of 14 positions from the FY 2022-23 Amended Budget. This reduction is due to revenue shortfalls resulting from the California Department of Taxes and Fee Administration (CDTFA) audit. It is important to note that the 14 positions being eliminated are vacant positions that have not been filled for various reasons such as resignation, retirement, or the positions being left unfilled.

To address the City's staffing levels in a responsible and sustainable manner, staff has developed a plan to gradually reduce staffing levels over the next decade through the elimination of vacant positions. The plan aims to eliminate 3-4 vacant positions annually until the City reaches a staffing level of 180 positions, which is consistent with the levels in FY 2015-16.

| Position | Department | Description | FTE |
|--|-------------------------|----------------------|---------------|
| FY 2022-23 Adopted Budget | | | 225.00 |
| FY 2022-23 Amended Budget | | | |
| Special Project Executive (Limited-Term) | Administration | Adding New Position | 1.00 |
| FY 2022-23 Amended Budget | | | 226.00 |
| FY 2023-24 Adopted Budget | | | |
| Assistant City Manager | Administration | Eliminating Position | -1.00 |
| Communications Analyst (Limited-Term) | Administration | Eliminating Position | -1.00 |
| Administrative Assistant | Administrative Services | Eliminating Position | -1.00 |
| Office Assistant | Community Development | Eliminating Position | -1.00 |
| Housing Senior Planner | Community Development | Eliminating Position | -1.00 |
| Permit Center Manager | Community Development | Eliminating Position | -1.00 |
| Recreation Manager | Parks and Recreation | Eliminating Position | -1.00 |
| Community Outreach Specialist | Parks and Recreation | Eliminating Position | -1.00 |
| Maintenance Worker | Public Works | Eliminating Position | -3.00 |
| Project Manager | Public Works | Eliminating Position | -1.00 |
| Project Manager (Limited-Term) | Public Works | Eliminating Position | -1.00 |
| Assistant Director of Public Works | Public Works | Eliminating Position | -1.00 |
| FY 2023-24 Adopted Budget | | | 212.00 |

The City acknowledges that reducing staffing levels is difficult and may result in the elimination of some services. Nevertheless, the City is committed to balancing the budget responsibly while continuing to provide essential services to the community. By gradually reducing staffing levels, the City can avoid any significant disruptions and ensure that services are not compromised while also addressing the need for responsible fiscal management.

Changes to the Budget and Policies

Revised Fees

On July 18, 2023, the City Council approved the fee schedules for FY 2023-24. Moreover, the Matrix Consulting Group is currently conducting a comprehensive fee study, which is expected to be considered for City Council adoption in late 2023.

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. The Audit Committee reviewed and accepted the current Investment Policy on April 24, 2023. The City Council approved the current City Investment Policy on May 16, 2023.

GANN Appropriations Limit

The City's FY 2023-24 appropriations limit is \$127,886,394, an increase of \$5,129,872, or 4.2%, from the FY 2022-23 limit of \$122,756,522. 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 2023-24, 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.

Budget Audit and Updated Policies

Moss Adams, the City's internal auditor, conducted a review of the City's budget development and monitoring processes to improve workflows, communication, and alignment with industry standards. The review revealed that the City's budget process adheres to 76 out of 80 criteria established by the Government Finance Officers Association (GFOA). However, four elements lacked documentation to support alignment with best practices.

To address this, the report recommended developing a prioritized implementation plan to align the City's budget process with GFOA best practices in the four categories that are not aligned. Consequently, staff has taken several steps to ensure the City's alignment with GFOA best practices in these areas.

These steps include the following:

- Developing a Balanced Budget Policy, which is included in the FY 2023-24 Adopted Budget.
- Coordinating with departments to ensure each has a performance measure linked to City financial outcomes in the FY 2023-24 Adopted Budget.
- Working with the City Manager's Office to resume the community survey in FY 2023-24 to monitor stakeholder satisfaction.
- Updating the City's budget policies and procedures to describe the process for adjusting the City's broad goals, which are adjusted as part of the City Work Program.
- Enhancing the budget process by developing internal budget policies and procedures that were reviewed by Moss Adams during the Policies and Procedures Review.

Budget by Fund

General Fund

The General Fund is the primary source of funding for critical services in the community, including law enforcement, public works, community development, park maintenance, code enforcement, and administrative support services. These services are financed mainly by local taxes such as sales tax, property tax, and transient occupancy tax, as well as other discretionary sources. The General Fund is responsible for financing services that do not have dedicated funding sources, ensuring that essential public services are available to the community.

The City's General Fund revenues for the upcoming fiscal year are projected to be \$80.3 million, representing a significant decrease of \$14.4 million or 15.2% from the FY 2022-23 Adopted Budget. This decline is due to a California Department of Tax and Fee Administration (CDTFA) audit of one of the City's taxpayers, which is expected to result in a substantial reduction in sales tax revenue. The City is expected to experience a \$30 million, or 73%, decrease in sales tax revenue from the original FY 2023-24 projections provided by its sales tax consultant, HdL. This corresponds to a decrease of \$30 million, or 28%, in General Fund revenue.

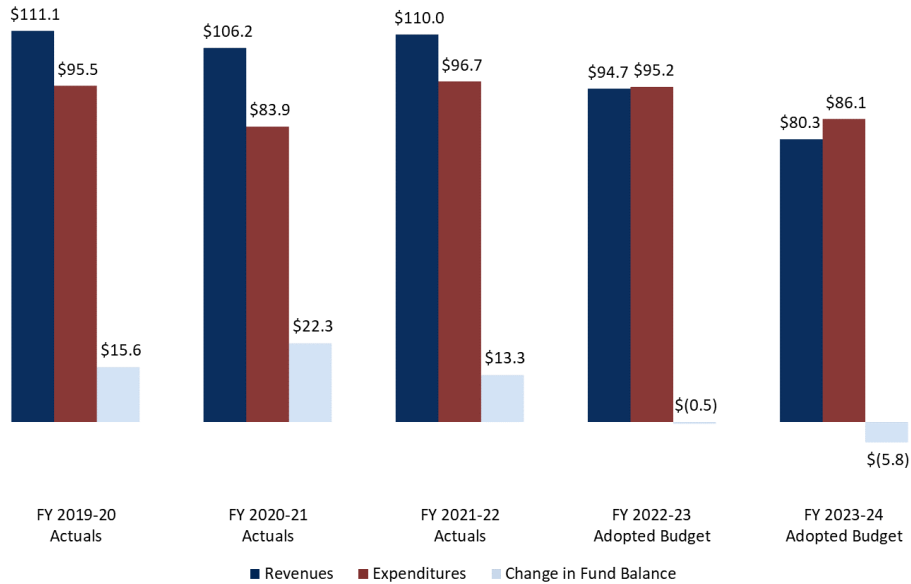
General Fund expenditures for the next fiscal year are \$86.1 million, indicating a \$9.1 million, or 9.6% decrease from the FY 2022-23 Adopted Budget. This reduction is due to the implementation of several expenditure reduction strategies, which include:

- Eliminating 14 vacant positions
- Decreasing expenditures on materials and contract services
- Reducing spending on special projects and capital outlays
- Reducing the City Manager's Contingency Fund by \$25,000 and contingencies by 50%
- Decreasing the amount of transfers to other funds
- Utilizing the City's Section 115 Trusts to fund pension and OPEB (Other Post-Employment Benefits) costs

Through these measures, the City aims to balance its budget while ensuring that essential services continue to be provided to the community.

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

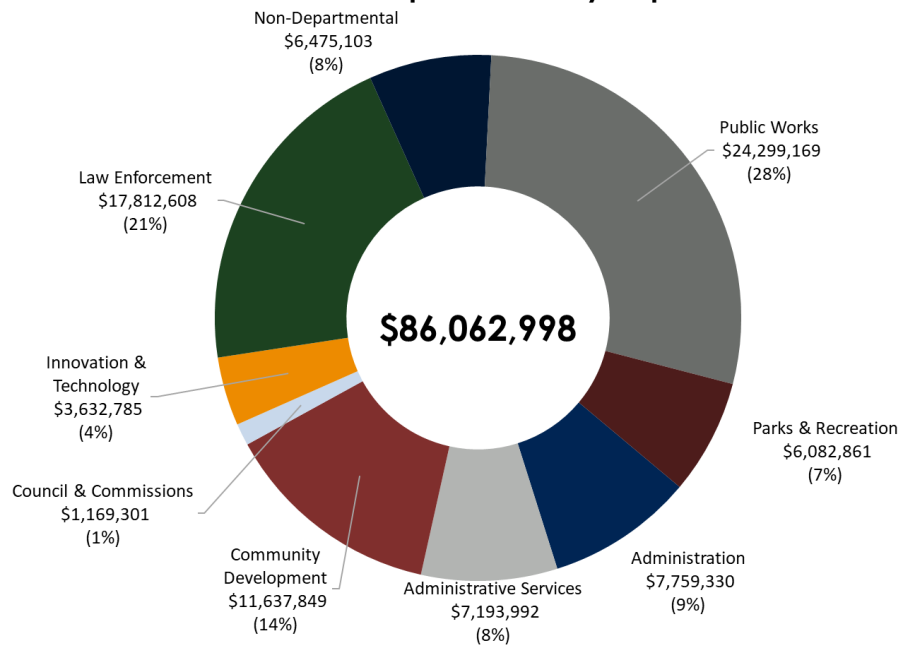


In FY 2023-24, the General Fund's unassigned fund balance is projected to be \$47.1 million, a decrease of \$5.4 million, or 11.0%, from the FY 2022-23 Amended Budget. Total fund balance is estimated to be \$104.4 million, a decrease of \$5.8 million, or 5.2%, from the FY 2022-23 Amended Budget. The decrease is primarily attributable to a \$5.8 million deficit in FY 2023-24 due to a decrease in revenue resulting from the CDTEFA audit. The deficit will be funded by unassigned fund balance.

| GENERAL FUND FUND BALANCE | | | | | | |
|---------------------------|---------------------|----------------------|------------------------|------------------------|------------------------|----------------|
| Classification | 2020-21 Actual | 2021-22 Actual | 2022-23 Adopted Budget | 2022-23 Amended Budget | 2023-24 Adopted Budget | Percent Change |
| Unassigned | 52,449,546 | 51,804,288 | 48,332,873 | 49,530,011 | 44,090,588 | -11.0% |
| All Other Classifications | 44,401,243 | 48,365,253 | 61,771,440 | 60,661,719 | 60,319,373 | -0.6% |
| TOTAL FUND BALANCE | \$96,850,790 | \$100,169,541 | \$110,104,313 | \$110,191,729 | \$104,409,960 | -5.2% |

As shown in the graph below, the majority of General Fund resources are used to support Public Works (28%), Law Enforcement (21%), Community Development (14%), Non-Departmental (8%), Administration (9%), and Parks and Recreation (7%). Non-Departmental expenditures are transfers to other funds.

FY 2023-24 Adopted Budget General Fund Expenditures by Department



Special Revenue Funds

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

For the upcoming fiscal year, the Adopted Budget for Special Revenue Funds is \$10.4 million, which represents a decrease of \$0.8 million or 7.5% compared to the FY 2022-23 Adopted Budget. This reduction is attributed to a decrease in pavement expenditures.

The Special Revenue Funds receive funding from two sources: \$10.5 million in restricted department revenue and \$2.5 million in transfers, resulting in a total funding of \$13.0 million. The Special Revenue Funds are expected to end the year with a fund balance of \$31.9 million, reflecting an increase of \$2.6 million from the previous year. This increase in fund balance is mainly due to the 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 2022-23 Adopted Budget. The Debt Service Funds are funded by \$2.7 million in transfers from the General Fund.

Capital Projects Funds

Capital Projects Funds are used for the acquisition or construction of major capital facilities and infrastructure. Capital Projects Funds include the Capital Improvement Projects Fund, Stevens Creek Corridor Park Fund, and Capital Reserve Fund. These funds are used to finance the implementation of projects identified in the City's five-year Capital Improvement Program (CIP).

The Adopted Budget for Capital Projects Funds is \$4.2 million, an increase of \$0.6 million, or 16.4%, from last year's Adopted Budget. This increase is due to transfers from the Capital Reserve Fund to the Capital Improvement Projects Fund.

The Capital Projects Funds are primarily funded through a combination of transfers from the General Fund, grants, donations, development impact fees, and other dedicated revenue sources. As projects are completed, any remaining funds are typically rolled over into the Capital Reserve Fund to be used for future projects.

Enterprise Funds

Enterprise Funds are designed to support services that are funded directly by fees charged for goods or services. The City's Enterprise Funds include 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.

In the Adopted Budget, the Enterprise Funds are allocated \$9.7 million, which represents an increase of \$0.7 million or 7.4%, from the FY 2022-23 Adopted Budget. The Enterprise Funds are funded by \$6.7 million in program revenue and \$2.9 million in reserves. The Enterprise Funds are projected to end the year with \$3.5 million in reserves, a decrease of \$2.9 million. This decrease is due to the use of reserves, which were accumulated in previous years. During the pandemic, the Parks and Recreation funds accumulated reserves as revenues were higher than expenditures.

Internal Service Funds

Internal Service Funds are for goods or services provided to other City departments or governments on a cost-reimbursement basis. These funds include 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 \$8.7 million, which is a slight decrease of \$0.1 million or 1.6%, compared to last year's Adopted Budget. The Internal Service Funds are funded by \$4.2 million in program revenue, \$1.3 million in transfers from the General Fund, and \$3.2 million in reserves. The Internal Service Funds are projected to end the fiscal year with \$(0.1) million in reserves, decreasing by \$3.2 million. Although the Internal Service Funds show a negative net position, it's important to note that retiree health expenses will be reimbursed by the Section 115 OPEB Trust at the close of each fiscal year.

This decrease in reserves is due to the City's decision to eliminate the General Fund transfer to the Retiree Medical Fund in FY 2022-23. Instead, the City plans to fund Other Post-Employment Benefits (OPEB) costs with the City's Section 115 OPEB Trust, as the City's OPEB plan is over 100% funded. The City will continue to monitor the Internal Service Funds to ensure they remain sustainable and effective in supporting City operations.

Budget Reductions

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 | | Reduction | Service Impact |
|--|---------------------|---------------------|---------------------|--|
| | Original Budget | Adopted Budget | | |
| COUNCIL AND COMMISSIONS | | | | |
| Materials | \$ 286,824 | \$ 161,259 | \$ 125,565 | Reduced meeting expenses, general supplies, and food and drink for Council meetings. |
| TOTAL COUNCIL AND COMMISSIONS | \$ 286,824 | \$ 161,259 | \$ 125,565 | |
| ADMINISTRATION | | | | |
| Materials | \$ 535,812 | \$ 400,223 | \$ 135,589 | This reduction is primarily related to savings in supplies, meeting expenses, and conference and travel. This should have minimal impact on services throughout the department. |
| Contract Services | \$ 1,362,790 | \$ 941,380 | \$ 421,410 | This reduction is primarily related to contract negotiations to reduce cost for services throughout the department. |
| TOTAL ADMINISTRATION | \$ 1,898,602 | \$ 1,341,603 | \$ 556,999 | |
| INNOVATION & TECHNOLOGY | | | | |
| Materials | \$ 2,794,442 | \$ 1,812,505 | \$ 981,937 | Reduced applications utilized by staff, residents, and customers. Commissioners and part time staff limited to E-mail; Prolonged tech refresh cycles and significant reduction in replacement parts and supplies. Reduced Training and Conferences for department. Drone program and training reduced, and eliminate Wi-Fi in parks. |
| Contract Services | \$ 791,240 | \$ 620,119 | \$ 171,121 | Reduce expert technical training; less outside technical support, and reduced LaserFiche document scanning. Reduced maintenance of equipment |
| TOTAL INNOVATION & TECHNOLOGY | \$ 3,585,682 | \$ 2,432,624 | \$ 1,153,058 | |
| ADMINISTRATIVE SERVICES | | | | |
| Materials | \$ 186,223 | \$ 108,808 | \$ 77,415 | Reduced conference attendance, office and general supplies, recruitment advertisements, printing, citywide coffee and tea and reduced citywide employee events. |
| Contract Services | \$ 4,152,414 | \$ 4,020,746 | \$ 131,668 | Reduced citywide trainings, reduced executive recruitments and reduced consultant costs. |
| TOTAL ADMINISTRATIVE SERVICES | \$ 4,338,637 | \$ 4,129,554 | \$ 209,083 | |

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|--------------------------------------|-------------------------------|------------------------------|---------------------|---|
| PARKS AND RECREATION | | | | |
| Part-Time Staffing - Department Wide | \$1,606,998 | \$1,384,982 | \$222,016 | Reduced PT Staff budgets to minimum levels necessary to operate currently open Recreational facilities and ongoing programs. |
| Materials | \$779,829 | \$465,268 | \$314,561 | Simplification or streamlining of current programs and events and fewer marketing efforts and printed materials thereof. Removed budgets for nonessential trainings and conferences in the Department and additional savings from reduced expenditures for meetings and events for staff. |
| Contract Services | \$4,532,489 | \$4,087,409 | \$445,080 | Reduced expansion of current or new offerings for contracted programs, camps, and classes. Reduction of free events offered and removed budget to cover fees for festivals |
| TOTAL PARKS AND RECREATION | \$6,919,316 | \$5,937,659 | \$981,657 | |
| COMMUNITY DEVELOPMENT | | | | |
| Materials | \$1,186,321 | \$1,121,866 | \$64,455 | Reduced conference attendance, professional development opportunities, and materials and supplies. |
| Contract Services | \$655,080 | \$565,580 | \$89,500 | Termination of on-call contracts and negotiation of new contracts will reduce service level and response time. |
| TOTAL COMMUNITY DEVELOPMENT | \$1,841,401 | \$1,687,446 | \$153,955 | |
| PUBLIC WORKS | | | | |
| Materials | \$5,439,339 | \$4,852,658 | \$586,681 | Reduced or eliminated office and general supplies; meetings, conference and trainings; memberships; safety equipment not covered under the MOU; small tools and equipment; and printing and advertising. |
| Contract Services | \$5,460,208 | \$4,781,474 | \$678,734 | Delayed services and response to work requests; deferred maintenance at City parks, facilities, streets and trees. |
| Special Projects | \$5,290,259 | \$4,496,264 | \$793,995 | Delayed or deferred sidewalk repairs and pavement maintenance. |
| Capital Outlays | \$1,100,280 | \$880,224 | \$220,056 | Delayed or deferred pavement maintenance, which will lower the City's Pavement Condition Index (PCI) rating. |
| TOTAL PUBLIC WORKS | \$17,290,086 | \$15,010,620 | \$2,279,466 | |
| TOTAL | \$ 36,160,548 | \$ 30,700,765 | \$ 5,459,783 | |

Unfunded Needs

Departments have identified the following projects as unfunded needs, which refer to priority projects that lack sufficient funding to be implemented at this time.

| Project | Description | Estimated Cost | Funding Status |
|--|--|-------------------------------------|----------------|
| ADMINISTRATION | | | |
| Enhanced water conservation incentives for Cupertino residents | Cupertino provides additional incentives to promote water conservation activities by community members. Residents have leveraged these enhanced incentives since 2015 resulting in approximately 80,000 square feet of grass removed and replaced with drought-tolerant gardens each year. | \$45,000 | Unfunded |
| Employee Alternative Commute program | Program to manage parking impacts, reduce traffic, and encourage use of local public transit and carpooling for staff as they return back to the office. The fund would pay for three years of operation of this program. | \$35,000 | Unfunded |
| Climate Victory Gardens | A program to support residents to remove grass from their property by providing direct technical support, landscape design services, and assistance with filling out rebate paperwork. | \$175,000 | Unfunded |
| TOTAL ADMINISTRATION | | \$255,000 | |
| INNOVATION & TECHNOLOGY | | | |
| IT Strategic Plan | Partner with Departments to develop a three-year FY25- FY27 Strategic Plan to provide guidance/governance to future IT Projects | \$75,000 one-time | Unfunded |
| Debtbook for GASB 96 | Application required for accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). | \$15,000 one-time, \$13,000 ongoing | Unfunded |
| Air Gapped Backups | As part of a network backup and recovery strategy, Air Gapped backups provide a copy of the Organizations data that is offline and inaccessible to cyber criminals. | \$45,000 one-time | Unfunded |
| GPS Rental Equipment | Creating topological deliverables requires renting GPS equipment to achieve the positional accuracy required to produce contours, a service we would like to bring in-house for cost savings. | \$5,000 one-time; \$5,000 ongoing | Unfunded |
| FuelMaster Live | Update our existing FuelMaster SQL deployment to the updated FMLive cloud-based fuel management system. | \$22,000 one-time; \$5,000 ongoing | Unfunded |
| Community Hall Portable Projector | Procurement of a portable projector for revenue generating public and private events | \$6,000 one-time | Unfunded |
| Monta Vista Recreation Center Portable Projection System | Procurement of portable projector for revenue generating classroom rentals | \$6,000 one-time | Unfunded |
| Quinlan Craft Room Display System | Installation of a large 98 inch flat panel display for revenue generating room | \$10,000 one-time | Unfunded |
| Quinlan Social Room Projection System and Screen | Procurement of a ceiling-mounted video projection system and motorized retractable screen for revenue generating room | \$25,000 one-time | Unfunded |
| Senior Center Digital Signage Displays | Procurement of two 50-inch displays at revenue generating Senior Center Lobby for displaying Electronic Activity Calendar | \$5,000 one-time | Unfunded |
| Senior Center Tech Lab Projection System | Installation of a ceiling-mounted video projector for revenue generating room | \$15,000 one-time | Unfunded |
| TOTAL INNOVATION & TECHNOLOGY | | \$229,000 | |

| Project | Description | Estimated Cost | Funding Status |
|---|--|----------------|----------------|
| PUBLIC WORKS | | | |
| Public Works Administration | Public Works Outreach and Events - Ribbon Cutting Ceremonies for newly completed projects; Public Works Week Demonstrations and Open House | \$17,400 | Unfunded |
| Non-Point Source | Stevens Creek Water Quality Monitoring & Pollution Prevention-Creek monitoring is an educational opportunity that produces data that is helpful to the Environmental Team, but not required as a permit condition. | \$26,460 | Unfunded |
| Pre-filled sandbags | Purchase of pre-filled sandbags for residents during storm events. This work will be performed by City staff. | \$11,100 | Unfunded |
| Grounds School Site Maintenance | Garden Gate Elementary School City Access Gate Relocation. Deferred maintenance may negatively impact health of adjacent oak tree and will limit access of service vehicles | \$25,000 | Unfunded |
| Grounds School Site Maintenance | Faria Elementary School Baseball Field Dugout Roof Replacements. Deferred building maintenance will result in deterioration of building assets. | \$25,000 | Unfunded |
| Sports Fields | Jollyman Dugout Roof Replacement. Deferred building maintenance will result in deterioration of building assets | \$10,000 | Unfunded |
| Facilities Maintenance City Hall Alarm | City Hall Burglar Alarm Upgrade. Increase in false alarm response. | \$2,000 | Unfunded |
| Service Center Maintenance | Service Center Men's Restroom Floor Replacement. Deferred building maintenance will result in deterioration of building assets. | \$30,000 | Unfunded |
| Service Center Maintenance | Service Center Women's Restroom Floor Replacement - Deferred building maintenance will result in deterioration of building assets. | \$20,000 | Unfunded |
| Service Center Maintenance | Service Center Coffee Room Cabinet Replacement - Deferred building maintenance will result in deterioration of building assets. | \$7,000 | Unfunded |
| Facilities Maintenance Quinlan Community Center Alarm | Quinlan Community Center Burglar Alarm Upgrade. Increase in false alarm response. | \$2,000 | Unfunded |
| Facilities Maintenance Senior Center Alarm | Senior Center Burglar Alarm Upgrade. Increase in false alarm response. | \$2,000 | Unfunded |
| Facilities Maintenance McClellan Ranch Alarm | McClellan Ranch Burglar Alarm Upgrade. Increase in false alarm response. | \$2,000 | Unfunded |
| Facilities Maintenance Monta Vista Alarm | Monta Vista Burglar Alarm Upgrade. Increase in false alarm response. | \$2,000 | Unfunded |
| Facilities Maintenance Wilson Park | Wilson Park Pottery Building Exterior Painting - Deferred building maintenance will result in deterioration of building assets | \$25,000 | Unfunded |
| Facilities Maintenance Sports Center Alarm | Sports Center Burglar Alarm Upgrade - Increase in false alarm response | \$2,000 | Unfunded |
| Facilities Maintenance Sports Center Roof | Sports Center Roof Hatch Replacement - Deferred building maintenance will result in deterioration of building assets | \$25,000 | Unfunded |
| Facilities Maintenance Sports Center Restroom | Sports Center Restroom Partition Replacement - Deferred building maintenance will result in deterioration of building assets | \$9,000 | Unfunded |
| Facilities Maintenance Community Hall Alarm | Community Hall Burglar Alarm Upgrade. Increase in false alarm response. | \$2,000 | Unfunded |

| Project | Description | Estimated Cost | Funding Status |
|---------------------------|---|---------------------|----------------|
| Fixed Assets Acquisition | Bandit 18xp 180HP Chipper to replace Equipment #184 - Service impact is non-compliance with CA Emissions requirement. | \$90,000 | Unfunded |
| Fixed Assets Acquisition | Kubota L6060 to replace Equipment #179 - Service impact is non-compliance with CA Emissions requirement | \$66,192 | Unfunded |
| Fixed Assets Acquisition | Diamond C 5x8 dump to replace Equipment #158 - Service impact is reduced operational efficiency. | \$10,000 | Unfunded |
| Fixed Assets Acquisition | Kubota RTV to replace Equipment #180 - Service impact is reduced operational efficiency. | \$33,000 | Unfunded |
| Fixed Assets Acquisition | Grayco Line Driver - Service impact is reduced operational efficiency. | \$17,500 | Unfunded |
| Fixed Assets Acquisition | SR28 Thermal Heater - Service impact is reduced operational efficiency. | \$14,000 | Unfunded |
| Fixed Assets Acquisition | Kubota Mini Ex and Trailer - Service impact is ongoing rental expense. | \$80,000 | Unfunded |
| TOTAL PUBLIC WORKS | | \$555,652 | |
| TOTAL | | \$ 1,039,652 | |

Special Projects

The FY 2023-24 Adopted Budget allocates funds for Special Projects, which are typically one-time operational projects. The Special Projects are detailed in the respective program's Special Project section and summarized in the table below. Some Special Projects' budgets from previous fiscal years may also be carried forward into FY 2023-24.

| Program | Project | Expenditure | Funding Source | Strategic Goal | |
|--|---|--|---------------------|---------------------------|----------------------------------|
| CITY WORK PROGRAM | | | | | |
| ADMINISTRATION | | | | | |
| 632 | Community Outreach and Neighborhood Watch | CWP - License Plate Readers | 10,000 | General Fund | Quality of Life |
| TOTAL ADMINISTRATION | | | 10,000 | | |
| PARKS AND RECREATION | | | | | |
| 601 | Rec & Comm Svcs Administration | CWP - Senior Strategy | 20,000 | General Fund | Publ Eng and Transparency |
| 601 | Rec & Comm Svcs Administration | CWP - Dogs Off Leash Area | 5,000 | General Fund | Quality of Life |
| TOTAL PARKS AND RECREATION | | | 25,000 | | |
| COMMUNITY DEVELOPMENT | | | | | |
| 702 | Mid Long Term Planning | CWP - Tree List | 50,000 | General Fund | Sustainability & Fiscal Strategy |
| 711 | BMR Affordable Housing Fund | CWP - Support for the Unhoused | 50,000 | General Fund | Housing |
| TOTAL COMMUNITY DEVELOPMENT | | | 100,000 | | |
| PUBLIC WORKS | | | | | |
| 825 | Street Tree Maintenance | CWP - Tree List | 60,000 | General Fund | Sustainability & Fiscal Strategy |
| 844 | Traffic Engineering | CWP - Planned Transportation Project (Vision Zer | 20,000 | General Fund | Transportation |
| TOTAL PUBLIC WORKS | | | 80,000 | | |
| TOTAL CITY WORK PROGRAM | | | \$ 215,000 | | |
| OTHER SPECIAL PROJECTS | | | | | |
| Program | Project | Expenditure | Funding Source | | |
| INNOVATION & TECHNOLOGY | | | | | |
| 308 | Applications | ProjectDox | 129,475 | General Fund | |
| 308 | Applications | ERP (Phase III) | 450,000 | General Fund | |
| 986 | GIS | VR Decarb | 112,000 | I&T | |
| TOTAL INNOVATION & TECHNOLOGY | | | 691,475 | | |
| PUBLIC WORKS | | | | | |
| 801 | Resources Recovery | HHW and PaintCare | 115,733 | Resource Recovery | |
| 807 | Service Center Administration | Office Reconfiguration | 17,682 | General Fund | |
| 812 | School Site Maintenance | Baseball Field Dugout Roof Replacements-Kennedy | 20,000 | General Fund | |
| 820 | Sidewalk Curb and Gutter | Annual Sidewalk Curb & Gutter | 1,232,313 | Transportation Fund | |
| 821 | Street Pavement Maintenance | Annual Asphalt Project | 1,943,668 | Transportation Fund | |
| 825 | Street Tree Maintenance | Trees and Badges | 15,000 | General Fund | |
| 829 | Bldg Maint Service Center | Service Center Shop Roof Recoating | 15,000 | General Fund | |
| 830 | Bldg Maint Quinlan Center | Lobby Office Security Upgrade, Pre-School Counter Laminate Replacement and Floor Replacement | 85,000 | General Fund | |
| 832 | Bldg Maint McClellan Ranch | Nature Shop Roof Repair, EEC Exterior Painting, Shop Roof/Gutter Repair | 65,000 | General Fund | |
| 834 | Bldg Maint Wilson | Wilson Park Snack Shack Gutter Replacements | 7,000 | General Fund | |
| 836 | Bldg Maint Sports Center | Interior Lighting Improvements | 20,000 | General Fund | |
| 837 | Bldg Maint Creekside | Creekside Interior Lighting Improvements | 12,000 | General Fund | |
| 848 | Street Lighting | Fluted Street Light Pole Replacement | 230,000 | 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 | Low Income Cost Share | 13,162 | Env Mgmt Cln Crk | |
| 854 | General Fund Subsidy | CUSD Joint Use Cost Share | 8,706 | Env Mgmt Cln Crk | |
| 855 | Storm Drain Maintenance | Envirosight ROVVER X Remote Control Camera Sy | 131,000 | Env Mgmt Cln Crk | |
| 985 | Fixed Assets Acquisition | Fixed Asset Acquisition | 460,000 | Vehicle/Equip Replacement | |
| TOTAL PUBLIC WORKS | | | 4,416,264 | | |
| TOTAL OTHER SPECIAL PROJECTS | | | \$ 5,107,739 | | |
| TOTAL SPECIAL PROJECTS | | | \$ 5,322,739 | | |

Current Economic Update

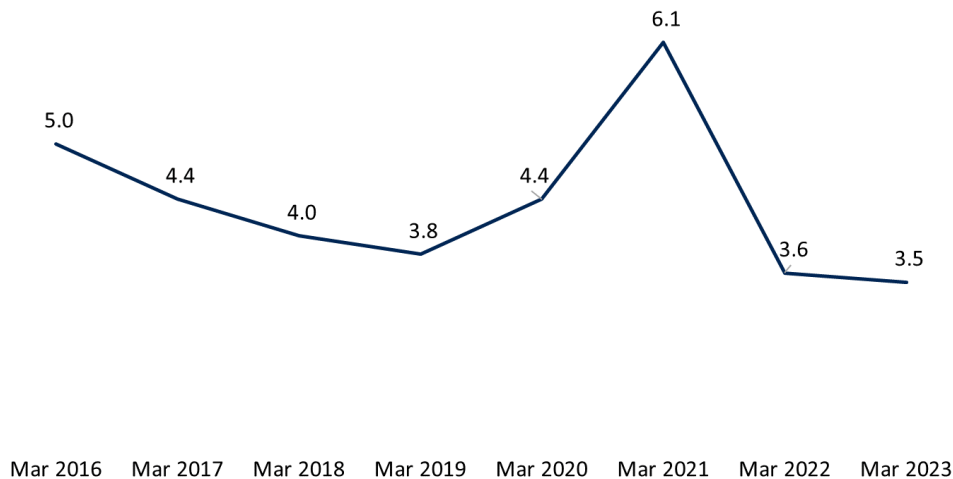
National and State Economic Conditions

Real gross domestic product (GDP) increased at an annual rate of 2.6% in the fourth quarter of 2022, after increasing by 3.2% in the third quarter. The increase in the fourth quarter primarily reflected increases in inventory investment and consumer spending that were partly offset by a decrease in housing investment. The deceleration in the fourth quarter, compared to the third quarter, primarily reflected a downturn in exports and decelerations in consumer spending, business investment, and state and local government spending. These movements were partly offset by an upturn in inventory investment, a smaller decrease in housing investment, and an acceleration in federal government spending. Imports decreased less in the fourth quarter than in the third quarter.

Economic trends have been decelerating along with tighter financial conditions and restrictive monetary policy. Recent data suggests positive but below-trend growth this year. Although the pace of job growth is moderating, labor markets remain solid, and the U.S. consumer has demonstrated resiliency.

At the end of March, the 2-year Treasury yield was 169 basis points higher, and the 10-Year Treasury yield was about 113 basis points higher, year-over-year. The inversion between the 2-year Treasury yield and 10-year Treasury yield narrowed to -56 basis points at March month-end versus -90 basis points at February month-end. The average historical spread (since 2003) is about +130 basis points. The inversion between 3-month and 10-year Treasuries widened to -128 in March from -89 basis points in February. The shape of the yield curve indicates that the probability of recession is increasing.

US Unemployment Rate
(In percentages)



As of March 2023, the U.S. unemployment rate stood at 3.5%, showing a slight decrease from 3.6% in March 2022. This rate is comparable to the 3.5% reported in February 2020 before the start of the pandemic. The participation rate rose to 62.6%, up from 62.4% in the previous year but still below the February 2020 level of 63.4%. The U-6, a broader measure of unemployment that includes those marginally attached to the labor force and employed part-time for economic reasons, declined to 6.7% from 6.9% in March 2022.

Despite concerns over inflation, bank collapses, and a possible recession, American consumer confidence showed a slight increase in March following two consecutive monthly declines. According to the Conference Board, the consumer confidence index rose from 103.4 in February to 104.2 in March. However, while consumers expressed slightly more optimism about the short-term future, their confidence in current conditions decreased. This marks a reversal from recent surveys. The Conference Board notes that although there was an uptick in confidence, the index still remains below the 2022 average level of 104.5. The latest results also reveal that consumer expectations of inflation over the next 12 months remains elevated at 6.3%.

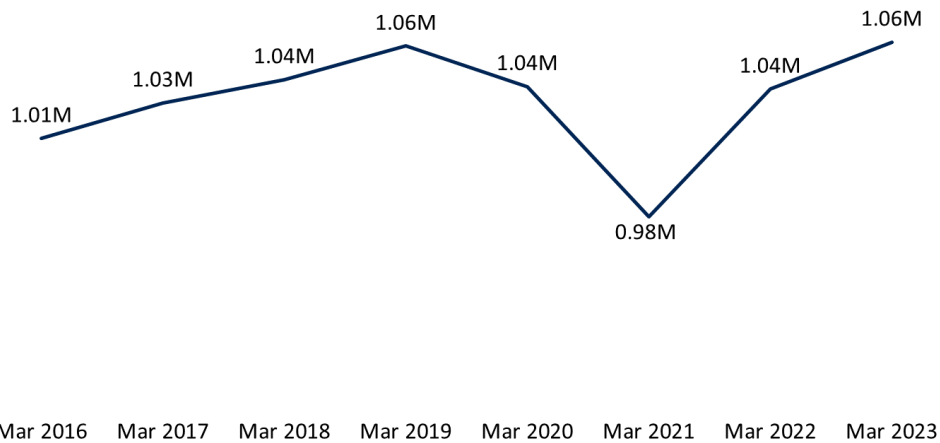
According to the California Employment Development Department (EDD), the state's unemployment rate held steady at 4.4% in March 2023, the same as in March 2022. The EDD also reported that employers added 8,700 nonfarm payroll jobs to the economy in March 2023. Total employment reached 17,967,800, up by 2.5% (432,100 jobs) compared to the same period last year.

The California Association of Realtors (CAR) reported a 4.8% decline in median home prices and a 33.2% decrease in sales in February compared to the previous year. Similarly, Santa Clara County's growth rate also slowed down, with a 17.6% fall in prices of single-family homes and a 37.9% decrease in sales compared to the same period last year.

Cupertino Economic Conditions

The unemployment rate in the San Jose-Sunnyvale-Santa Clara MSA was 3.3% in March 2023, up from a revised 3.2% in February 2023, and above the year-ago estimate of 2.9%. This was below the unemployment rate for California and the nation during the same period.

Monthly Employment - San Jose/Santa Clara MSA
 Number of Employed Persons (not seasonally adjusted)



Housing prices remain relatively strong compared to the same period in 2022. Based on data from Redfin, the median sales price for an existing single-family home was \$2,758,000 in March 2023 compared to \$3,400,000 in March 2022. The City experienced a net taxable value increase of 7.24% for the 2022-23 tax roll.

Key Budget Assumptions

Revenue Assumptions

The City's General Fund revenues heavily depend on property tax, sales tax, and transient occupancy tax (TOT). However, the ongoing CDTFA audit is expected to alter the way sales tax is allocated to the City, leading to a significant reduction in sales tax revenue. As a result, the City anticipates General Fund revenues to decrease by \$30 million, or 28%, from original projections.

Personnel Assumptions

FY 2023-24 salaries and benefits reflect the cost-of-living adjustments approved by the City Council in August 2022. The City is currently negotiating with its bargaining groups because the agreements, which expire on June 30, 2025, include a salary and benefits reopener. In the forecast, full-time salaries are expected to increase by the CalPERS payroll growth rate. On the other hand, part-time salaries are forecasted to grow at a rate of 1.5%, which is a slower rate than full-time salaries.

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 38% of employees are below Step 5.

Non-Personnel Assumptions

Non-Personnel budgets were developed based on previous year's actual expenditures and adjusted for the current year's needs. One-time projects were excluded to reflect ongoing expenditure needs. In response to the anticipated revenue shortfall resulting from the CDTFA audit, departments were asked to find ways to reduce the base budget. To balance the budget, various categories including materials, contract services, capital outlays, special projects, transfers to other funds, and contingencies were reduced in the Adopted Budget.

Ongoing Challenges

Retirement Benefits

Rising retirement costs are driving the increase in employee benefits. Cupertino offers retirement benefits to its employees through the California Public Employee's Retirement System (CalPERS), which experienced a significant decline in its assets due to poor investment returns during the Great Recession. Moreover, changes in actuarial assumptions and enhanced benefits due to higher life expectancies have further increased the plan's liabilities. Consequently, the City's pension costs have escalated considerably and currently constitute one of the City's largest financial obligations.

The table below illustrates the City's CalPERS costs over the next few years.

| | Projected CalPERS Contributions | | | | | |
|-------------------------------|---------------------------------|---------------|---------------|---------------|---------------|---------------|
| | FY 2023-24 | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 |
| Projected Payroll | \$ 21,617,038 | \$ 22,222,316 | \$ 22,844,540 | \$ 23,484,187 | \$ 24,141,744 | \$ 24,817,713 |
| Normal Cost (%) | 10.7% | 10.6% | 10.4% | 10.2% | 10.1% | 9.9% |
| Normal Cost | \$ 2,315,185 | \$ 2,355,565 | \$ 2,375,832 | \$ 2,395,387 | \$ 2,438,316 | \$ 2,456,954 |
| UAL Payment (%) | 22.0% | 21.6% | 19.1% | 18.2% | 14.4% | 14.4% |
| UAL Payment | \$ 4,763,735 | \$ 4,811,000 | \$ 4,361,000 | \$ 4,278,000 | \$ 3,465,000 | \$ 3,586,000 |
| Total Contribution (%) | 32.7% | 32.2% | 29.5% | 28.4% | 24.5% | 24.3% |
| Total Contribution | \$ 7,078,920 | \$ 7,166,565 | \$ 6,736,832 | \$ 6,673,387 | \$ 5,903,316 | \$ 6,042,954 |

In December 2016, the CalPERS Board of Administration implemented a three-year phase-in beginning in FY 2018-19 to lower the discount rate from 7.5% to 7.0%, resulting in significant increases in retirement costs. In FY 2021-22, the discount rate was further reduced to 6.8% due to the FY 2020-21 investment gain of 21.3%, which triggered the Funding Risk Mitigation Policy.

To mitigate the impact of pension rate volatility on the City's budget, the City established a Section 115 Trust in May 2018. The Section 115 Pension Trust had a balance of \$19.1 million as of June 30, 2023, which can be utilized to fund pension costs.

Revenue Volatility

The City of Cupertino heavily relies on business-to-business (B2B) sales taxes for its sales tax revenue, making it highly sensitive to economic fluctuations. The City experienced the impact of this volatility during the dot-com crash from 2000 to 2004. The heavy reliance on the high-tech industry makes the City vulnerable, and the loss of one of the top three sales tax producers in FY 2013-14 made the City more dependent on a single tax producer, further increasing its vulnerability to business volatility.

The COVID-19 outbreak in 2020 significantly impacted the City's revenues from sales and transient occupancy taxes. Although certain sectors, such as restaurants and hotels, brick-and-mortar retail and restaurants, were severely affected, the City experienced an increase in business-to-business sales tax revenues and County pool allocation share. The increase in sales tax revenue was attributed to the rise in online sales due to statewide shelter-in-place mandates and the higher demand for computer and electronics equipment due to the shift to remote work. While the City's sales tax revenues reached historic highs in FY 2020-21 and FY 2021-22, the City considers it a one-time event, and the recovery of the restaurant and hotel, general consumer goods, and automotive industry groups did not offset the declines in business-to-business sales tax and County pool allocation as online sales decreased from their recent historic highs. Transient occupancy tax revenue decreased due to reduced business travel during the pandemic but has begun to recover in FY 2022-23.

In December 2021, the CDTFA informed the City that an audit would be conducted on one of its taxpayers. The CDTFA verbally notified the City in March 2023 of its preliminary determination that tax dollars had been misallocated to the City, discussing the potential impacts on the City. The CDTFA is expected to issue a formal letter to the City within the next four to six months, providing the final audit results and the actual amount of money lost. As a result of the audit, the City's sales tax revenue is expected to significantly decrease.

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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.

All Funds Financial Schedules: This section provides financial information on projected revenues, expenditures, fund balances, and reserves for all funds.

General Fund Financial Schedules: This section provides financial information on projected revenues, expenditures, fund balances, and reserves for the General Fund. It also includes a long-term forecast of revenues, expenditures, and fund balance for the General Fund. Revenue and expenditure assumptions are discussed.

Departmental Operating Budgets: This section details historical and budgeted 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 one-time operational projects.

Non-Departmental Operating Budgets: This section details historical and budgeted 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.

California Department of Tax and Fee Administration - A state agency responsible for administering various taxes, fees, and surcharges in California. This includes the collection and administration of sales and use taxes, which is a major revenue source for the state and local governments.

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.

Deficit - Occurs when expenditures exceed revenues.

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.

Structural Deficit – The amount by which a government's expense is higher than its revenue received, regardless of the economic climate.

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 |
| CWP | City Work Program |
| 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 |
| 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

Sample Revenues, Expenditures, and Fund Balance Table

| Category | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|-------------------------------|----------------|----------------|------------------------|------------------------|
| Revenues | | | | |
| Taxes | - | - | - | - |
| Licenses and Permits | - | - | - | - |
| Use of Money and Property | - | - | - | - |
| Intergovernmental Revenue | - | - | - | - |
| Charges for Services | - | - | - | - |
| Fines and Forfeitures | - | - | - | - |
| Miscellaneous Revenue | - | - | - | - |
| Other Financing Sources | - | - | - | - |
| Interdepartmental Revenue | - | - | - | - |
| Total Revenues | - | - | - | - |
| Expenditures | | | | |
| Employee Compensation | - | - | - | - |
| Employee Benefits | - | - | - | - |
| Materials | - | - | - | - |
| Contract Services | - | - | - | - |
| Cost Allocation | - | - | - | - |
| Capital Outlay | - | - | - | - |
| Special Projects | - | - | - | - |
| Other Financing Uses | - | - | - | - |
| Debt Service | - | - | - | - |
| Transfers Out | - | - | - | - |
| Contingencies | - | - | - | - |
| Total Expenditures | - | - | - | - |
| Change in Fund Balance | - | - | - | - |
| General Fund Costs | - | - | - | - |

Taxes – Money received from taxes such as sales, property, transient occupancy, and utility tax

Licenses and Permits – Money received from license and permit fees

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

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

Charges for Services – Fees collected for services provided by City departments

Fines and Forfeitures – Money received from fines and penalties

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

Other Financing Sources – Money received from bond proceeds, fixed asset proceeds, and refundable deposits

Interdepartmental Revenue – Interdepartmental service charges and transfers

Total Revenues – Total of all revenue categories

Employee Compensation – Cost of full-time and part-time salaries and overtime

Employee Benefits – Cost of employee benefits including CalPERS retirement, health insurance, and other benefits

Materials – All materials purchased for repair and maintenance, operational activities such as books, uniforms and recreation supplies, office supplies, and conference and training costs

Contract Services – All legal, consulting, and other professional goods and services, contract repair and maintenance, utility charges, training and memberships, equipment rentals, insurance, and employment services

Cost Allocation – Cost of services from other City departments

Capital Outlay – Expenditures for tangible fixed assets including land, buildings, vehicles, infrastructure, furniture, equipment, and City vehicles used in operation beyond one year

Special Projects – One-time projects or costs

Other Financing Uses – Depreciation and refundable deposit expenses

Debt Service – Principal and interest payments for outstanding debt

Transfers Out – Transfers out to other City funds

Contingencies – Funds for unexpected expenses and emergencies (1.25% of budgeted materials and contract costs)

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).

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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 60,869 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, while at the same time, being supportive of redevelopment projects to bring in new investment. 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 and a high-touch approach has resulted in an innovative environment for start-ups and growing companies to thrive, including Bromium, Moxo Cupertino, DURECT, Xisilicon Semiconductor Inc, Claspp, Panasonic Venture Group, Altia Systems, Mirapath, Aemetis Inc, Mist Systems, and many more. The City strives to retain our companies and attract new ones through active outreach and a responsive, streamlined, and customer-oriented entitlement process.

Cupertino has a number of mixed-use development projects offering diverse retail and dining options, as well as providing additional housing opportunities to meet the needs of the growing community. There are also quite a few development projects underway including: Westport Cupertino, Marina Plaza, Alan Row, and Canyon Crossing. Further, City Council recently approved the 283,000 square foot mixed Office/Commercial Apple development at 19191 Vallco Parkway.



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, Tan-cha, 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, a shopping center located in the northeast portion of the City, is home to 99 Ranch Market, Duke of Edinburgh Pub & Restaurant, 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 public participation for the Council meetings is in-person and online.

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

- Administration
- Administrative Services
- Community Development
- Council and Commissions
- Innovation and Technology
- Parks and Recreation
- 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:

- Arts and Culture Commission
- Audit Committee
- Bicycle Pedestrian Commission
- Housing Commission
- 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 Redfin, the median sales price for an existing single-family home was \$2,758,000 for March 2023. 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 2022-2023 Annual Report:

- Cupertino: \$30,892,117,995
- County: \$619,953,385,583

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.

On-Demand Ride Sharing: SV Hopper is a convenient app-based ride-share program that provides transportation anywhere in Cupertino and to select destinations outside of the City. For more information, scan the QR code below.



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

Neighborhood Block Leader Program

A connected community is a safer and more resilient community. Block Leaders are engaged Cupertino residents who go the extra mile to build a sense of trust and community in their neighborhoods. The program shares City news, hazards, and events with Block Leaders, provides support for community building, and organizes quarterly meetings. Meeting topics include crime prevention, emergency preparedness, and presentations from City Divisions to help residents learn more about their City. Leaders facilitate information sharing between the City and residents, host community gatherings, and build a sense of trust and safety in their neighborhoods. To become a Cupertino Block Leader, please contact the Block Leader Coordinator at martad@cupertino.org.



Neighborhood Block Leader Program

Neighborhood Watch

Stay safe, get connected, and learn how to prevent crime with Cupertino Neighborhood Watch. Neighborhood Watch is a partnership between residents, the City, and the Sheriff's Office to reduce crime in our communities through education. 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 martad@cupertino.org.

Affordable Housing: BMR (Below Market Rate) Program

The City of Cupertino requires that 15% of all new rental construction and 20% of ownership construction be affordable to households below 120% of the County median income. Rental units are made available to very low and low-income households, while ownership units are made available to median and moderate-income households.

The City of Cupertino contracts with Rise Housing to screen and place qualified households in BMR units. Rise Housing maintains a waitlist of interested persons for these BMR units. For more information visit Rise Housing at www.risehousing.com, email cupertino@risehousing.com, or call (415) 301-5448 (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>



Community Statistics

Facts and Figures ¹

| | |
|-------------------------------|-----------|
| Population in City Limits | 60,869 |
| Average Household Income | \$218,571 |
| Average Age | 40.7 |
| Registered Voters | 33,147 |
| Democrats | 15,384 |
| Republicans | 4,386 |
| American Independent | 525 |
| Other | 333 |
| No Political Party Designated | 12,519 |

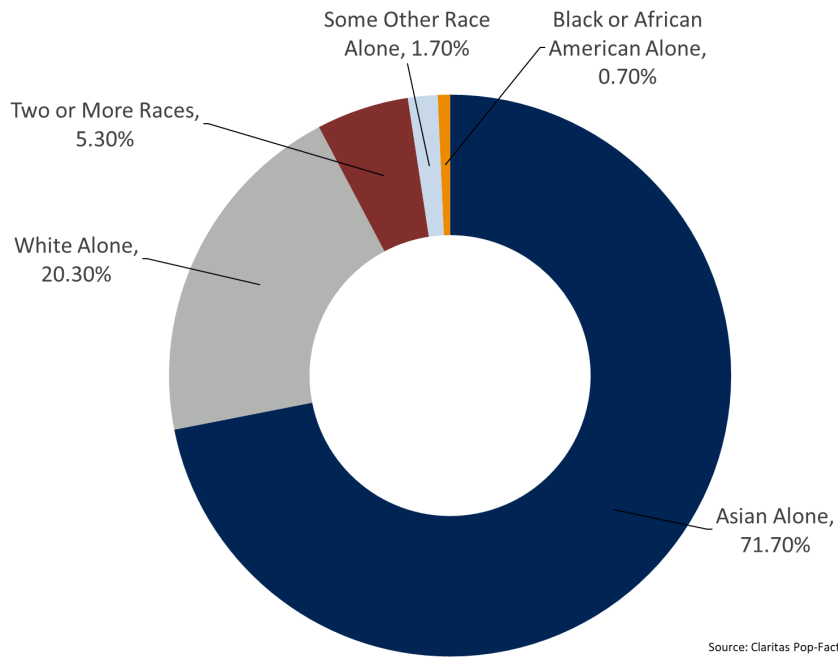
¹ Claritas 2023 Estimates and County of Santa Clara Registrar of Voters as of April 27, 2023

Top 25 Sales Tax Producers 2022 (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
- De Anza Car & Gas
- Galpao Gaucho
- Haidilao Hot Pot
- Insight Direct
- Insight Public Sector
- Keysight Technologies
- Kura Revolving Sushi Bar
- Lazy Dog Cafe
- Mirapath
- Rotten Robbie
- Safeway
- Shane Company
- Target
- TJ Maxx
- Valero
- Whole Foods Market

² HdL Companies 3Q 2022 (July - September) Sales Tax Update

Population by Single Classification Race



Source: Claritas Pop-Facts® Premier 2023

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 Tuesday through Thursday, from 10:00 a.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

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 departments review and adjust ongoing operational costs. The base budget does not include any one-time initiatives. Departments must justify all new costs each year.

Proposal

Every year in March, departments prepare budget proposals for new ongoing or one-time initiatives. These proposals are reviewed by Finance staff, who use data from current and past years to evaluate their feasibility. The city’s long-term financial forecast is also taken into account to ensure that budget decisions align with the city’s financial goals.

The City Manager, with the assistance of the Director of Administrative Services and Budget Team, reviews the proposals and selects the proposals to be included in the Proposed Budget. The Proposed Budget is published by May 1st.

In May, staff presents the Proposed Budget to the City Council during a proposed budget study session. Commissions, committees, community organizations, and the public are all welcome to review and provide feedback on the Proposed Budget. During the session, City Council members have the opportunity to ask questions, offer suggestions, and provide recommendations to staff on the Proposed Budget.

Adoption

In June, the City Council holds a public hearing to consider the Proposed Budget presented by staff. At this hearing, an updated version of the Proposed Budget is presented, and staff addresses any questions or concerns that were raised during the study session.

After the presentation, City Council members deliberate and vote to adopt the budget. The adopted budget authorizes expenditures for the specific activities and funds outlined in the budget. This ensures that the city has a clear plan for how to allocate its resources in the upcoming fiscal year.

The adopted budget goes into effect on July 1st, marking the beginning of the new fiscal year.

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 budgets, staff reports to the City Council quarterly. Quarterly reports update the 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. Transfers between fund types need approval by City Council.

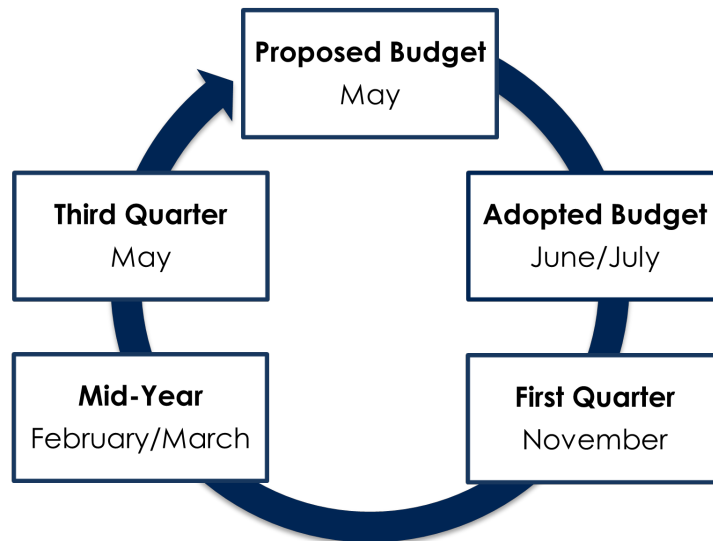
City Council approval is also required for additional appropriations from fund balances or from new revenue sources.

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.



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 on budget format to the Audit Committee.

The City's annual community budget workshop is held every April. However, this year, City staff are hosting a variety of budget outreach events by educating the community on budget-related topics at local farmer's markets, Cupertino festivals, and in front of the Cupertino Library. Additionally, the City hosted a Budget Town Hall event on May 18, 2023. These outreach efforts educated the community about the City's current budget challenges and budget reduction strategies.

OpenGov Financial Transparency Portal

In order to facilitate understanding and transparency of the budget document, the City presents budget information through OpenGov, an online tool that provides users with different views of the City's budget data by fund, department, revenues, and expenditures. The tool can be accessed by visiting cupertino.org/opengov.

The City invites you to use the online tool to:

- Search the current year's budget and financial data.
- View trends in revenues and expenditures over time.
- Drill down into expenses by department or account type.
- Display the data as graphs or charts.
- Download into Excel.
- Share with friends using email or social media.
- Send comments directly to the City online.

Annual Budget

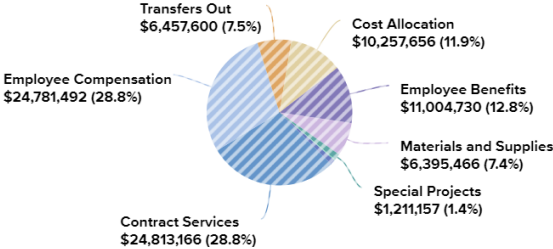
Cupertino's budgets: cupertino.org/budget

Updated On 20 Jul, 2023

[← Back](#) [↻ History](#) [↺ Reset](#)

Broken down by
Expenses General Fund

Visualization



2023-24
Adopted
Budget

[<](#) [>](#)

[Table](#) [Bar](#) [Line](#) [Pie](#) [Map](#)

Sort **Large to Small**

- Contract Services
- Employee Compensation
- Transfers Out
- Cost Allocation
- Employee Benefits
- Materials and Supplies
- Special Projects

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. Matrix Consulting Group is in the process of updating the CAP, which will be included in the FY 2024-25 budget. Generally, the CAP is updated every five to seven years.

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 2023-24 CAP was prepared using data from FY 2021-22.

Internal Service Funds

In addition to support services, all eligible funds are charged a prorated share of the costs for Innovation & Technology, Vehicle & Equipment Replacement, and Compensated Absences.

Transfers

In addition to the allocation of costs between funds, the City also makes transfers from the General Fund to various funds, which provide subsidies and resources to the receiving fund to support operating, debt service, and capital project costs. General Fund subsidies are evaluated annually to ensure that funds outside of the General Fund end the year with sufficient fund balance. Typically, transfers are made to Special Revenue and Enterprise Funds that require subsidies due to their revenues falling short of full program costs. Furthermore, the City has recurring transfers to the Debt Service Fund to fund the costs associated with the annual debt payment.

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 the City's auditors according to generally accepted accounting principles (GAAP) set by the Governmental Accounting Standards Board (GASB). The City's auditor was Crowe, LLP from FY 2016-17 to FY 2021-22. Beginning FY 2022-23, the City's auditor is The Pun Group, LLP.

Fund Structure

In governmental accounting, a state or local government is not considered a single entity but is instead viewed as a collection of individual business units known as 'funds.' This approach is known as fund accounting, which emphasizes accountability rather than profitability.

Under fund accounting, each fund is a self-contained set of accounts that are segregated for specific purposes in accordance with laws, regulations, or other limitations. This system ensures that funds are used for their intended purpose and that there is transparency in the use of public funds.

The City's finances are structured into a range of funds that serve as the primary accounting and reporting entities in governmental accounting. These funds are broadly categorized into two groups: Governmental Funds and Proprietary Funds.

Governmental Funds

Governmental Funds are used to account for the City's general operations and other activities financed by taxes, grants, and other governmental resources. These funds include the General Fund, Special Revenue Funds, Capital Projects Funds, and Debt Service 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 the City's ongoing business activities that are similar to those of a private enterprise. These funds include the 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). |

Department/Fund Relationship

The following table illustrates the relationship between the City’s departments and funds. It also shows which funds are major funds.

| Fund | Department | | | | |
|---------------------------------|-----------------------|----------------|-----------------|-------------------------|-------------------------|
| | Council & Commissions | Administration | Law Enforcement | Innovation & Technology | Administrative Services |
| GENERAL FUND | | | | | |
| 100 General Fund* | X | X | X | X | X |
| 130 Investment Fund | | | | | |
| SPECIAL REVENUE FUNDS | | | | | |
| 210 Storm Drain Improvement | | | | | |
| 215 Storm Drain AB1600 | | | | | |
| 230 Env Mgmt Cln Crk Strm Drain | | | | | |
| 260 CDBG* | | | | | |
| 261 HCD Loan Rehab | | | | | |
| 265 BMR Housing | | | | | |
| 270 Transportation Fund* | | | | | |
| 271 Traffic Impact | | | | | |
| 280 Park Dedication | | | | | |
| 281 Tree Fund | | | | | |
| DEBT SERVICE FUNDS | | | | | |
| 365 Public Facilities Corp* | | | | | |
| CAPITAL PROJECTS FUNDS | | | | | |
| 420 Capital Improvement Fund* | | | | | |
| 427 Stevens Creek Corridor Park | | | | | |
| 429 Capital Reserve | | | | | |
| ENTERPRISE FUNDS | | | | | |
| 520 Resource Recovery* | | | | | |
| 560 Blackberry Farm | | | | | |
| 570 Sports Center* | | | | | |
| 580 Recreation Program* | | | | | |
| INTERNAL SERVICE FUNDS | | | | | |
| 610 Innovation & Technology | | | | X | |
| 620 Workers' Compensation | | | | | X |
| 630 Vehicle/Equip Replacement | | | | | |
| 641 Compensated Absence/LTD | | | | | X |
| 642 Retiree Medical | | | | | X |

* Major fund

| Fund | Department | | | | Non-Departmental |
|---------------------------------|--------------------|-----------------------|--------------|------------------|------------------|
| | Parks & Recreation | Community Development | Public Works | Capital Projects | |
| GENERAL FUND | | | | | |
| 100 General Fund* | X | X | X | | X |
| 130 Investment Fund | | | | | X |
| SPECIAL REVENUE FUNDS | | | | | |
| 210 Storm Drain Improvement | | | X | X | |
| 215 Storm Drain AB1600 | | | X | X | |
| 230 Env Mgmt Cln Crk Strm Drain | | | X | | |
| 260 CDBG* | | X | | | |
| 261 HCD Loan Rehab | | X | | | |
| 265 BMR Housing | | X | | | |
| 270 Transportation Fund* | | | X | X | |
| 271 Traffic Impact | | | | | X |
| 280 Park Dedication | | | | X | |
| 281 Tree Fund | | | | | X |
| DEBT SERVICE FUNDS | | | | | |
| 365 Public Facilities Corp* | | | | | X |
| CAPITAL PROJECTS FUNDS | | | | | |
| 420 Capital Improvement Fund* | | | | X | |
| 427 Stevens Creek Corridor Park | | | | X | |
| 429 Capital Reserve | | | | | X |
| ENTERPRISE FUNDS | | | | | |
| 520 Resource Recovery* | | | X | | |
| 560 Blackberry Farm | X | | X | X | |
| 570 Sports Center* | X | | X | X | |
| 580 Recreation Program* | X | | | X | |
| INTERNAL SERVICE FUNDS | | | | | |
| 610 Innovation & Technology | | | | | |
| 620 Workers' Compensation | | | | | |
| 630 Vehicle/Equip Replacement | | | X | | |
| 641 Compensated Absence/LTD | | | | | |
| 642 Retiree Medical | | | | | |

Balanced Budget Policy

PURPOSE

The purpose of this policy is to ensure that the City has a balanced budget that is sustainable in the long term. It aims to establish a clear definition of a balanced budget, promote a commitment to achieving this balance, and ensure transparency and disclosure when there is deviation from the balanced operating budget.

SCOPE

This policy applies to all operating funds of the City. This policy excludes Capital Projects Funds and Debt Service Funds.

POLICY

Statutory Balanced Budget

At a minimum, the City shall adopt a statutory balanced budget, where the City's use of resources for operating purposes does not exceed available resources for the fiscal year.

Structurally Balanced Budget

The City shall adopt a balanced budget where operating expenditures do not exceed operating revenues in the ten-year forecast. The budget must be balanced not only during the current operating period but also in the future, which is referred to as a structurally balanced budget.

Recurring revenues are the portion of a government's revenues that can reasonably be expected to continue year to year, with some degree of predictability. Property taxes are an example of recurring revenue. Proceeds from the sale of property are an example of non-recurring revenue. Recurring expenditures appear in the budget each year. Salaries, benefits, materials and services, and maintenance costs are examples of recurring expenditures. Capital asset acquisitions are typically non-recurring.

Balanced Budget Calculation

To calculate a balanced budget, the following factors shall be included: operating revenues, operating expenditures, and interfund transfers. However, capital costs shall be excluded from the calculation. The use of reserves and fund balance may be considered.

The accrual basis will be used to define revenues and expenditures.

Use of Fund Balance

If a structurally balanced budget is not possible for the City at a given time, reserves and fund balance may be used to balance the budget. However, this should only be done in the context of a plan to return to structural balance, replenish fund balance, and remediate the negative impacts of any short-term balancing actions that may be taken. The plan should clearly specify the time period over which these actions will occur.

Noncompliance with Balanced Budget Policy

The policy permits noncompliance during the early stages of an economic downturn so that services can be reduced in an orderly fashion.

Responsibility for a Balanced Budget

The City Manager is responsible for making any necessary decisions on whether or not a budget is in balance. They shall take appropriate action to bring the budget into balance if adjustments are needed during the fiscal period.

Revised April 2023

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 Programs (CIP) Policy to assist in future budget projections.

SCOPE

All anticipated CIP projects for the current fiscal year plus four additional fiscal years.

POLICY

The City will prepare an annual CIP for the current fiscal year that includes a projection of anticipated programming and funding for a total of five fiscal years.

Projects included in the CIP will have information on the need for the project (project justification), description and scope of work, total cost estimates, future operating and maintenance impacts, and funding sources.

The project justification will incorporate information on the factors that affect the prioritization of the project. The factors to be considered include (but are not limited to) the Health & Safety of the community, continuation of ongoing work, Community requests, General Plan and Master Plans' directives, staffing and operational demands, sustainability and resiliency, and internal and external funding viability.

Changes to the CIP such as addition of new projects, significant 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 facilities 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.

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.

Revised April 2023

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);
- enterprise software;
- workgroup software; and
- broadcast video and audiovisual equipment.

Laptops and associated peripherals, desktop software not being utilized across a workgroup or enterprise, 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.

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 (based on license count) 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.

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.

Revised April 2023

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 – \$19,088,859 and represents the funds restricted for the City's pension obligations. In response to the increasing retirement costs based on actuarial forecasts, the City created a secondary pension trust to help stabilize the impact of pension cost volatility on the City's operating budget. To fund this secondary trust, the City made an initial contribution. After that, the annual contributions are determined based on the difference between CalPERS' current discount rate and a more conservative rate determined by the City. This difference will then be transferred to the pension trust and used exclusively for the benefit of members in the plan.

The primary goal of establishing this secondary trust is to ensure that the City can continue to provide its employees with the retirement benefits they have earned while maintaining fiscal responsibility. By using a more conservative rate for calculating contributions, the City can better anticipate and manage pension costs and mitigate potential negative impacts on the City's budget.

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 ¹ | Escalator ² | Description |
|-------------------------------|------------------------|----------------------------|--|---|
| GENERAL FUND | | | | |
| 1 | Economic Uncertainty | \$24,000,000 | GF Budgeted Operating Expenditures ³ GF Budgeted Revenue ⁴ | For economic downturns and major revenue changes. |
| 2 | PERS | \$19,088,859 | Budgeted Citywide Retirement Costs | For pension costs. |
| 3 | Capital Projects | \$10,000,000 | None | For future capital projects funding. |
| 4 | Sustainability Reserve | \$127,891 | GF Budget Revenue ⁴ | For future sustainability projects/programs. |
| 5 | Unassigned | \$500,000 | Budgeted GF Operating Expenditures ³ | 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 As of June 30, 2023

² Rounded to the nearest hundred thousand

³ Excludes Transfers Out

⁴ 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

Revised July 2023

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, or endowment funds.
- 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
 - Number of Cupertino residents served vs. number of non-Cupertino residents served
 - Availability of the program/project/event to the entire Cupertino community
- Community need for the program/project/event
- Alignment with Cupertino General Plan Principles
- Uniqueness of the program/project/event
 - Lack of duplication in service in Cupertino
 - Level of collaboration if a duplicated service
- 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.
- If requested, recipients must provide full financial statements for the organization.
- Festivals currently receiving funding through Festival Fee waivers may not apply for funding through the Community Funding Grant Process for the same festival
- Admission to or participation in the event must be "free of charge"
- 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.

Revised November 15, 2022

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.

The Audit Committee reviewed and accepted the current Investment Policy on April 24, 2023. The City Council approved the current City Investment Policy on May 16, 2023.

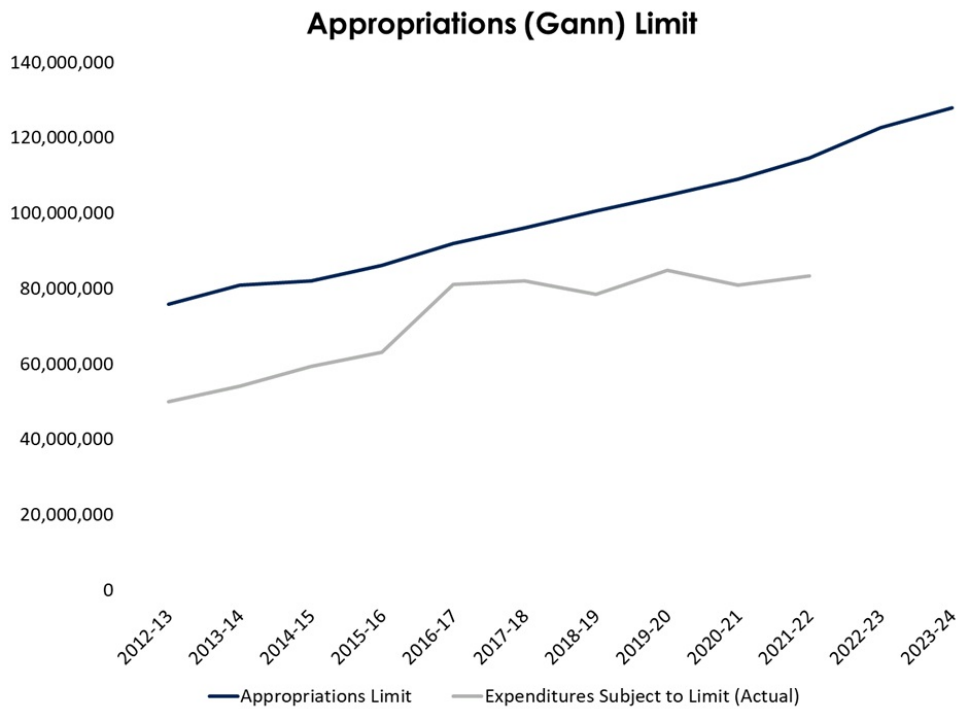
The City Investment Policy is available [here](#).

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 Senate Bill 88, approved by California voters in June of 1990, offered cities more flexibility in choosing inflation and population factors to calculate the limit.

The following chart and table show the appropriations limit and actual expenditures¹ subject to the appropriations limit.



¹ Actual Expenditures from the Annual Comprehensive Financial Report (ACFR)

| Fiscal Year | Appropriations Limit | Change in Appropriations Limit | Percent Change in Appropriations Limit | Expenditures Subject to Limit (Actual) |
|-------------|----------------------|--------------------------------|--|--|
| 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% | \$ 83,239,295 |
| 2022-23 | \$ 122,756,522 | \$ 8,090,031 | 7.1% | |
| 2023-24 | \$ 127,886,394 | \$ 5,129,872 | 4.2% | |

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: 4.44%

Population Factor

- (B) Percent Change in County Population: -0.25%
- (C) Percent Change in City Population: -0.87%

The City multiplied the FY 2022-23 appropriations limit by Price Factor (A) and Population Factor (B) to calculate the FY 2023-24 appropriations limit, as shown below:

| | |
|--|----------------------|
| FY 2022-23 Appropriations Limit | \$122,756,522 |
| Price Factor (A) | 1.0444 |
| Population Factor (B) | 0.9975 |
| FY 2023-24 Appropriations Limit | \$127,886,394 |

The City’s FY 2023-24 appropriations limit is \$127,886,394, an increase of \$5,129,872, or 4.2%, from the FY 2022-23 limit of \$122,756,522.

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 2021-22 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) | \$29,822,398,085 | |
| Adjusted Valuation - 25% of Assessed Valuation (2) | \$7,455,599,521 | (1) x 25% |
| Debt Limit - 15% of Adjusted Valuation | \$1,118,339,928 | (2) x 15% |
| Total City Bonded Debt (3) | \$18,020,000 | |
| Less: Certificates of Participation Not Subject to Debt Limit (4) | \$(18,020,000) | |
| Amount of Debt Subject to Limit | | - (3) - (4) |
| Legal Debt Margin | \$1,118,339,928 | |

All Funds Financial Schedules

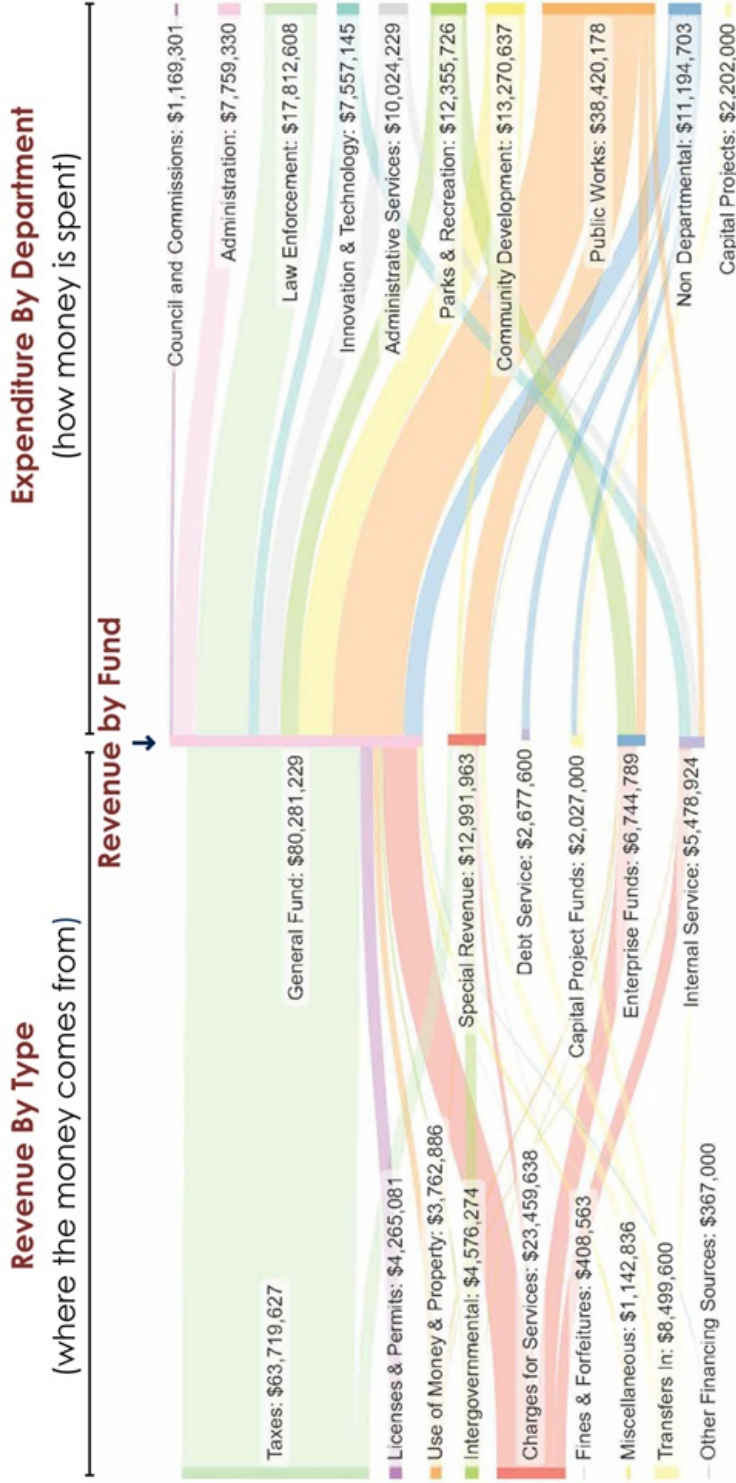
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Financial Overview by Fund

| Revenue Categories | 2023-24 Adopted Budget | | | | | All Funds |
|--------------------------|------------------------|----------------------|---------------------|-----------------------|---------------------|-----------------------|
| | General Fund | Special Revenue Fund | Debt Service Fund | Capital Project Funds | Enterprise Funds | |
| Sales Tax | 11,428,930 | - | - | - | - | 11,428,930 |
| Property Tax | 31,736,834 | - | - | - | - | 31,736,834 |
| Transient Occupancy | 7,500,000 | - | - | - | - | 7,500,000 |
| Utility Tax | 3,304,742 | - | - | - | - | 3,304,742 |
| Franchise Fees | 3,443,574 | - | - | - | - | 3,443,574 |
| Other Taxes | 1,641,486 | 4,664,061 | - | - | - | 6,305,547 |
| Licenses & Permits | 4,265,081 | - | - | - | - | 4,265,081 |
| Use of Money & Property | 2,328,336 | 572,300 | - | - | 733,250 | 3,762,886 |
| Intergovernmental | 807,624 | 3,753,838 | - | - | 14,812 | 4,576,274 |
| Charges for Services | 11,894,786 | 1,498,201 | - | - | 5,996,727 | 23,459,638 |
| Fines & Forfeitures | 405,000 | 3,563 | - | - | - | 408,563 |
| Miscellaneous | 1,142,836 | - | - | - | - | 1,142,836 |
| Other Financing Sources | 367,000 | - | - | - | - | 367,000 |
| Transfers In | 15,000 | 2,500,000 | 2,677,600 | 2,027,000 | - | 8,499,600 |
| TOTAL REVENUES \$ | 80,281,229 \$ | 12,991,963 \$ | 2,677,600 \$ | 2,027,000 \$ | 6,744,789 \$ | 110,201,505 \$ |

| Appropriation Categories | 2023-24 Adopted Budget | | | | | All Funds |
|---|-------------------------|----------------------|---------------------|-------------------------|-------------------------|--------------------------|
| | General Fund | Special Revenue Fund | Debt Service Fund | Capital Project Funds | Enterprise Funds | |
| Employee Compensation | 24,781,492 | 1,901,795 | - | - | 2,016,689 | 1,971,220 |
| Employee Benefits | 11,004,730 | 891,001 | - | - | 668,557 | 2,319,832 |
| Materials | 6,395,466 | 1,040,163 | - | - | 444,258 | 1,060,611 |
| Contract Services | 24,813,166 | 1,037,847 | - | 175,000 | 5,176,958 | 1,789,573 |
| Cost Allocation | 10,257,656 | 1,220,614 | - | - | 939,358 | 57,622 |
| Capital Outlays | - | 880,224 | - | 2,027,000 | - | - |
| Special Projects | 1,211,157 | 3,403,849 | - | - | 135,733 | 572,000 |
| Contingencies | 216,731 | 10,679 | - | - | 67,455 | 26,201 |
| Debt Service | - | - | 2,677,600 | - | - | - |
| Transfers Out | 6,457,600 | 15,000 | - | 2,027,000 | - | - |
| Other Financing Uses | 925,000 | - | - | - | 222,567 | 926,453 |
| TOTAL EXPENDITURES \$ | 86,062,998 \$ | 10,401,172 \$ | 2,677,600 \$ | 4,229,000 \$ | 9,671,575 \$ | 8,723,512 \$ |
| CHANGE IN FUND BALANCE/ NET POSITION | \$(5,781,769) \$ | 2,590,791 \$ | \$ - | \$(2,202,000) \$ | \$(2,926,786) \$ | \$(11,564,352) \$ |

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.

All Funds Summary

This section provides information on the FY 2023-24 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. For descriptions of funds, see Financial Policies: Fund Structure.

Revenue Estimates

Estimates for FY 2023-24 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 and/or internal factors outside of the City's control.

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 have decreased by \$3.3 million. Other Taxes is decreasing due to a decrease in BMR housing mitigation revenue. Use of Money & Property is increasing due to budgeting for interest earnings in each fund. Fines and Forfeitures decreased due to decreased admin citations for Non-Point Source. As a result of anticipated revenue shortfalls due to the CDTFA audit, transfers from the General Fund to the Special Revenue Funds have been reduced as part of an expenditure reduction strategy aimed at decreasing General Fund subsidies of Special Revenue Funds.

| REVENUE SOURCES | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|------------------------------|----------------------|----------------------|----------------------|----------------------|
| | Actual | Actual | Adopted Budget | Adopted Budget |
| Other Taxes | 383,333 | 9,212,135 | 8,203,431 | 4,664,061 |
| Use of Money & Property | 81,809 | (1,469,905) | 5,548 | 572,300 |
| Intergovernmental | 4,040,627 | 3,812,862 | 3,500,224 | 3,753,838 |
| Charges for Services | 1,718,950 | 1,781,872 | 1,512,209 | 1,498,201 |
| Miscellaneous Revenue | 1,921,936 | 7,282 | - | - |
| Fines and Forfeitures | 5,065 | 3,563 | 68,669 | 3,563 |
| Transfers In | 4,200,000 | 10,322,824 | 3,025,000 | 2,500,000 |
| Total Revenue Sources | \$ 12,351,720 | \$ 23,670,633 | \$ 16,315,081 | \$ 12,991,963 |

Expenditures

Expenditure uses have decreased by \$0.8 million primarily due to a decrease in Capital Outlays and Contract Services. Capital Outlays are lower as Capital Improvement Program (CIP) projects are not budgeted. The City is currently working on an updated Capital Improvement Program, which was presented to City Council on May 17 and added for Council consideration at the final budget hearing and adoption. As part of an expenditure reduction strategy, departments decreased their materials and contract services.

| EXPENDITURE USES | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|-------------------------------|----------------------|----------------------|----------------------|----------------------|
| | Actual | Actual | Adopted Budget | Adopted Budget |
| Employee Compensation | 1,590,963 | 1,716,677 | 2,050,572 | 1,901,795 |
| Employee Benefits | 764,490 | 796,662 | 1,037,760 | 891,001 |
| Materials | 1,235,228 | 1,048,952 | 1,001,596 | 1,040,163 |
| Contract Services | 430,662 | 358,244 | 1,152,665 | 1,037,847 |
| Cost Allocation | 1,046,834 | 1,325,945 | 1,191,567 | 1,220,614 |
| Capital Outlays | 2,875,144 | 2,565,810 | 1,038,000 | 880,224 |
| Special Projects | 2,881,302 | 2,506,843 | 3,742,268 | 3,403,849 |
| Contingencies | - | - | 29,681 | 10,679 |
| Transfers Out | 15,000 | 486,235 | - | 15,000 |
| Total Expenditure Uses | \$ 10,839,623 | \$ 10,805,367 | \$ 11,244,109 | \$ 10,401,172 |

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 \$2.6 million due to BMR housing mitigation revenue for Aloft and 19191 Vallco Parkway.

| CHANGES TO FUND BALANCE | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|--------------------------|----------------------|----------------------|----------------------|----------------------|
| | Actual | Actual | Adopted Budget | Adopted Budget |
| Beginning Balance | 31,995,174 | 33,507,271 | 46,372,537 | 29,157,683 |
| Change in Fund Balance | 1,512,097 | 12,865,266 | 5,070,972 | 2,590,791 |
| Ending Balance | \$ 33,507,271 | \$ 46,372,537 | \$ 51,443,509 | \$ 31,748,474 |

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.

| REVENUE SOURCES | 2020-21 | 2021-22 | | 2022-23 | | 2023-24 |
|------------------------------|----------------------|---------------------|----------------|------------------|----------------|------------------|
| | Actual | Actual | Adopted Budget | Adopted Budget | Adopted Budget | |
| Use of Money & Property | 332 | - | - | - | - | - |
| Other Financing Sources | 25,918,704 | - | - | - | - | - |
| Transfers In | 3,169,138 | 2,621,000 | | 2,675,800 | | 2,677,600 |
| Total Revenue Sources | \$ 29,088,174 | \$ 2,621,000 | \$ | 2,675,800 | \$ | 2,677,600 |

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.

| EXPENDITURE USES | 2020-21 | 2021-22 | | 2022-23 | | 2023-24 |
|-------------------------------|----------------------|---------------------|----------------|------------------|----------------|------------------|
| | Actual | Actual | Adopted Budget | Adopted Budget | Adopted Budget | |
| Debt Service | 30,217,865 | 2,676,000 | | 2,675,800 | | 2,677,600 |
| Transfers Out | 492,831 | - | | - | | - |
| Total Expenditure Uses | \$ 30,710,696 | \$ 2,676,000 | \$ | 2,675,800 | \$ | 2,677,600 |

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. Fund balance is unchanged from the last fiscal year.

| CHANGES TO FUND BALANCE | 2020-21 | 2021-22 | | 2022-23 | | 2023-24 |
|--------------------------|------------------|-----------------|----------------|----------------|----------------|--------------|
| | Actual | Actual | Adopted Budget | Adopted Budget | Adopted Budget | |
| Beginning Balance | 1,685,872 | 63,350 | | 8,350 | | 8,350 |
| Change in Fund Balance | (1,622,522) | (55,000) | | - | | - |
| Ending Balance | \$ 63,350 | \$ 8,350 | \$ | 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 have decreased by \$0.5 million because Capital Improvement Program (CIP) projects are not budgeted. The City is currently working on an updated Capital Improvement Program, which was presented to City Council on May 17 and added for Council consideration at the final budget hearing and adoption. As a result of the revenue shortfalls stemming from the CDTFA audit, the annual transfers from the General Fund to the Capital Reserve have been eliminated.

| REVENUE SOURCES | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|------------------------------|---------------------|----------------------|---------------------|---------------------|
| | Actual | Actual | Adopted Budget | Adopted Budget |
| Use of Money and Property | (472,493) | (1,690,421) | - | - |
| Intergovernmental | - | 1,472,565 | - | - |
| Charges for Services | - | - | - | - |
| Miscellaneous | 2,347,037 | 719,854 | - | - |
| Transfers In | 6,430,000 | 17,687,283 | 2,500,000 | 2,027,000 |
| Total Revenue Sources | \$ 8,304,544 | \$ 18,189,281 | \$ 2,500,000 | \$ 2,027,000 |

Expenditures

Expenditure uses have decreased by \$0.6 million because Capital Improvement Program (CIP) projects are not budgeted. The City is currently working on an updated Capital Improvement Program, which was presented to City Council on May 17 and added for Council consideration at the final budget hearing and adoption.

| EXPENDITURE USES | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|-------------------------------|----------------------|----------------------|---------------------|---------------------|
| | Actual | Actual | Adopted Budget | Adopted Budget |
| Employee Compensation | 254,304 | 543 | - | - |
| Employee Benefits | 116,363 | 310 | - | - |
| Contract Services | 11,895 | 53,630 | 265,000 | 175,000 |
| Capital Outlays | 9,277,220 | 8,662,133 | 3,345,000 | 2,027,000 |
| Cost Allocation | 168,274 | - | - | - |
| Transfers Out | 1,989,449 | 11,422,048 | 23,600 | 2,027,000 |
| Total Expenditure Uses | \$ 11,817,504 | \$ 20,138,664 | \$ 3,633,600 | \$ 4,229,000 |

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.

| CHANGES TO FUND BALANCE | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|--------------------------|----------------------|----------------------|----------------------|----------------------|
| | Actual | Actual | Adopted Budget | Adopted Budget |
| Beginning Balance | 40,551,134 | 37,038,174 | 35,088,791 | 15,878,564 |
| Change in Fund Balance | (3,512,960) | (1,949,383) | (1,133,600) | (2,202,000) |
| Ending Balance | \$ 37,038,174 | \$ 35,088,791 | \$ 33,955,191 | \$ 13,676,564 |

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

Projected revenue sources are expected to increase by \$0.6 million, driven by an increase in charges for services. However, as a result of anticipated revenue shortfalls due to the CDTFA audit, transfers from the General Fund to the Enterprise Funds have been reduced as part of an expenditure reduction strategy aimed at decreasing General Fund subsidies of Enterprise Funds.

| REVENUE SOURCES | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|------------------------------|---------------------|---------------------|---------------------|---------------------|
| | Actual | Actual | Adopted Budget | Adopted Budget |
| Use of Money & Property | 437,303 | 134,289 | 700,000 | 733,250 |
| Intergovernmental | 14,916 | 14,812 | 14,000 | 14,812 |
| Charges for Services | 4,415,295 | 5,685,374 | 5,058,792 | 5,996,727 |
| Miscellaneous Revenue | - | - | 10,000 | - |
| Transfers In | 2,849,000 | 886,801 | 399,600 | - |
| Total Revenue Sources | \$ 7,716,514 | \$ 6,721,276 | \$ 6,182,392 | \$ 6,744,789 |

Expenditures

Expenditure uses have increased by \$0.7 million due to an increase in contract services and cost allocation resulting from expenditure-reduction strategies.

| EXPENDITURE USES | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|-------------------------------|---------------------|---------------------|---------------------|---------------------|
| | Actual | Actual | Adopted Budget | Adopted Budget |
| Employee Compensation | 994,004 | 1,271,044 | 1,786,450 | 2,016,689 |
| Employee Benefits | 411,936 | 305,998 | 605,466 | 668,557 |
| Materials | 276,213 | 329,767 | 500,003 | 444,258 |
| Contract Services | 2,634,890 | 4,247,810 | 4,804,188 | 5,176,958 |
| Contingencies | - | - | 132,526 | 67,455 |
| Cost Allocation | 923,089 | 1,034,107 | 789,939 | 939,358 |
| Special Projects | 87,941 | 95,536 | 207,153 | 135,733 |
| Transfers Out | 177,606 | 222,566 | 177,606 | 222,567 |
| Total Expenditure Uses | \$ 5,505,679 | \$ 7,506,828 | \$ 9,003,331 | \$ 9,671,575 |

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 due to revenues being lower than expenditures.

| CHANGES TO NET POSITION | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|--------------------------|----------------------|----------------------|---------------------|---------------------|
| | Actual | Actual | Adopted Budget | Adopted Budget |
| Beginning Balance | 9,253,822 | 11,464,658 | 10,679,106 | 7,204,651 |
| Change in Net Position | 2,210,836 | (785,552) | (2,820,939) | (2,926,786) |
| Ending Balance | \$ 11,464,658 | \$ 10,679,106 | \$ 7,858,167 | \$ 4,277,865 |

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 Information & Technology, Vehicle & Equipment Replacement, Workers' Compensation, Compensated Absences & Long-Term Disability, and Retiree Medical funds.

Revenue

Revenue sources have decreased by \$2.4 million as a result of reduced transfers from the General Fund for IT, Workers' Compensation, and Compensated Absences. Furthermore, starting in FY 2022-23, the City will be funding Other Post-Employment Benefits (OPEB) costs with the City's Section 115 OPEB Trust, as the City's OPEB plan is over 100% funded. This has led to the elimination of transfers from the General Fund to the Retiree Medical Fund.

| REVENUE SOURCES | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|------------------------------|---------------------|---------------------|---------------------|---------------------|
| | Actual | Actual | Adopted Budget | Adopted Budget |
| Use of Money & Property | 33,297 | (202,689) | - | 129,000 |
| Charges for Services | 4,443,083 | 4,780,071 | 4,053,851 | 4,069,924 |
| Miscellaneous | 9,799 | 2,818 | - | - |
| Transfers In | 490,000 | 1,800,852 | 3,419,500 | 1,280,000 |
| Other Financing Uses | 336,362 | 374,475 | 436,145 | - |
| Total Revenue Sources | \$ 5,312,540 | \$ 6,755,526 | \$ 7,909,496 | \$ 5,478,924 |

Expenditures

Expenditure uses have decreased by \$0.1 million mainly due to a decrease in Materials.

| EXPENDITURE USES | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|-------------------------------|---------------------|---------------------|---------------------|---------------------|
| | Actual | Actual | Adopted Budget | Adopted Budget |
| Employee Compensation | 1,722,848 | 1,675,495 | 1,803,287 | 1,971,220 |
| Employee Benefits | 1,881,727 | 1,833,582 | 2,190,096 | 2,319,832 |
| Materials | 924,646 | 1,144,432 | 1,418,575 | 1,060,611 |
| Contract Services | 1,267,879 | 1,280,565 | 1,798,390 | 1,789,573 |
| Cost Allocation | 52,343 | 60,817 | 62,042 | 57,622 |
| Special Projects | 140,684 | 230,258 | 541,100 | 572,000 |
| Contingencies | - | - | 80,425 | 26,201 |
| Other Financing Uses | 968,791 | 926,453 | 968,791 | 926,453 |
| Total Expenditure Uses | \$ 6,958,919 | \$ 7,151,603 | \$ 8,862,706 | \$ 8,723,512 |

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 \$3.2 million due to revenues being lower than expenditures. Although the Internal Service Funds show a negative balance, it's important to note that retiree health expenses will be reimbursed by the Section 115 OPEB Trust at the close of each fiscal year.

| CHANGES TO NET POSITION | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|-------------------------|---------------------|---------------------|---------------------|---------------------|
| | Actual | Actual | Adopted Budget | Adopted Budget |
| Beginning Balance | 7,959,449 | 6,313,071 | 5,916,994 | 5,859,065 |
| Change in Net Position | (1,646,379) | (396,077) | (953,210) | (3,244,588) |
| Ending Balance | \$ 6,313,071 | \$ 5,916,994 | \$ 4,963,784 | \$ 2,614,477 |

All Funds Revenues

| Fund | REVENUES | | | | | Percent Change |
|-------------------------------------|-----------------------|-----------------------|---------------------------|---------------------------|--|----------------|
| | FY 2020-21 Actual | FY 2021-22 Actual | FY 2022-23 Adopted Budget | FY 2023-24 Adopted Budget | | |
| GENERAL FUND | | | | | | |
| 100 General Fund | 105,987,732 | 109,799,523 | 94,661,388 | 80,281,229 | | -15.2% |
| 130 Investment Fund | 229,761 | 230,625 | - | - | | N/A |
| TOTAL GENERAL FUNDS | \$ 106,217,493 | \$ 110,030,148 | \$ 94,661,388 | \$ 80,281,229 | | -15.2% |
| SPECIAL REVENUE FUNDS | | | | | | |
| 210 Storm Drain Improvement | 5,738 | (73,677) | - | 28,000 | | N/A |
| 215 Storm Drain AB1600 | 85,280 | 71,571 | 201,229 | 154,135 | | -23.4% |
| 230 Env Mgmt Cln Crk Strm Drain | 1,481,309 | 1,436,821 | 1,581,472 | 1,510,764 | | -4.5% |
| 260 CDBG | 565,154 | 781,745 | 495,481 | 604,186 | | 21.9% |
| 261 HCD Loan Rehab | (2,242) | 34,006 | - | - | | N/A |
| 265 BMR Housing | 424,583 | (146,752) | 8,027,202 | 4,603,926 | | -42.6% |
| 270 Transportation Fund | 9,436,030 | 9,351,615 | 6,009,697 | 5,823,952 | | -3.1% |
| 271 Traffic Impact | 227,878 | 251,200 | - | 10,000 | | N/A |
| 280 Park Dedication | 126,990 | 11,968,475 | - | 256,000 | | N/A |
| 281 Tree Fund | 999 | (4,370) | - | 1,000 | | N/A |
| TOTAL SPECIAL REVENUE FUNDS | \$ 12,351,720 | \$ 23,670,633 | \$ 16,315,081 | \$ 12,991,963 | | -20.4% |
| DEBT SERVICE FUNDS | | | | | | |
| 365 Public Facilities Corp | 29,088,174 | 2,621,000 | 2,675,800 | 2,677,600 | | 0.1% |
| TOTAL DEBT SERVICE FUNDS | \$ 29,088,174 | \$ 2,621,000 | \$ 2,675,800 | \$ 2,677,600 | | 0.1% |
| CAPITAL PROJECTS FUNDS | | | | | | |
| 420 Capital Improvement Fund | 3,437,469 | 8,606,243 | - | 2,027,000 | | N/A |
| 427 Stevens Creek Corridor Park | (2,136) | (7,439) | - | - | | N/A |
| 429 Capital Reserve | 4,869,212 | 9,590,477 | 2,500,000 | - | | -100.0% |
| TOTAL CAPITAL PROJECTS FUNDS | \$ 8,304,544 | \$ 18,189,281 | \$ 2,500,000 | \$ 2,027,000 | | -18.9% |
| ENTERPRISE FUNDS | | | | | | |
| 520 Resource Recovery | 1,834,656 | 1,350,716 | 1,212,642 | 1,617,964 | | 33.4% |
| 560 Blackberry Farm | 1,112,688 | 642,896 | 457,200 | 535,250 | | 17.1% |
| 570 Sports Center | 2,507,110 | 2,733,907 | 2,600,000 | 2,649,000 | | 1.9% |
| 580 Recreation Program | 2,262,061 | 1,993,758 | 1,912,550 | 1,942,575 | | 1.6% |
| TOTAL ENTERPRISE FUNDS | \$ 7,716,514 | \$ 6,721,276 | \$ 6,182,392 | \$ 6,744,789 | | 9.1% |
| INTERNAL SERVICE FUNDS | | | | | | |
| 610 Innovation & Technology | 2,935,775 | 3,082,266 | 5,022,718 | 3,497,858 | | -30.4% |
| 620 Workers' Compensation | 256,295 | 230,055 | 436,145 | 47,000 | | -89.2% |
| 630 Vehicle/Equip Replacement | 1,741,329 | 2,115,385 | 1,568,633 | 1,535,066 | | -2.1% |
| 641 Compensated Absence/LTD | 325,289 | 101,817 | 882,000 | 399,000 | | -54.8% |
| 642 Retiree Medical | 53,853 | 1,226,004 | - | - | | N/A |
| TOTAL INTERNAL SERVICE FUNDS | \$ 5,312,540 | \$ 6,755,526 | \$ 7,909,496 | \$ 5,478,924 | | -30.7% |
| TOTAL ALL FUNDS | \$ 168,990,986 | \$ 167,987,864 | \$ 130,244,157 | \$ 110,201,505 | | -15.4% |

All Funds Expenditures

| Fund | EXPENDITURES | | | | |
|-------------------------------------|-----------------------|-----------------------|------------------------------|------------------------------|-------------------|
| | FY 2020-21 Actual | FY 2021-22 Actual | FY 2022-23 Adopted Budget | FY 2023-24 Adopted Budget | Percent Change |
| GENERAL FUND | | | | | |
| 100 General Fund | 83,872,526 | 96,711,396 | 95,167,779 | 86,062,998 | -9.6% |
| 130 Investment Fund | - | - | - | - | N/A |
| TOTAL GENERAL FUNDS | \$ 83,872,526 | \$ 96,711,396 | \$ 95,167,779 | \$ 86,062,998 | -9.6% |
| SPECIAL REVENUE FUNDS | | | | | |
| 210 Storm Drain Improvement | 1,000 | 48,120 | - | - | N/A |
| 215 Storm Drain AB1600 | - | - | - | - | N/A |
| 230 Env Mgmt Cln Crk Strm Drain | 1,374,666 | 2,014,796 | 2,067,399 | 2,233,590 | 8.0% |
| 260 CDBG | 832,610 | 684,809 | 554,999 | 647,585 | 16.7% |
| 261 HCD Loan Rehab | - | - | - | - | N/A |
| 265 BMR Housing | 665,899 | 754,692 | 1,222,398 | 985,203 | -19.4% |
| 270 Transportation Fund | 5,200,707 | 6,933,057 | 7,399,313 | 6,519,794 | -11.9% |
| 271 Traffic Impact | - | - | - | - | N/A |
| 280 Park Dedication | 2,749,741 | 354,893 | - | - | N/A |
| 281 Tree Fund | 15,000 | 15,000 | - | 15,000 | N/A |
| TOTAL SPECIAL REVENUE FUNDS | \$ 10,839,623 | \$ 10,805,367 | \$ 11,244,109 | \$ 10,401,172 | -7.5% |
| DEBT SERVICE FUNDS | | | | | |
| 365 Public Facilities Corp | 30,710,696 | 2,676,000 | 2,675,800 | 2,677,600 | 0.1% |
| TOTAL DEBT SERVICE FUNDS | \$ 30,710,696 | \$ 2,676,000 | \$ 2,675,800 | \$ 2,677,600 | 0.1% |
| CAPITAL PROJECTS FUNDS | | | | | |
| 420 Capital Improvement Fund | 9,812,204 | 8,711,577 | 3,633,600 | 2,202,000 | -39.4% |
| 427 Stevens Creek Corridor Park | 15,851 | 5,039 | - | - | N/A |
| 429 Capital Reserve | 1,989,449 | 11,422,048 | - | 2,027,000 | N/A |
| TOTAL CAPITAL PROJECTS FUNDS | \$ 11,817,504 | \$ 20,138,664 | \$ 3,633,600 | \$ 4,229,000 | 16.4% |
| ENTERPRISE FUNDS | | | | | |
| 520 Resource Recovery | 1,670,262 | 1,837,779 | 2,285,090 | 2,636,342 | 15.4% |
| 560 Blackberry Farm | 535,274 | 655,186 | 826,036 | 745,586 | -9.7% |
| 570 Sports Center | 2,182,899 | 3,396,147 | 3,517,900 | 3,499,403 | -0.5% |
| 580 Recreation Program | 1,117,244 | 1,617,717 | 2,374,305 | 2,790,244 | 17.5% |
| TOTAL ENTERPRISE FUNDS | \$ 5,505,679 | \$ 7,506,828 | \$ 9,003,331 | \$ 9,671,575 | 7.4% |
| INTERNAL SERVICE FUNDS | | | | | |
| 610 Innovation & Technology | 3,321,398 | 3,349,754 | 4,610,117 | 3,924,360 | -14.9% |
| 620 Workers' Compensation | 98,092 | 543,646 | 516,946 | 582,778 | 12.7% |
| 630 Vehicle/Equip Replacement | 1,473,485 | 1,467,012 | 1,602,194 | 1,968,915 | 22.9% |
| 641 Compensated Absence/LTD | 834,887 | 434,151 | 745,173 | 760,471 | 2.1% |
| 642 Retiree Medical | 1,231,056 | 1,357,039 | 1,388,276 | 1,486,988 | 7.1% |
| TOTAL INTERNAL SERVICE FUNDS | \$ 6,958,919 | \$ 7,151,603 | \$ 8,862,706 | \$ 8,723,512 | -1.6% |
| TOTAL ALL FUNDS | \$ 149,704,948 | \$ 144,989,858 | \$ 130,587,325 | \$ 121,765,857 | -6.8% |

All Funds Fund Balance

| Fund | Actual Ending Fund Balance as of 6/30/2022 | Projected Ending Fund Balance as of 6/30/2023 | FY 2023-24 Adopted Budget Revenues | FY 2023-24 Adopted Budget Expenditures | Adopted Budget Ending Fund Balance as of 6/30/2024 |
|-------------------------------------|---|--|--|--|---|
| GENERAL FUND | | | | | |
| 100 General Fund | 109,940,116 | 109,962,304 | 80,281,229 | 86,062,998 | 104,180,535 |
| 130 Investment Fund | 229,425 | 229,425 | - | - | 229,425 |
| TOTAL GENERAL FUNDS | \$ 110,169,541 | \$ 110,191,729 | \$ 80,281,229 | \$ 86,062,998 | \$ 104,409,960 |
| SPECIAL REVENUE FUNDS | | | | | |
| 210 Storm Drain Improvement | 2,246,262 | 294,383 | 28,000 | - | 322,383 |
| 215 Storm Drain AB1600 | 1,787,537 | 1,988,766 | 154,135 | - | 2,142,901 |
| 230 Env Mgmt Cln Crk Strm Drain | 1,309,648 | 694,156 | 1,510,764 | 2,233,590 | (28,670) |
| 260 CDBG | 1,256,222 | 1,144,454 | 604,186 | 647,585 | 1,101,055 |
| 261 HCD Loan Rehab | 222,300 | 222,300 | - | - | 222,300 |
| 265 BMR Housing | 5,699,089 | 11,980,205 | 4,603,926 | 985,203 | 15,598,928 |
| 270 Transportation Fund | 11,828,395 | 1,486,520 | 5,823,952 | 6,519,794 | 790,678 |
| 271 Traffic Impact | 720,198 | 720,198 | 10,000 | - | 730,198 |
| 280 Park Dedication | 21,170,101 | 10,493,916 | 256,000 | - | 10,749,916 |
| 281 Tree Fund | 132,786 | 132,786 | 1,000 | 15,000 | 118,786 |
| TOTAL SPECIAL REVENUE FUNDS | \$ 46,372,537 | \$ 29,157,683 | \$ 12,991,963 | \$ 10,401,172 | 31,748,474 |
| DEBT SERVICE FUNDS | | | | | |
| 365 Public Facilities Corp | 8,350 | 8,350 | 2,677,600 | 2,677,600 | 8,350 |
| TOTAL DEBT SERVICE FUNDS | \$ 8,350 | \$ 8,350 | \$ 2,677,600 | \$ 2,677,600 | \$ 8,350 |
| CAPITAL PROJECTS FUNDS | | | | | |
| 420 Capital Improvement Fund | 25,785,167 | 1,775,167 | 2,027,000 | 2,202,000 | 1,600,167 |
| 427 Stevens Creek Corridor Park | 166,579 | 150,188 | - | - | 150,188 |
| 429 Capital Reserve | 9,137,046 | 13,953,210 | - | 2,027,000 | 11,926,210 |
| TOTAL CAPITAL PROJECTS FUNDS | \$ 35,088,791 | \$ 15,878,564 | \$ 2,027,000 | \$ 4,229,000 | \$ 13,676,564 |
| ENTERPRISE FUNDS | | | | | |
| 520 Resource Recovery | 5,010,999 | 3,298,132 | 1,617,964 | 2,636,342 | 2,279,754 |
| 560 Blackberry Farm | 856,220 | 477,627 | 535,250 | 745,586 | 267,291 |
| 570 Sports Center | 2,235,165 | 1,305,903 | 2,649,000 | 3,499,403 | 455,500 |
| 580 Recreation Program | 2,576,722 | 2,122,989 | 1,942,575 | 2,790,244 | 1,275,320 |
| TOTAL ENTERPRISE FUNDS | \$ 10,679,106 | \$ 7,204,651 | \$ 6,744,789 | \$ 9,671,575 | \$ 4,277,865 |
| INTERNAL SERVICE FUNDS | | | | | |
| 610 Innovation & Technology | 876,150 | 720,234 | 3,497,858 | 3,924,360 | 293,732 |
| 620 Workers' Compensation | 2,226,753 | 2,143,592 | 47,000 | 582,778 | 1,607,814 |
| 630 Vehicle/Equip Replacement | 2,450,200 | 1,167,145 | 1,535,066 | 1,968,915 | 733,296 |
| 641 Compensated Absence/LTD | 337,336 | 474,163 | 399,000 | 760,471 | 112,692 |
| 642 Retiree Medical | 26,554 | 1,353,930 | - | 1,486,988 | (133,058) |
| TOTAL INTERNAL SERVICE FUNDS | \$ 5,916,994 | \$ 5,859,065 | \$ 5,478,924 | \$ 8,723,512 | \$ 2,614,477 |
| TOTAL ALL FUNDS | \$ 208,235,319 | \$ 168,300,042 | \$ 110,201,505 | \$ 121,765,857 | \$ 156,735,690 |

Although the Retiree Medical Fund shows a negative balance, it's important to note that retiree health expenses will be reimbursed by the Section 115 OPEB Trust at the close of each fiscal year.

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

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General Fund Financial Schedules

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General Fund Contribution Schedule

| Fund Type/Budget Unit | Description | Adopted Budget Revenues | Adopted Budget Expenditures | Adopted Budget Change in Fund Balance/Net Position | Adopted Budget General Fund Contribution |
|--|-------------------------------|-------------------------|-----------------------------|--|--|
| GENERAL FUND | | | | | |
| 10 City Council | | | | | |
| 100-10-100 | City Council | 827,983 | 431,393 | - | (396,590) |
| 100-10-101 | Community Funding | - | 35,573 | - | 35,573 |
| 100-10-104 | Historical Society | - | 40,000 | - | 40,000 |
| 100-10-110 | Sister Cities | - | 73,086 | - | 73,086 |
| 11 Commissions | | | | | |
| 100-11-131 | Telecommunication Commission | - | 35,630 | - | 35,630 |
| 100-11-140 | Library Commission | - | 42,959 | - | 42,959 |
| 100-11-142 | Arts and Culture Commission | - | 41,512 | - | 41,512 |
| 100-11-150 | Public Safety Commission | - | 47,393 | - | 47,393 |
| 100-11-155 | Bike/Ped Safety Commission | - | 62,715 | - | 62,715 |
| 100-11-160 | Recreation Commission | - | 38,850 | - | 38,850 |
| 100-11-165 | Teen Commission | - | 42,466 | - | 42,466 |
| 100-11-170 | Planning Commission | - | 117,655 | - | 117,655 |
| 100-11-175 | Housing Commission | - | 61,377 | - | 61,377 |
| 100-11-180 | Sustainability Commission | - | 58,109 | - | 58,109 |
| 100-11-190 | Audit Committee | - | 40,583 | - | 40,583 |
| 12 City Manager | | | | | |
| 100-12-120 | City Manager | 617,164 | 2,382,405 | - | 1,765,241 |
| 100-12-122 | Sustainability | 111,500 | 704,037 | - | 592,537 |
| 100-12-126 | Office of Communications | - | 680,267 | - | 680,267 |
| 100-12-305 | Video | 167,188 | 16,752 | - | (150,436) |
| 100-12-307 | Public Access Support | - | 47,732 | - | 47,732 |
| 100-12-632 | Comm Outreach & Neigh Watch | - | 252,103 | - | 252,103 |
| 100-12-633 | Disaster Preparedness | - | 753,768 | - | 753,768 |
| 100-12-705 | Economic Development | - | 466,811 | - | 466,811 |
| 13 City Clerk | | | | | |
| 100-13-130 | City Clerk | 87,435 | 774,402 | - | 686,967 |
| 100-13-132 | Duplicating/Mail Services | - | 40,808 | - | 40,808 |
| 100-13-133 | Elections | - | 977 | - | 977 |
| 14 City Manager Discretionary | | | | | |
| 100-14-123 | City Manager Contingency | - | 50,000 | - | 50,000 |
| 15 City Attorney | | | | | |
| 100-15-141 | City Attorney | 278,070 | 1,589,268 | - | 1,311,198 |
| 20 Law Enforcement | | | | | |
| 100-20-200 | Law Enforcement SC Sheriff | 1,462,646 | 17,812,608 | - | 16,349,962 |
| 100-20-201 | Interoperability Project | - | - | - | - |
| 31 I&T Video | | | | | |
| 100-31-305 | Video | - | 925,970 | - | 925,970 |
| 32 I&T Applications | | | | | |
| 100-32-308 | Applications | 1,599,005 | 2,706,815 | - | 1,107,810 |
| 40 Administrative Services | | | | | |
| 100-40-400 | Admin Services Administration | 154,333 | 367,693 | - | 213,360 |
| 41 Finance | | | | | |
| 100-41-405 | Accounting | 2,120,939 | 1,818,249 | - | (302,690) |
| 100-41-406 | Business Licenses | - | 423,530 | - | 423,530 |
| 100-41-425 | Purchasing | - | 369,477 | - | 369,477 |
| 100-41-426 | Budgeting | - | 522,140 | - | 522,140 |
| 44 Human Resources | | | | | |
| 100-44-412 | Human Resources | 1,884,120 | 1,395,466 | - | (488,654) |
| 100-44-417 | Insurance Administration | - | 2,297,437 | - | 2,297,437 |
| 60 Recreation & Community Service | | | | | |
| 100-60-601 | Recreation Administration | - | 1,358,144 | - | 1,358,144 |
| 100-60-634 | Park Planning and Restoration | - | - | - | - |
| 100-60-636 | Library Services | - | 169,698 | - | 169,698 |

| Fund Type/Program | Description | Adopted Budget Revenues | Adopted Budget Expenditures | Adopted Budget Change in Fund Balance/Net Position | Adopted Budget General Fund Contribution |
|--|----------------------------------|-------------------------|-----------------------------|--|--|
| 61 Business and Community Services | | | | | |
| 100-61-602 | Administration | - | 586,357 | - | 586,357 |
| 100-61-605 | Cultural Events | 30,500 | 437,794 | - | 407,294 |
| 100-61-630 | Facilities | 190,992 | 390,211 | - | 199,219 |
| 62 Recreation and Education | | | | | |
| 100-62-608 | Administration | 28,000 | 686,262 | - | 658,262 |
| 100-62-623 | Youth, Teen and Senior Adult Rec | 240,000 | 812,264 | - | 572,264 |
| 100-62-639 | Youth and Teen Programs | 14,000 | 278,895 | - | 264,895 |
| 100-62-640 | Neighborhood Events | 4,000 | 92,872 | - | 88,872 |
| 63 Sports, Safety & Outdoor Rec | | | | | |
| 100-63-612 | Park Facilities | 167,257 | 1,270,364 | - | 1,103,107 |
| 100-63-615 | Administration | - | - | - | - |
| 70 Planning & Community Development | | | | | |
| 100-70-700 | Community Development Admin | - | 570,884 | - | 570,884 |
| 71 Planning | | | | | |
| 100-71-701 | Current Planning | 1,218,300 | 3,406,046 | - | 2,187,746 |
| 100-71-702 | Mid Long Term Planning | 138,750 | 1,230,606 | - | 1,091,856 |
| 100-71-704 | Annexations | - | - | - | - |
| 100-71-705 | Economic Development | - | - | - | - |
| 72 Housing Services | | | | | |
| 100-72-712 | Human Services Grants | 50,000 | 180,140 | - | 130,140 |
| 73 Building | | | | | |
| 100-73-713 | General Building | 315,000 | 945,333 | - | 630,333 |
| 100-73-714 | Construction Plan Check | 1,800,000 | 2,297,027 | - | 497,027 |
| 100-73-715 | Building Inspection | 2,120,000 | 1,519,349 | - | (600,651) |
| 100-73-718 | Muni-Bldg Code Enforcement | - | 88,611 | - | 88,611 |
| 74 Code Enforcement | | | | | |
| 100-74-202 | Code Enforcement | 225,000 | 1,399,853 | - | 1,174,853 |
| 80 PW Admin | | | | | |
| 100-80-800 | Public Works Admin | 54,375 | 1,043,142 | - | 988,767 |
| 82 Developmental Services | | | | | |
| 100-82-804 | Plan Review | 1,374,278 | 1,431,296 | - | 57,018 |
| 100-82-806 | CIP Administration | - | 1,486,037 | - | 1,486,037 |
| 83 Service Center | | | | | |
| 100-83-807 | Service Center Administration | 71,867 | 1,102,041 | - | 1,030,174 |
| 84 Grounds | | | | | |
| 100-84-808 | McClellan Ranch Park | - | 176,317 | - | 176,317 |
| 100-84-809 | Memorial Park | - | 819,001 | - | 819,001 |
| 100-84-811 | BBF Ground Maintenance | - | 367,451 | - | 367,451 |
| 100-84-812 | School Site Maintenance | 145,823 | 1,383,586 | - | 1,237,763 |
| 100-84-813 | Neighborhood Parks | - | 2,593,101 | - | 2,593,101 |
| 100-84-814 | Sport Fields Jollyman, Creekside | - | 939,889 | - | 939,889 |
| 100-84-815 | Civic Center Ground Maint | 220,710 | 182,220 | - | (38,490) |
| 85 Streets | | | | | |
| 100-85-848 | Street Lighting | - | 1,011,921 | - | 1,011,921 |
| 100-85-850 | Environmental Materials | - | 218,853 | - | 218,853 |
| 86 Trees and Right of Way | | | | | |
| 100-86-261 | Trail Maintenance | - | 199,458 | - | 199,458 |
| 100-86-824 | Overpasses and Medians | 4,410 | 1,670,592 | - | 1,666,182 |
| 100-86-825 | Street Tree Maintenance | 56,337 | 1,788,822 | - | 1,732,485 |
| 100-86-826 | Sheriff Work Program | - | 592,351 | - | 592,351 |
| 87 Facilities and Fleet | | | | | |
| 100-87-827 | Bldg Maint City Hall | 468,887 | 500,689 | - | 31,802 |
| 100-87-828 | Bldg Maint Library | 919,113 | 1,007,493 | - | 88,380 |
| 100-87-829 | Bldg Maint Service Center | - | 310,886 | - | 310,886 |

| Fund Type/Budget Unit | Description | Adopted Budget Revenues | Adopted Budget Expenditures | Adopted Budget Change in Fund Balance/Net Position | Adopted Budget General Fund Contribution |
|-------------------------------------|----------------------------------|-------------------------|-----------------------------|--|--|
| 100-87-830 | Bldg Maint Quinlan Center | - | 574,659 | - | 574,659 |
| 100-87-831 | Bldg Maint Senior Center | - | 324,289 | - | 324,289 |
| 100-87-832 | Bldg Maint McClellan Ranch | 4,462 | 293,750 | - | 289,288 |
| 100-87-833 | Bldg Maint Monta Vista Ct | - | 186,417 | - | 186,417 |
| 100-87-834 | Bldg Maint Wilson | - | 95,722 | - | 95,722 |
| 100-87-835 | Bldg Maint Portal | - | 46,228 | - | 46,228 |
| 100-87-837 | Bldg Maint Creekside | - | 136,076 | - | 136,076 |
| 100-87-838 | Comm Hall Bldg Maint | - | 225,544 | - | 225,544 |
| 100-87-839 | Teen Center Bldg Maint | - | 52,889 | - | 52,889 |
| 100-87-840 | Park Bathrooms | - | 180,280 | - | 180,280 |
| 100-87-841 | BBF Facilities Maintenance | - | 525,642 | - | 525,642 |
| 100-87-852 | Franco Traffic Operations Center | - | 15,257 | - | 15,257 |
| 100-87-857 | City Hall Annex | - | 24,892 | - | 24,892 |
| 88 Transportation | | | | | |
| 100-88-844 | Traffic Engineering | 34,880 | 1,240,071 | - | 1,205,191 |
| 100-88-845 | Traffic Signal Maintenance | 13,742 | 820,029 | - | 806,287 |
| 100-88-846 | Safe Routes 2 School | 154,000 | 732,278 | - | 578,278 |
| TOTAL DEPARTMENTAL | | \$ 19,375,066 | \$ 79,587,895 | \$ - | \$ 60,212,829 |
| 100-90-001 | No Department | 60,906,163 | 6,475,103 | - | (54,431,060) |
| TOTAL NON-DEPARTMENTAL | | \$ 60,906,163 | \$ 6,475,103 | \$ - | \$ (54,431,060) |
| CHANGE IN FUND BALANCE | | \$ - | \$ - | \$ (5,781,769) | \$ (5,781,769) |
| TOTAL GENERAL FUND | | \$ 80,281,229 | \$ 86,062,998 | \$ (5,781,769) | \$ - |
| SPECIAL REVENUE FUNDS | | | | | |
| 210-90-001 | No Department | 28,000 | - | 28,000 | - |
| 215-90-001 | No Department | 154,135 | - | 154,135 | - |
| 230-81-802 | Non Point Source | 1,501,764 | 1,177,495 | 324,269 | - |
| 230-81-853 | Storm Drain Fee | - | 25,924 | (25,924) | - |
| 230-81-854 | General Fund Subsidy | - | 23,164 | (23,164) | - |
| 230-81-855 | Storm Drain Maintenance | - | 1,007,007 | (1,007,007) | - |
| 230-90-001 | No Department | 9,000 | - | 9,000 | - |
| 260-72-707 | CDBG General Admin | 73,371 | 132,070 | (58,699) | - |
| 260-72-709 | CDBG Capital/Housing Projects | 463,787 | 460,487 | 3,300 | - |
| 260-72-710 | CDBG Public Service Grants | 55,028 | 55,028 | - | - |
| 260-90-001 | No Department | 12,000 | - | 12,000 | - |
| 265-72-711 | BMR Affordable Housing Fund | 4,532,926 | 985,203 | 3,547,723 | - |
| 265-90-001 | No Department | 71,000 | - | 71,000 | - |
| 270-85-820 | Sidewalk Curb and Gutter | - | 1,795,414 | (1,795,414) | - |
| 270-85-821 | Street Pavement Maintenance | 1,855,516 | 3,945,450 | (2,089,934) | - |
| 270-85-822 | Street Sign Marking | - | 778,930 | (778,930) | - |
| 270-90-001 | No Department | 1,468,436 | - | 3,968,436 | 2,500,000 |
| 271-90-001 | No Department | 10,000 | - | 10,000 | - |
| 280-90-001 | No Department | 256,000 | - | 256,000 | - |
| 281-90-001 | No Department | 1,000 | 15,000 | (14,000) | - |
| TOTAL SPECIAL REVENUE FUNDS | | \$ 10,491,963 | \$ 10,401,172 | \$ 2,590,791 | \$ 2,500,000 |
| DEBT SERVICE FUNDS | | | | | |
| 365-90-001 | No Department | - | - | 2,677,600 | 2,677,600 |
| 365-90-500 | Facility Lease | - | 2,677,600 | (2,677,600) | - |
| TOTAL DEBT SERVICE FUNDS | | \$ - | \$ 2,677,600 | \$ - | \$ 2,677,600 |
| CAPITAL PROJECTS FUNDS | | | | | |
| 429-90-001 | No Department | - | 2,027,000 | (2,027,000) | - |
| 420-99-007 | ADA Improvements | - | 100,000 | - | 100,000 |
| 420-99-047 | CIP Prelim Planning & Design | - | 125,000 | (125,000) | - |
| 420-99-048 | Capital Project Support | - | 50,000 | (50,000) | - |
| 420-99-056 | St Light Install - Annual Infill | - | 35,000 | - | 35,000 |
| 420-99-063 | CW Bldg Condition Assess Impl | - | 1,000,000 | - | 1,000,000 |
| 420-99-085 | Playground EQ (Creekside&Varian) | - | 300,000 | - | 300,000 |
| 420-99-266 | SCB/Calabazas Creek SD Repair | - | 420,000 | - | 420,000 |
| 420-99-267 | Stevens Creek Bridge Repair | - | 172,000 | - | 172,000 |
| TOTAL CAPITAL PROJECTS FUNDS | | \$ - | \$ 4,229,000 | \$ (2,202,000) | \$ 2,027,000 |

| Fund Type/Budget Unit | Description | Adopted Budget Revenues | Adopted Budget Expenditures | Adopted Budget Change in Fund Balance/Net Position | Adopted Budget General Fund Contribution |
|-------------------------------------|--------------------------------|-------------------------|-----------------------------|--|--|
| ENTERPRISE FUNDS | | | | | |
| 520-81-801 | Resources Recovery | 1,617,964 | 2,636,342 | (1,018,378) | - |
| 560-63-616 | BBF Golf Course | 520,250 | 642,342 | (122,092) | - |
| 560-87-260 | BBF Golf Maintenance | - | 103,244 | (103,244) | - |
| 560-90-001 | No Department | 15,000 | - | 15,000 | - |
| 570-63-621 | Sports Center Operation | 2,625,000 | 2,840,279 | (215,279) | - |
| 570-87-836 | Bldg Maint Sports Center | - | 659,124 | (659,124) | - |
| 570-90-001 | No Department | 24,000 | - | 24,000 | - |
| 580-62-613 | Youth Teen Recreation | 1,258,800 | 1,703,251 | (444,451) | - |
| 580-63-620 | Outdoor Recreation | 639,775 | 1,086,993 | (447,218) | - |
| 580-90-001 | No Department | 44,000 | - | 44,000 | - |
| TOTAL ENTERPRISE FUNDS | | \$ 6,744,789 | \$ 9,671,575 | \$ (2,926,786) | \$ - |
| INTERNAL SERVICE FUNDS | | | | | |
| 610-30-300 | Administration | - | 189,715 | (189,715) | - |
| 610-34-310 | Infrastructure | 1,591,722 | 2,245,117 | 246,605 | 900,000 |
| 610-35-986 | GIS | 955,136 | 1,489,528 | (534,392) | - |
| 610-90-001 | No Department | 51,000 | - | 51,000 | - |
| 620-44-418 | Workers Compensation Insurance | - | 582,778 | (582,778) | - |
| 620-90-001 | No Department | 47,000 | - | 47,000 | - |
| 630-85-849 | Equipment Maintenance | 1,523,066 | 1,501,047 | 22,019 | - |
| 630-90-001 | No Department | 12,000 | - | 12,000 | - |
| 630-90-985 | Fixed Assets Acquisition | - | 467,868 | (467,868) | - |
| 641-44-419 | Long Term Disability | - | 102,381 | (102,381) | - |
| 641-44-420 | Compensated Absence | - | 658,090 | (278,090) | 380,000 |
| 641-90-001 | No Department | 19,000 | - | 19,000 | - |
| 642-44-414 | HR Retiree Benefits | - | 1,486,988 | (1,486,988) | - |
| TOTAL INTERNAL SERVICE FUNDS | | \$ 4,198,924 | \$ 8,723,512 | \$ (3,244,588) | \$ 1,280,000 |
| TOTAL ALL FUNDS | | \$ 101,716,905 | \$ 121,765,857 | \$ (11,564,352) | \$ 8,484,600 |

No Department budget units reflect revenue from interest earnings for Special Revenue, Enterprise, and Internal Service Funds. In previous years, interest earnings were not budgeted for these funds.

General Fund Summary

The General Fund is the City's main operating fund, responsible for providing essential services such as law enforcement, public works, community development, park maintenance, code enforcement, and administrative support. It is funded by discretionary sources such as property tax, sales tax, transient occupancy tax, and utility tax. The General Fund is typically reserved for operations that lack other dedicated funding sources, while operations such as street maintenance, solid waste collection, and recreation are funded from other sources, detailed in the All Funds Summary section of this document.

For FY 2023-24, General Fund revenue estimates are \$80.3 million, reflecting a \$14.4 million or 15.2% decrease from the previous fiscal year's Adopted Budget, mainly due to a sales tax decrease resulting from a CDTFa audit. General Fund expenditure estimates for the current fiscal year are \$86.1 million, an \$9.1 million or 9.6% decrease from the previous year's Adopted Budget. The General Fund's ending balance is projected to decrease to \$104.4 million.

| GENERAL FUND OPERATING SUMMARY | | | | | |
|------------------------------------|-------------------|--------------------|--------------------|--------------------|----------------|
| | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Percent |
| | Actual | Actual | Adopted | Adopted | Change |
| Beginning Fund Balance | 74,505,822 | 96,850,790 | 110,610,704 | 113,496,269 | 2.6% |
| Operating Revenues | 106,217,493 | 110,030,148 | 94,661,388 | 80,281,229 | -15.2% |
| Operating Expenditures | 83,872,526 | 96,711,396 | 95,167,779 | 86,062,998 | -9.6% |
| Net Revenues - Expenditures | 22,344,967 | 13,318,751 | (506,391) | (5,781,769) | 1041.8% |
| Unassigned | 52,449,546 | 51,804,288 | 48,332,873 | 44,090,588 | -8.8% |
| All Other Classifications | 44,401,243 | 48,365,253 | 61,771,440 | 60,319,372 | -2.4% |
| Total Ending Fund Balance | 96,850,790 | 100,169,541 | 110,104,313 | 104,409,960 | -5.2% |

General Fund Revenues

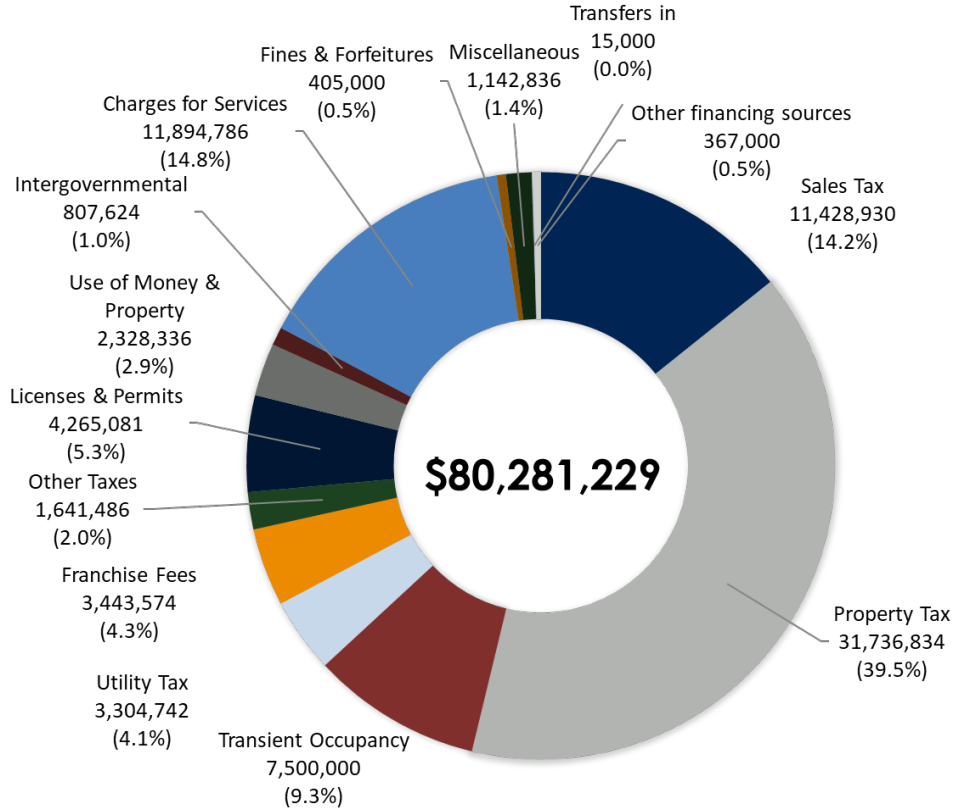
FY 2023-24 General Fund revenue sources have been carefully evaluated by considering collection history, seasonal patterns, and economic performance. These estimates are based on projected increases or decreases in activity and receipts in the upcoming year. It is important to note that each revenue source can be affected by external or internal factors beyond the City's control.

As shown in the chart below, FY 2023-24 revenues are estimated at \$80.3 million, a 15.2% decrease from the FY 2022-23 Adopted Budget.

| GENERAL FUND REVENUE SUMMARY | | | | | |
|------------------------------|-----------------------|-----------------------|---------------------|---------------------|-------------------|
| REVENUES | 2020-21 Actual | 2021-22 Actual | 2022-23 Adopted | 2023-24 Adopted | Percent Change |
| Sales Tax | 42,576,587 | 42,175,218 | 31,944,089 | 11,428,930 | -64.2% |
| Property Tax | 28,277,839 | 29,724,411 | 30,039,574 | 31,736,834 | 5.7% |
| Transient Occupancy | 2,141,058 | 4,404,958 | 5,000,000 | 7,500,000 | 50.0% |
| Utility Tax | 3,074,358 | 3,356,389 | 2,955,404 | 3,304,742 | 11.8% |
| Franchise Fees | 3,368,287 | 3,479,555 | 3,230,101 | 3,443,574 | 6.6% |
| Other Taxes | 2,639,000 | 1,905,393 | 1,787,691 | 1,641,486 | -8.2% |
| Licenses & Permits | 4,068,238 | 4,141,902 | 3,541,012 | 4,265,081 | 20.4% |
| Use of Money & Property | 4,838,316 | -5,341,211 | 1,277,013 | 2,328,336 | 82.3% |
| Intergovernmental | 1,451,076 | 4,417,903 | 1,434,491 | 807,624 | -43.7% |
| Charges for Services | 11,345,222 | 14,299,032 | 11,528,436 | 11,894,786 | 3.2% |
| Fines & Forfeitures | 129,394 | 370,160 | 427,000 | 405,000 | -5.2% |
| Miscellaneous | 1,263,163 | 1,940,935 | 1,160,437 | 1,142,836 | -1.5% |
| Transfers in | 507,831 | 4,862,387 | 61,140 | 15,000 | -75.5% |
| Other financing sources | 537,124 | 293,116 | 275,000 | 367,000 | 33.5% |
| TOTAL REVENUES | \$ 106,217,493 | \$ 110,030,148 | \$94,661,388 | \$80,281,229 | -15.2% |

The majority of Cupertino's General Fund operating revenues are generated by property taxes (40%), charges for services (15%), sales taxes (14%), and transient occupancy taxes (9%). The chart below illustrates the sources of General Fund revenue by category.

General Fund Revenues By Category



The FY 2023-24 General Fund revenue estimates are discussed by category below.

Sales Tax

Sales and Use Tax, commonly known as the "sales tax," consists of two components: an excise tax levied on retailers for selling tangible personal property, and an excise tax applied to purchases from out-of-state vendors that are not required to collect tax on their sales. The revenue generated from sales and use taxes collected within Cupertino's boundaries is allocated by the State to various agencies, with the City receiving one percent, as depicted in the chart to the right. The City is exploring a potential new source of revenue by monitoring competing interests for the ¼ cent sales tax imposed on local governments. If a similar ballot measure is presented to the voters in the future, the City could maintain local control over the additional sales tax proceeds.

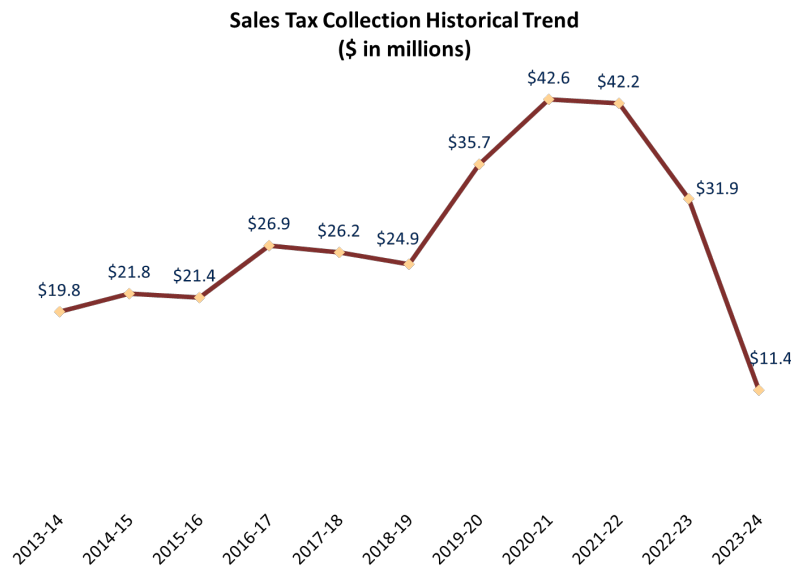
| Agency | Sales Tax Distribution |
|------------------------|------------------------|
| State | 6.000% |
| VTA | 1.125% |
| City of Cupertino | 1.000% |
| County General Purpose | 0.750% |
| County Transportation | 0.250% |
| Total: | 9.125% |

The City's sales tax revenue comes from five primary economic categories: business-to-business (including electronic equipment and software manufacturers and distributors), state and county pools, restaurants and hotels, general consumer goods, and fuel and service stations and other. The California Department of Tax and Fee Administration (CDTFA) manages the collection and administration of sales and use taxes, which is a significant source of revenue for the state and local governments. Businesses are required to register for a sales tax permit and collect taxes from their customers, and the collected taxes are then remitted to the CDTFA for distribution to the relevant local governments. In addition, the CDTFA conducts audits to ensure tax compliance

by businesses. The City receives a portion of the sales tax revenue generated within its boundaries, which funds a wide range of City services and programs.

In December 2021, the CDTFA informed the City of an audit that would be conducted on one of its taxpayers. The City was verbally informed in March 2023 of the CDTFA's preliminary determination that tax dollars had been misallocated to the City, and potential impacts on City funds were provided. The CDTFA is expected to provide the City with a formal letter in the next four to six months, including the final results of the audit and the actual amount of money lost.

As a result, the City is expected to experience a \$30 million, or 73%, decrease in sales tax revenue from the original FY 2023-24 projections provided by its sales tax consultant, HdL. This corresponds to an overall revenue decrease of \$30 million, or 28%. In particular, sales tax revenues, which were expected to generate \$31.9 million in the FY 2022-23 Adopted Budget, are now anticipated to amount to only \$11.4 million in FY 2023-24, marking a decline of 64%.

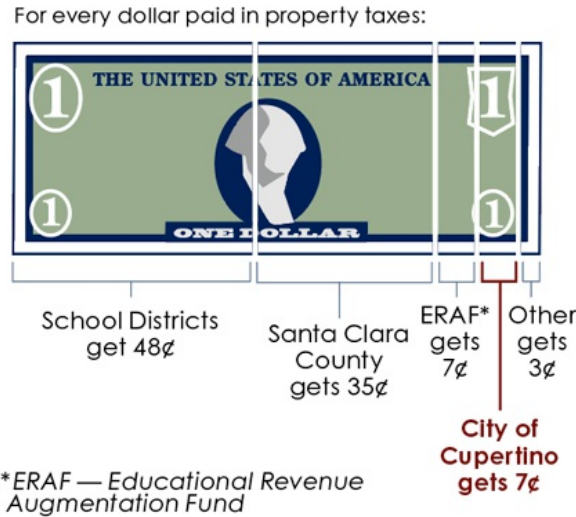


| SALES & USE TAX | |
|--------------------------------|------------|
| FY 21-22 Actual | 42,175,218 |
| FY 22-23 Adopted | 31,944,089 |
| FY 22-23 Estimate | 31,944,089 |
| FY 23-24 Adopted | 11,428,930 |
| % of General Fund | 14.24% |
| % Change from FY 22-23 Adopted | -64.22% |

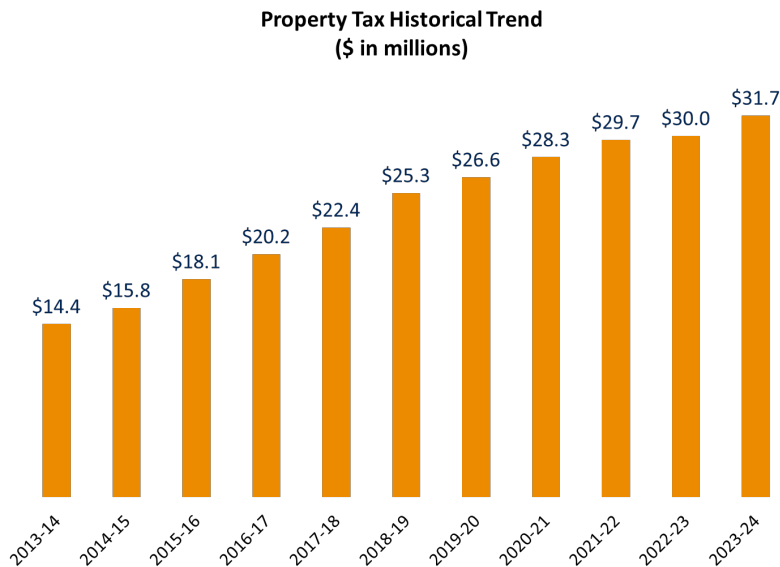
Property Tax

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.



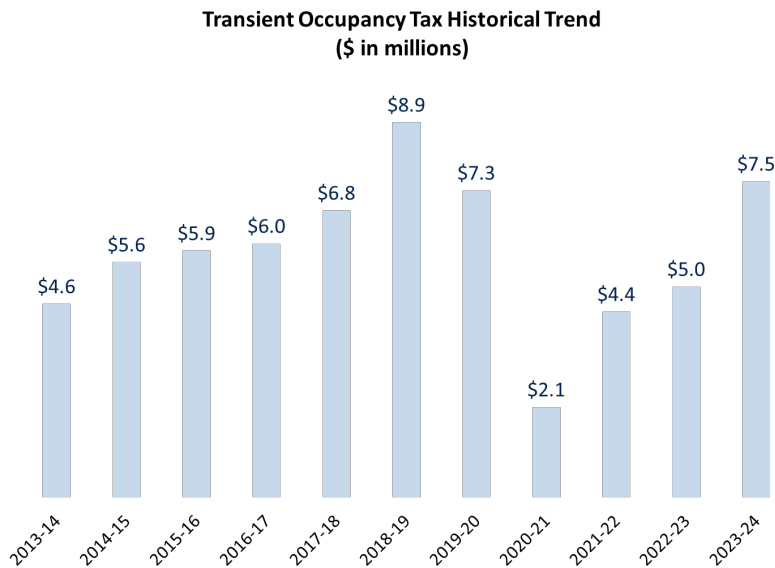
PROPERTY TAX

| | |
|--------------------------------|------------|
| FY 21-22 Actual | 29,724,411 |
| FY 22-23 Adopted | 30,039,574 |
| FY 22-23 Estimate | 30,039,574 |
| FY 23-24 Adopted | 31,736,834 |
| % of General Fund | 39.53% |
| % Change from FY 22-23 Adopted | 5.65% |

The City experienced a net taxable value increase of 7.2% for the FY 2022-23 tax roll. The bulk of the increase was due to increases in residential properties by \$1.3 billion, or 7.2%. This category makes up 61.1% of the net taxable value. Unsecured property tax decreased by \$655 million, or 38%. This category makes up 3.5% of the net taxable value. Lastly, commercial property values increased by \$1.1 billion, or 13.1%. This category makes up 29.8% of the net taxable value. According to the City's property tax consultant HdL, there were fewer sale transactions of single-family residential homes sales and a flattening in median sale prices during calendar year 2022. This reduction in sales numbers were mainly driven by interest rate hikes. In most cities the median prices are still higher overall than last year, but the month-over-month median price changes started trailing negatively towards the end of 2022. Staff will continue to 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 originally budgeted to end FY 2022-23 at \$5 million, a 14% increase from FY 2021-22 actuals. However, staff expects to exceed the estimated \$5 million in the current fiscal year. The anticipated increase is due to the relaxation of prior pandemic-based restrictions, allowing for increased travel and the return of employees to their places of work. A recovery to a \$7.5 million level is anticipated in FY 2023-24, up 50% from FY 2022-23 Adopted Budget. Staff will continue to monitor these activities and bring forward adjustments and recommendations as necessary.

TRANSIENT OCCUPANCY TAX

| | |
|--------------------------------|-----------|
| FY 21-22 Actual | 4,404,958 |
| FY 22-23 Adopted | 5,000,000 |
| FY 22-23 Estimate | 5,000,000 |
| FY 23-24 Adopted | 7,500,000 |
| % of General Fund | 9.34% |
| % Change from FY 22-23 Adopted | 50.00% |

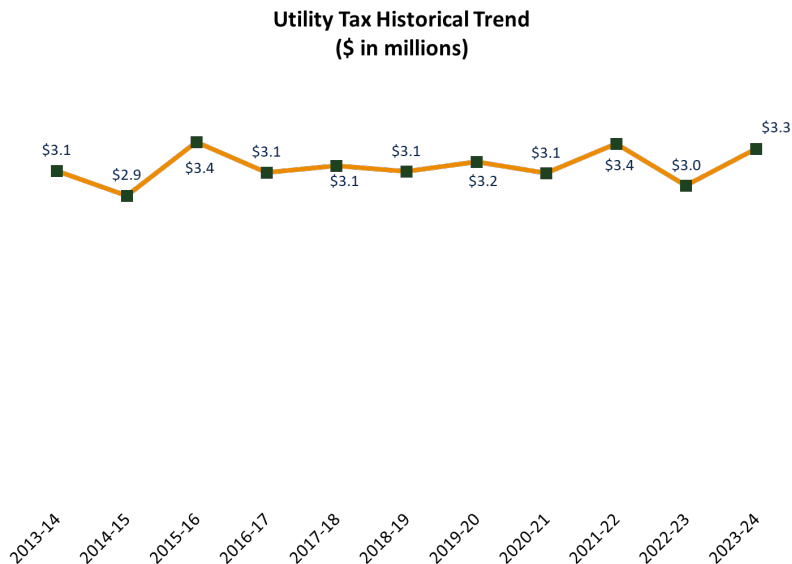
Utility Tax

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.

Budgeted revenues are expected to increase 11.8% to \$3.3 million in FY 2023-24. This revenue source will be monitored closely as the fiscal year progresses.

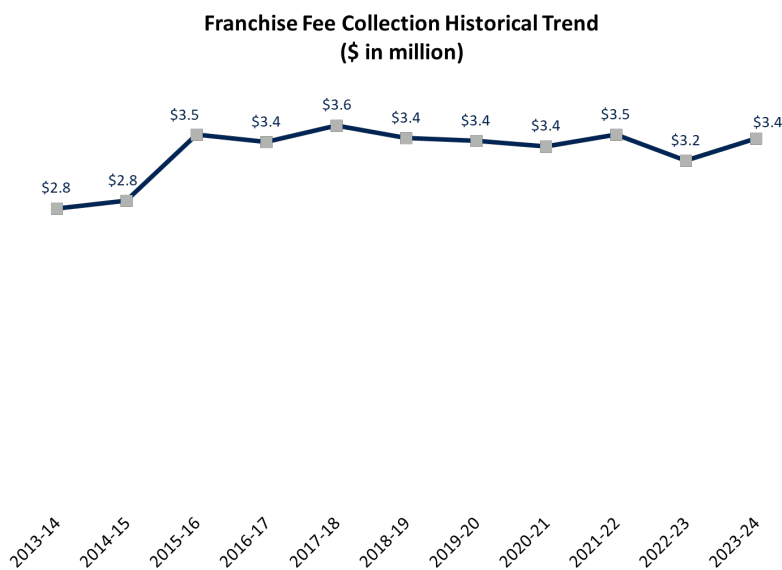


UTILITY TAX

| | |
|--------------------------------|-----------|
| FY 21-22 Actual | 3,356,389 |
| FY 22-23 Adopted | 2,955,404 |
| FY 22-23 Estimate | 2,955,404 |
| FY 23-24 Adopted | 3,304,742 |
| % of General Fund | 4.12% |
| % Change from FY 22-23 Adopted | 11.82% |

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.



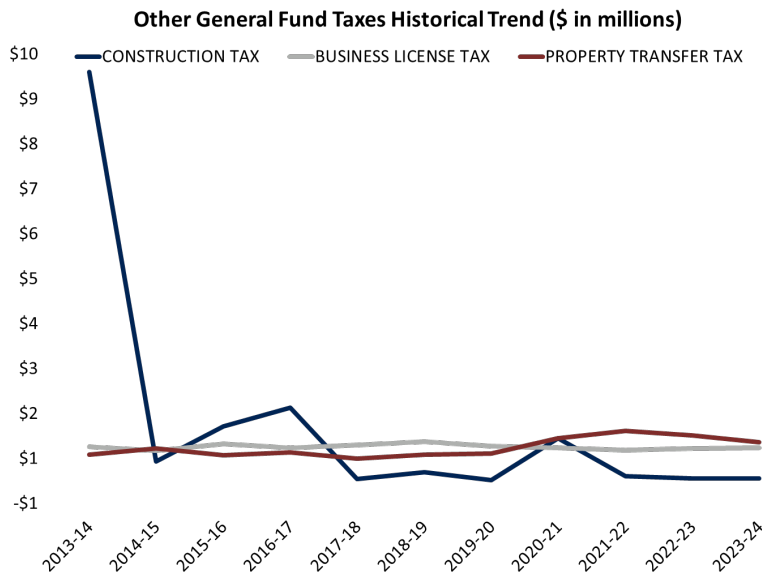
FRANCHISE FEES

| | |
|--------------------------------|-----------|
| FY 21-22 Actual | 3,479,555 |
| FY 22-23 Adopted | 3,230,101 |
| FY 22-23 Estimate | 3,230,101 |
| FY 23-24 Adopted | 3,443,574 |
| % of General Fund | 4.29% |
| % Change from FY 22-23 Adopted | 6.61% |

In FY 2022-23, franchise fee revenues are trending down 7.2% from FY 2021-22 actuals primarily due to a decrease in usage for cable, solid waste, and telecommunication costs, offset by an increase in electricity usage. Budgeted revenues are expected to increase approximately 6.7% in FY 2023-24. 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.

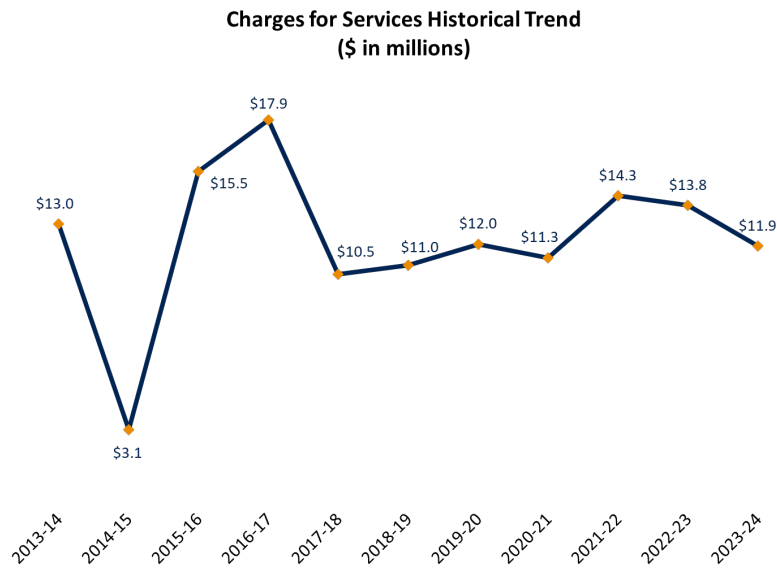


| OTHER TAXES | |
|--------------------------------|-----------|
| FY 21-22 Actual | 1,905,393 |
| FY 22-23 Adopted | 1,787,691 |
| FY 22-23 Estimate | 1,787,691 |
| FY 23-24 Adopted | 1,641,486 |
| % of General Fund | 2.04% |
| % Change from FY 22-23 Adopted | -8.18% |

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 2023-24, these revenues are expected to decrease by 8.2% from the prior year to \$1.6 million. The projected decrease is based on a 3-year historical trend of actuals for property tax transfers. The recent hikes in interest rates have caused a reduction in home sales numbers, having direct impact on property tax transfers. For FY 2024-25 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.



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.

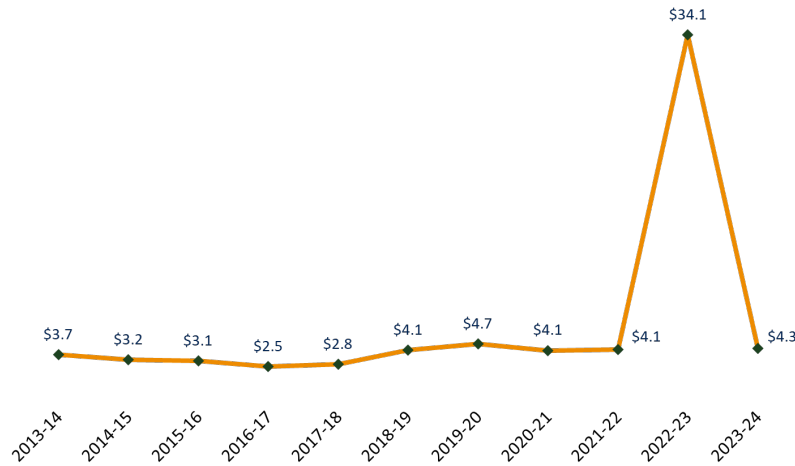
| CHARGES FOR SERVICES | |
|--------------------------------|------------|
| FY 21-22 Actual | 14,299,032 |
| FY 22-23 Adopted | 11,528,436 |
| FY 22-23 Estimate | 13,840,743 |
| FY 23-24 Adopted | 11,894,786 |
| % of General Fund | 14.82% |
| % Change from FY 22-23 Adopted | 3.18% |

In FY 2022-23, the estimated amount is expected to come in roughly \$2 million higher compared to budgeted levels due to the Vallco Town Center (renamed the Rise) and its scheduled commencement in FY 2022-23. However, due to the developer's need to hire a new architect to complete the buildout plans and to value engineer the original design, the \$2.3 million for plan review, inspection, and engineering fee revenues will be carried forward and recognized in FY 2023-24.

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 \$34 million estimated amount in FY 2022-23 is due to Vallco Town Center (renamed The Rise) and its scheduled commencement in FY 2022-23. However, due to the developer's need to hire a new architect to complete the buildout plans and to value engineer the original design, the \$30 million plan check fee revenues will be carried forward and recognized in FY 2023-24.

| LICENSES AND PERMITS | |
|--------------------------------|------------|
| FY 21-22 Actual | 4,141,902 |
| FY 22-23 Adopted | 3,541,012 |
| FY 22-23 Estimate | 34,057,523 |
| FY 23-24 Adopted | 4,265,081 |
| % of General Fund | 5.31% |
| % Change from FY 22-23 Adopted | 20.45% |

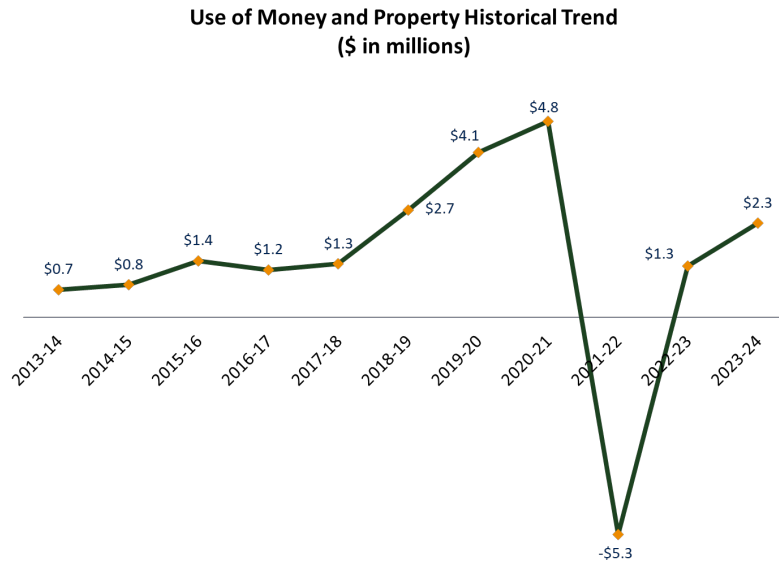
Use of Money and Property

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 March 31, 2023, the City's portfolio included \$21.3 million invested with the Local Agency Investment Fund (LAIF) and \$149.7 million invested with Chandler Asset Management. As of March 31, 2023, the City also had \$18.3 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. Investment earnings fell in FY 2021-22 due to mark-to-market adjustments to account for unrealized losses in the City's portfolio.

The portfolio's market value fluctuates depending on interest rates. When interest rates decrease after an investment is purchased, the market value of the investment increases. In contrast, when interest rates increase after an investment is purchased, the market value of the investment decreases. At the time of purchase, the City

intends to hold all investments until maturity, meaning that changes in market value will not impact the City's investment principal. If the market value decreases, the City will incur an unrealized loss. However, the loss will only be realized if the City sells its investments before their maturity.



| USE OF MONEY AND PROPERTY | |
|--------------------------------|------------|
| FY 21-22 Actual | -5,341,211 |
| FY 22-23 Adopted | 1,277,013 |
| FY 22-23 Estimate | 1,277,013 |
| FY 23-24 Adopted | 2,328,336 |
| % of General Fund | 2.90% |
| % Change from FY 22-23 Adopted | 82.33% |

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

Economic trends have been decelerating along with tighter financial conditions and restrictive monetary policy. Recent data suggests positive but below-trend growth this year. Although the pace of job growth is moderating, labor markets remain solid, and the U.S. consumer has demonstrated resiliency.

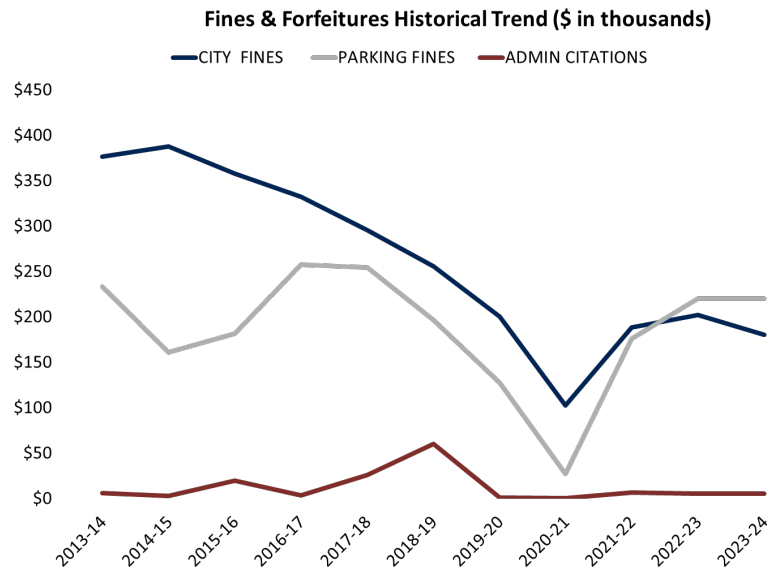
At the end of March, the 2-year Treasury yield was 169 basis points higher, and the 10-Year Treasury yield was about 113 basis points higher, year-over-year. The inversion between the 2-year Treasury yield and 10-year Treasury yield narrowed to -56 basis points at March month-end versus -90 basis points at February month-end. The average historical spread (since 2003) is about +130 basis points. The inversion between 3- month and 10-year Treasuries widened to -128 in March from -89 basis points in February. The shape of the yield curve indicates that the probability of recession is increasing.

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. Revenues in this category dropped significantly in FY 2020-21 due to pandemic related restrictions and have increased over the next few years as society continued to rebound from the pandemic. In FY 2022-23, this revenue source is expected to reach \$427,000. Revenues in FY 2023-24 are expected to remain relatively consistent to FY 2022-23 Adopted Budget.

| FINES AND FORFEITURES | |
|--------------------------------|---------|
| FY 21-22 Actual | 370,160 |
| FY 22-23 Adopted | 427,000 |
| FY 22-23 Estimate | 427,000 |
| FY 23-24 Adopted | 405,000 |
| % of General Fund | 0.50% |
| % Change from FY 22-23 Adopted | -5.15% |



Intergovernmental

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

| INTERGOVERNMENTAL | |
|--------------------------------|-----------|
| FY 21-22 Actual | 4,417,903 |
| FY 22-23 Adopted | 1,434,491 |
| FY 22-23 Estimate | 7,946,051 |
| FY 23-24 Adopted | 807,624 |
| % of General Fund | 1.01% |
| % Change from FY 22-23 Adopted | -43.70% |

FY 2022-23 actuals are estimated to come in significantly higher than budgeted levels due to the recognition of COVID-19 relief dollars as part of the American Rescue Plan Act of 2021. The City recorded revenues of \$3,594,028 in FY 2021-22 and \$6,100,745 in FY 2022-23. FY 2023-24 revenues in this category are anticipated to be

44% lower than the prior year Adopted Budget due to an anticipated decrease in grants or miscellaneous intergovernmental revenue received.

Miscellaneous Revenue

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

| MISCELLANEOUS REVENUE | |
|--------------------------------|-----------|
| FY 21-22 Actual | 1,940,935 |
| FY 22-23 Adopted | 1,160,437 |
| FY 22-23 Estimate | 1,182,892 |
| FY 23-24 Adopted | 1,142,836 |
| % of General Fund | 1.42% |
| % Change from FY 22-23 Adopted | -1.52% |

In FY 2022-23, miscellaneous revenues are trending down 39% from FY 2021-22 actuals due to a restitution payment related to the 2014 embezzlement and also a payment received for fees in-lieu of public art. The proposed funds will be used for the all-inclusive playground at Jollyman Park. The majority of the General Fund's miscellaneous revenues are due to an 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 2023-24, revenues are projected to be higher than the prior year adopted budget due to an increase in cost of services from 3rd party consultants therefore increasing refundable deposit revenues.

| OTHER FINANCING SOURCES | |
|--------------------------------|---------|
| FY 21-22 Actual | 293,116 |
| FY 22-23 Adopted | 275,000 |
| FY 22-23 Estimate | 414,175 |
| FY 23-24 Adopted | 367,000 |
| % of General Fund | 0.46% |
| % Change from FY 22-23 Adopted | 33.45% |

This revenue source is expected to increase to \$367,000 in FY 2023-24.

Transfers In

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

| TRANSFERS IN | |
|--------------------------------|-----------|
| FY 21-22 Actual | 4,862,387 |
| FY 22-23 Adopted | 61,140 |
| FY 22-23 Estimate | 61,140 |
| FY 23-24 Adopted | 15,000 |
| % of General Fund | 0.02% |
| % Change from FY 22-23 Adopted | -75.47% |

In FY 2021-22, actual transfers were high due to \$4.8 million in transfers related to the American Rescue Plan Act. In FY 2023-24, the City plans to transfer \$15,000 from the City's Tree Fund to the General Fund to support ongoing tree maintenance operations.

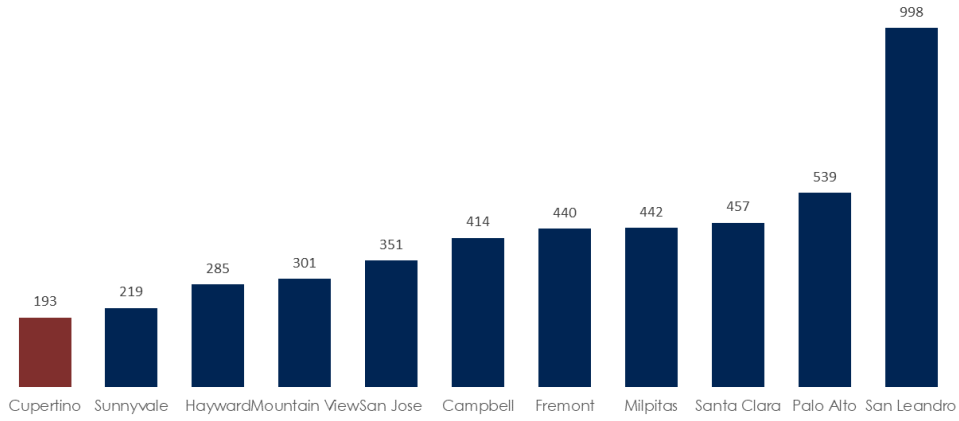
General Fund Revenue Comparisons with Other Jurisdictions

The table below shows General Fund Revenue Comparisons with neighboring jurisdictions for FY 2019-20 through FY 2023-24. It shows general fund revenue totals and population. Population data is from the California Department of Finance.

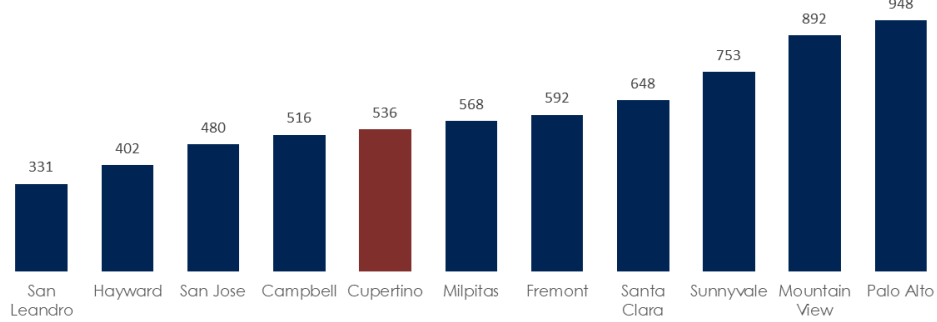
| City | 2019-20 Actual | 2020-21 Actual | 2021-22 Actual | 2022-23 Adopted | 2023-24 Adopted |
|----------------------|-------------------|-------------------|-------------------|--------------------|--------------------|
| Milpitas | | | | | |
| General Fund-Rev | 105,104,426 | 98,130,755 | 112,091,720 | 117,626,970 | 129,532,670 |
| Population | 75,796 | 77,180 | 80,633 | 80,862 | 81,067 |
| Campbell | | | | | |
| General Fund-Rev | 50,606,793 | 53,968,736 | 57,298,806 | 61,453,515 | 68,841,824 |
| Population | 41,977 | 41,898 | 43,541 | 43,092 | 42,713 |
| Cupertino | | | | | |
| General Fund-Rev | 80,104,468 | 105,987,732 | 110,000,000 | 94,700,000 | 80,300,000 |
| Population | 59,436 | 59,244 | 60,183 | 59,673 | 59,154 |
| Fremont | | | | | |
| General Fund-Rev | 201,589,000 | 238,247,805 | 273,894,000 | 238,819,000 | 285,281,000 |
| Population | 232,601 | 233,132 | 229,563 | 229,122 | 229,467 |
| Hayward | | | | | |
| General Fund-Rev | 170,106,989 | 172,864,000 | 184,641,000 | 178,634,000 | 199,141,000 |
| Population | 159,272 | 159,266 | 161,808 | 160,081 | 159,800 |
| Mountain View | | | | | |
| General Fund-Rev | 142,667,193 | 143,706,287 | 163,375,755 | 163,835,960 | 180,845,980 |
| Population | 80,986 | 81,302 | 83,520 | 83,856 | 83,601 |
| Palo Alto | | | | | |
| General Fund-Rev | 188,947,000 | 179,834,301 | 216,276,000 | 215,219,000 | 237,209,000 |
| Population | 68,272 | 68,145 | 67,953 | 67,693 | 67,287 |
| San Jose | | | | | |
| General Fund-Rev | 1,204,729,056 | 1,355,444,037 | 1,739,528,628 | 1,698,821,608 | 1,409,500,681 |
| Population | 1,043,617 | 1,041,466 | 989,396 | 963,745 | 959,256 |
| San Leandro | | | | | |
| General Fund-Rev | 117,510,313 | 131,849,000 | 135,453,589 | 133,526,710 | 137,992,835 |
| Population | 88,328 | 87,840 | 89,976 | 88,075 | 87,497 |
| Santa Clara | | | | | |
| General Fund-Rev | 242,422,504 | 240,695,681 | 232,540,567 | 238,905,110 | 272,063,556 |
| Population | 125,908 | 127,301 | 129,926 | 130,462 | 132,476 |
| Sunnyvale | | | | | |
| General Fund-Rev | 197,073,210 | 213,758,215 | 250,324,720 | 230,440,500 | 241,537,393 |
| Population | 154,074 | 154,252 | 156,085 | 156,364 | 156,317 |

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

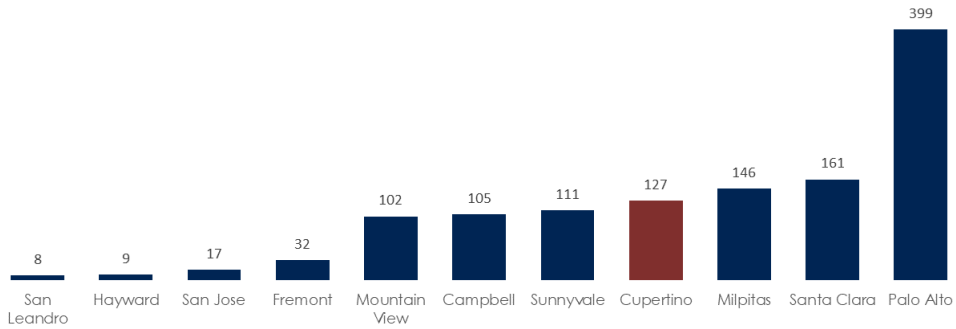
FY 2023-24 Sales Tax - \$ Per Capita



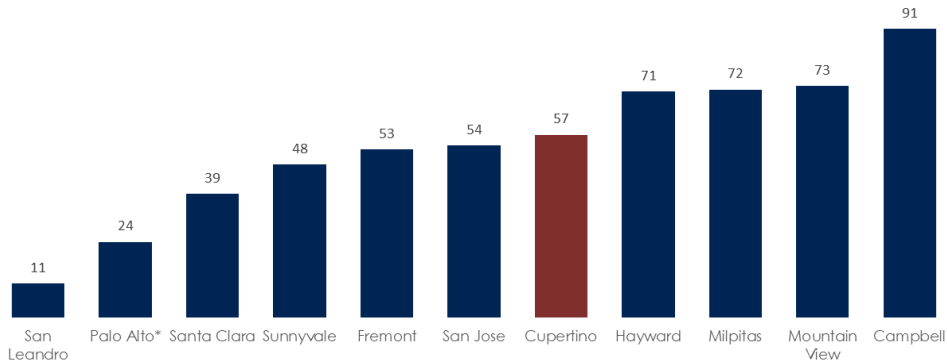
FY 2023-24 Property Tax - \$ Per Capita



FY 2023-24 Transient Occupancy Tax - \$ Per Capita

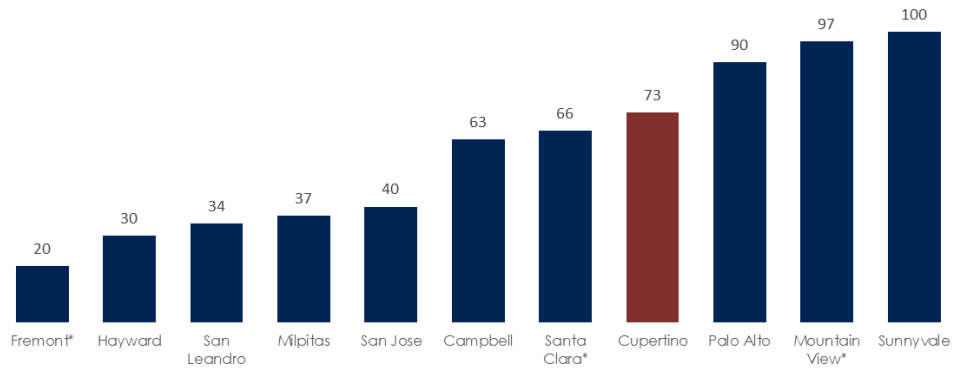


FY 2023-24 Franchise Fees - \$ Per Capita



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

FY 2023-24 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

The estimates for FY 2023-24 General Fund expenditures are based on a thorough analysis of anticipated personnel and non-personnel costs. To create a more fiscally responsible budget, department budgets reflect a base budget with only justified ongoing expenses. This accounts for changes in personnel costs as well as any other anticipated or known increased costs in FY 2023-24.

FY 2023-24 expenditures are estimated at \$86.1 million, which represents a 9.6% decrease compared to the adopted budget from the previous year. This decrease is primarily attributed to expenditure-reduction strategies that include:

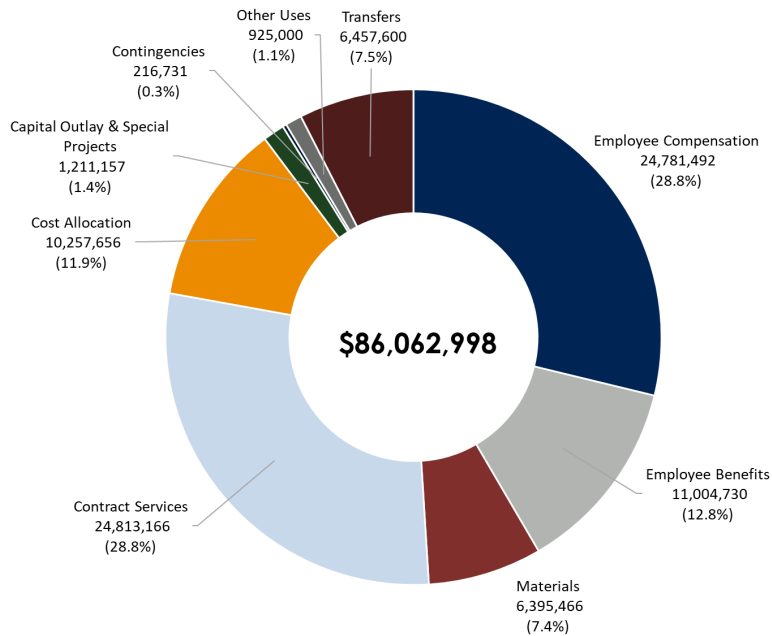
- Eliminating 14 vacant positions.
- Decreasing expenditure on materials and contract services.
- Reducing spending on special projects and capital outlays.
- Reducing the City Manager's Contingency Fund by \$25,000 and contingencies by 50%.
- Reducing transfers and General Fund subsidies to other funds.

As a result, expenditures were reduced by \$20.3 million, or 19.5%, from the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| GENERAL FUND EXPENDITURE SUMMARY | | | | | |
|-----------------------------------|----------------------|----------------------|----------------------|----------------------|-------------------|
| EXPENDITURES | 2020-21 Actual | 2021-22 Actual | 2022-23 Adopted | 2023-24 Adopted | Percent Change |
| Employee Compensation | 18,441,609 | 19,749,109 | 24,295,660 | 24,781,492 | 2.0% |
| Employee Benefits | 8,238,449 | 9,086,959 | 11,440,636 | 11,004,730 | -3.8% |
| Total Personnel Costs | 26,680,058 | 28,836,068 | 35,736,296 | 35,786,222 | 0.1% |
| Non-Personnel Costs | | | | | |
| Materials | 4,248,715 | 4,875,697 | 7,219,073 | 6,395,466 | -11.4% |
| Contract Services | 21,106,602 | 21,340,524 | 25,026,032 | 24,813,166 | -0.9% |
| Cost Allocation | 10,473,540 | 11,948,062 | 10,385,961 | 10,257,656 | -1.2% |
| Capital Outlay & Special Projects | 5,895,185 | 2,863,072 | 3,657,378 | 1,211,157 | -66.9% |
| Contingencies | 293 | 5,132 | 451,739 | 216,731 | -52.0% |
| Other Uses | 319,444 | 569,977 | 695,000 | 925,000 | 33.1% |
| Total Non-Personnel | 42,043,779 | 41,602,464 | 47,435,183 | 43,819,176 | -7.6% |
| Transfers | 15,148,689 | 26,272,864 | 11,996,300 | 6,457,600 | -46.2% |
| TOTAL EXPENDITURES | \$ 83,872,526 | \$ 96,711,396 | \$ 95,167,779 | \$ 86,062,998 | -9.6% |

The largest General Fund operating expenditure categories include Employee Compensation and Benefits (42%), Contract Services (29%), Cost Allocation (12%), and Transfers Out (8%) as illustrated in the FY 2023-24 General Fund Expenditures by Category chart.

General Fund Expenditures by Category



Personnel Costs

In FY 2023-24, personnel costs are expected to reach \$35.8 million, accounting for 42% of the General Fund expenditures. These costs include salaries and compensation for benefitted and part-time staff (69%), retirement benefits (20%), and other fringe benefits (10%), such as health coverage.

To obtain these figures, the City extracted data from the payroll system and made necessary updates to account for vacant positions, new hires, salary adjustments, and reallocated positions. Furthermore, the projected costs of benefits for the upcoming year, such as retirement and health plans, were taken into consideration. It's worth noting that the contribution for retiree healthcare, which is an ongoing expense, is not factored into personnel costs as it will be funded separately through the Section 115 OPEB Trust.

The City expects CalPERS retirement rates to rise to \$7.1 million, with the normal cost rate increasing to 10.7%, based on the latest actuarial valuation report from CalPERS. These projections are reflected in the General Fund forecast section of the budget.

The Adopted Budget includes funding for a total of 212 positions, which is 14 positions less than the FY 2022-23 Amended Budget. This reduction is attributed to projected decreases in revenue following the CDTEFA audit. As a result, 14 vacant positions have been eliminated from the budget. These positions were vacant due to reasons such as resignations, retirements, or not being filled at all.

| Position | Department | Description | FTE |
|--|-------------------------|----------------------|---------------|
| FY 2022-23 Adopted Budget | | | 225.00 |
| FY 2022-23 Amended Budget | | | |
| Special Project Executive (Limited-Term) | Administration | Adding New Position | 1.00 |
| FY 2022-23 Amended Budget | | | 226.00 |
| FY 2023-24 Adopted Budget | | | |
| Assistant City Manager | Administration | Eliminating Position | -1.00 |
| Communications Analyst (Limited-Term) | Administration | Eliminating Position | -1.00 |
| Administrative Assistant | Administrative Services | Eliminating Position | -1.00 |
| Office Assistant | Community Development | Eliminating Position | -1.00 |
| Housing Senior Planner | Community Development | Eliminating Position | -1.00 |
| Permit Center Manager | Community Development | Eliminating Position | -1.00 |
| Recreation Manager | Parks and Recreation | Eliminating Position | -1.00 |
| Community Outreach Specialist | Parks and Recreation | Eliminating Position | -1.00 |
| Maintenance Worker | Public Works | Eliminating Position | -3.00 |
| Project Manager | Public Works | Eliminating Position | -1.00 |
| Project Manager (Limited-Term) | Public Works | Eliminating Position | -1.00 |
| Assistant Director of Public Works | Public Works | Eliminating Position | -1.00 |
| FY 2023-24 Adopted Budget | | | 212.00 |

To address the City's staffing levels in a responsible and sustainable manner, staff has devised a plan to gradually reduce staffing levels over the next decade through the elimination of vacant positions. The plan aims to eliminate 3-4 vacant positions annually until the City reaches a staffing level of 180 positions, which is consistent with the levels in FY 2015-16. This gradual reduction approach will help ensure that essential services to the community are maintained without significant disruptions.

Non-Personnel

In the General Fund budgeted appropriations for FY 2023-24, non-personnel costs make up 51% of the total at \$44.0 million. Contract services are the largest component at 29%, followed by cost allocation charges at 12%, materials at 7%, and capital outlays and special projects at 1%.

One-time projects were separated into a different category in FY 2013-14 to ensure expenditure trends reflect ongoing needs. In FY 2017-18, special projects and capital outlays were categorized separately from other costs.

Non-Personnel budgets were developed based on previous year's base budget and adjusted for the current year's needs. One-time projects were excluded to reflect ongoing expenditure needs. Materials and contract services were adjusted by CPI, where applicable. In response to the anticipated revenue shortfall resulting from the CDTEFA audit, departments were asked to find ways to reduce the base budget. To balance the budget, various categories including materials, contract services, capital outlays, special projects, transfers to other funds, and contingencies were reduced in the Adopted Budget.

Contingencies

In FY 2013-14, a contingencies expenditure category was added to each program to provide a cushion for any unforeseen expenses. In FY 2020-21, the program contingencies and City Manager Contingency were reduced from 5% to 2.5%. To further reduce expenditures, in FY 2021-22, the City Manager Contingency was reduced to \$75,000, and in FY 2022-23, program contingencies are being reduced to 1.25%, and the City Manager Contingency is being reduced to \$50,000. The City has a track record of underspending in this category. The program contingency budget may be used by departments to cover unanticipated expenses at their discretion, while the City Manager Contingency requires the approval of the City Manager and is reported to the City Council quarterly for transparency and accountability.

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. Transfers from the General Fund are as follows:

| Receiving Fund | Description | FY 2022-23 Adopted Budget | FY 2023-24 Adopted Budget |
|------------------------------|--|------------------------------|------------------------------|
| Transportation Fund | Sidewalk, Curb, and Gutter Maintenance | 3,025,000 | 2,500,000 |
| Debt Service Fund | Annual Debt Payment | 2,675,800 | 2,677,600 |
| Capital Reserve Fund | Capital Projects | 2,500,000 | - |
| Recreation Fund | Recreation | 376,000 | - |
| Innovation & Technology Fund | IT Infrastructure | 2,537,500 | 900,000 |
| Compensated Absence/LTD Fund | Compensated Absences | 882,000 | 380,000 |
| TOTAL | | \$ 11,996,300 | \$ 6,457,600 |

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

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

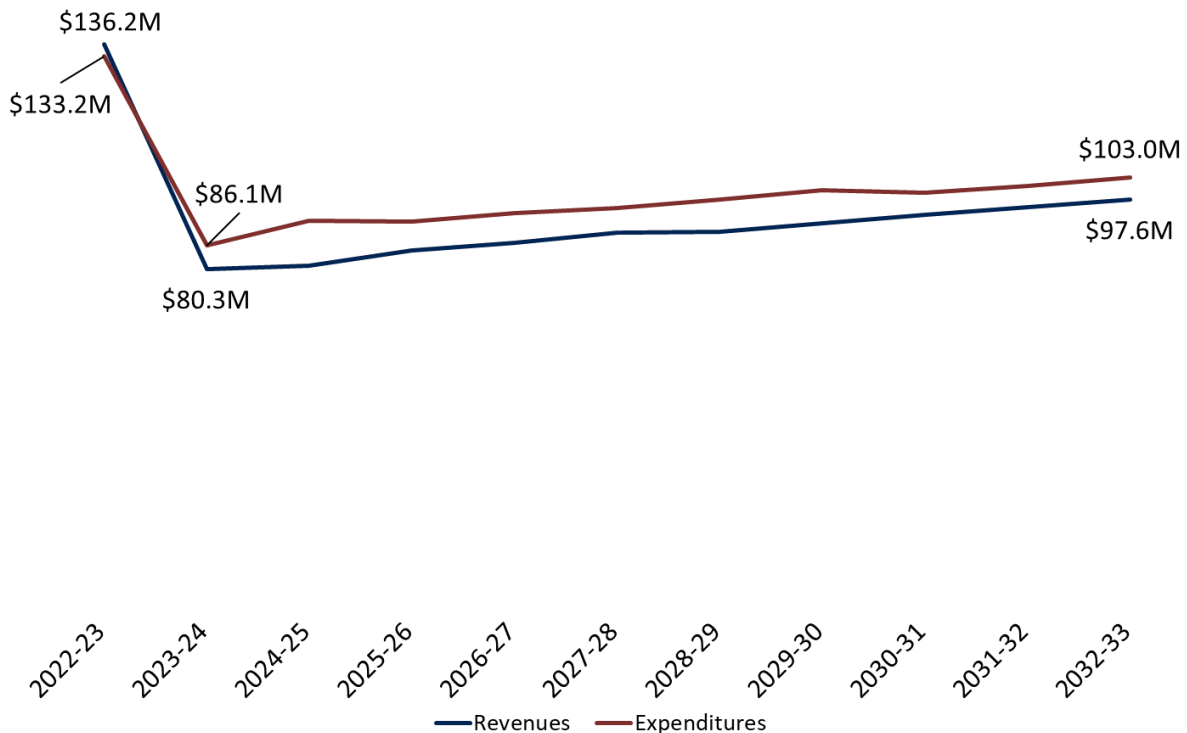
| Classification | 2020-21 Actual | 2021-22 Actual | 2022-23 Adopted Budget | 2022-23 Year End Projected | 2023-24 Adopted Budget |
|---------------------------------|-------------------|--------------------|------------------------------|----------------------------------|------------------------------|
| <u>Nonspendable</u> | | | | | |
| Loans Receivable | 444,346 | 439,199 | 440,000 | 439,199 | 435,000 |
| Advance to Other Funds | - | - | - | - | - |
| Total Nonspendable | 444,346 | 439,199 | 440,000 | 439,199 | 435,000 |
| <u>Restricted</u> | | | | | |
| CASp Certification and Training | 13,392 | 23,621 | 13,982 | 23,621 | 23,621 |
| Section 115 Pension Trust | 18,491,004 | 17,240,051 | 22,820,778 | 17,240,051 | 17,240,051 |
| Public Access Television | 1,418,472 | 1,492,810 | 1,368,789 | 1,492,810 | 1,492,810 |
| Public Art In-Lieu | - | - | - | 338,147 | - |
| Total Restricted | 19,922,868 | 18,756,482 | 24,203,549 | 19,094,629 | 18,756,482 |
| <u>Committed</u> | | | | | |
| Economic Uncertainty Reserve | 19,000,000 | 24,000,000 | 24,000,000 | 24,000,000 | 24,000,000 |
| Capital Projects Reserve | - | - | 10,000,000 | 10,000,000 | 10,000,000 |
| Sustainability Reserve | 127,891 | 127,891 | 127,891 | 127,891 | 127,891 |
| Total Committed | 19,127,891 | 24,127,891 | 34,127,891 | 34,127,891 | 34,127,891 |
| <u>Assigned</u> | | | | | |
| Reserve for Encumbrances | 4,906,139 | 5,041,681 | 3,000,000 | 7,000,000 | 7,000,000 |
| Total Assigned | 4,906,139 | 5,041,681 | 3,000,000 | 7,000,000 | 7,000,000 |
| Total Unassigned | 52,449,546 | 51,804,288 | 48,332,873 | 49,530,011 | 44,090,588 |
| TOTAL FUND BALANCE | 96,850,790 | 100,169,541 | 110,104,313 | 110,191,729 | 104,409,960 |

General Fund Forecast

Overview

City staff prepares medium-term (5-year) and long-term (10-year and 20-year) forecasts as part of the budget process. While long-term projections may be less precise than short-term projections, they can help identify potential structural budget issues in advance. However, given the unpredictability of the CDTEFA audit, this budget only includes a 10-year forecast.

10-Year General Fund Financial Forecast



The California Department of Tax and Fee Administration (CDTEFA) is currently conducting an audit on one of the City's taxpayers. This is expected to have a substantial impact on the City's finances, with a projected decline of \$30 million, or 73%, in its sales tax revenues from the initial FY 2023-24 forecast provided by HdL, the City's sales tax consultant. As a result, the City's total revenues are also anticipated to decrease by \$30 million, or 28%, from the original FY 2023-24 forecast.

The City recognizes the importance of fiscal prudence and responsible financial management in light of this significant revenue loss. To address the potential shortfall resulting from the CDTEFA audit, City staff has updated the financial forecast and is actively exploring various strategies to balance the budget. Unfortunately, these strategies will result in service level reductions for the community, and the impacts will be shared across all areas. The City is also evaluating different revenue-generating options to mitigate the budget shortfalls caused by the audit.

To address the structural deficit caused by recurring expenditures consistently surpassing recurring revenues, the City has been implementing cost-cutting measures while ensuring that essential services continue to be provided to the community.

The City is taking a proactive approach to minimize the impact on its staff and residents, and City staff will continue to keep the Council informed of any new developments related to the audit and its impact on the City's finances. It is crucial to note that the CDTEFA audit has resulted in a structural deficit, and the City will need to continue implementing long-term solutions to address this ongoing challenge.

General Fund Annual Operating Surplus/Deficit



Despite the challenging times, the City's financial position remains strong, and it has a number of advantages that will help it weather the storm without having to resort to more painful cuts. These advantages include an unassigned General Fund balance of over \$50 million, a fully funded retiree healthcare program, and a Section 115 Pension Trust of over \$17 million that can be used to offset the impact of revenue losses. These reserves can be utilized to offset deficits until the City can align its ongoing expenditures with its revenues. It's important to note that these reserves are one-time funding, which cannot be relied upon to sustain the City's finances in the long run.

These resources give the City a buffer and more options to manage its finances effectively. With a solid financial footing and prudent planning, the City is well-positioned to navigate these uncertain times and maintain its commitment to its staff and community.

Forecast Methodology

A financial forecast is a crucial tool for planning and budgeting, allowing staff to analyze trends and anticipate the long-term impacts of budget decisions. It plays a vital role in modeling the effects of various factors, such as retirement costs, employee compensation, and revenues, on the City's budget.

It is important to note that the forecast is not a plan but rather a model that relies on revenue and cost assumptions, which are updated regularly as new information becomes available. While cost projections, which are based on known costs, are relatively reliable, revenue forecasts are subject to uncertainties related to future economic conditions. Economic forecasts can change frequently, making it difficult to commit to a particular prediction of the future. As such, staff must update the forecast regularly to ensure it reflects the latest information and trends.

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 trend analysis, including 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 CDTFA audit in determining the sales tax estimates.

A discussion of the national and local economic outlooks used to develop the revenue estimates for the FY 2023-24 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 2.6% in the fourth quarter of 2022, after increasing by 3.2% in the third quarter. The increase in the fourth quarter primarily reflected increases in inventory investment and consumer spending that were partly offset by a decrease in housing investment. The deceleration in the fourth quarter, compared to the third quarter, primarily reflected a downturn in exports and decelerations in consumer spending, business investment, and state and local government spending. These movements were partly offset by an upturn in inventory investment, a smaller decrease in housing investment, and an acceleration in federal government spending. Imports decreased less in the fourth quarter than in the third quarter.

Economic trends have been decelerating along with tighter financial conditions and restrictive monetary policy. Recent data suggests positive but below-trend growth this year. Although the pace of job growth is moderating, labor markets remain solid, and the U.S. consumer has demonstrated resiliency.

At the end of March, the 2-year Treasury yield was 169 basis points higher, and the 10-Year Treasury yield was about 113 basis points higher, year-over-year. The inversion between the 2-year Treasury yield and 10-year Treasury yield narrowed to -56 basis points at March month-end versus -90 basis points at February month-end. The average historical spread (since 2003) is about +130 basis points. The inversion between 3-month and 10-year Treasuries widened to -128 in March from -89 basis points in February. The shape of the yield curve indicates that the probability of recession is increasing.

Cupertino Economic Outlook

The City does not anticipate significant impacts on property tax revenues in FY 2023-24. The City is optimistic about the future of transient occupancy tax (TOT) revenues, as the relaxation of pandemic-related restrictions has boosted business travel. Although strong in previous years, construction activity will continue to flatten out as recent large development projects, notably Apple Park, are now complete.

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

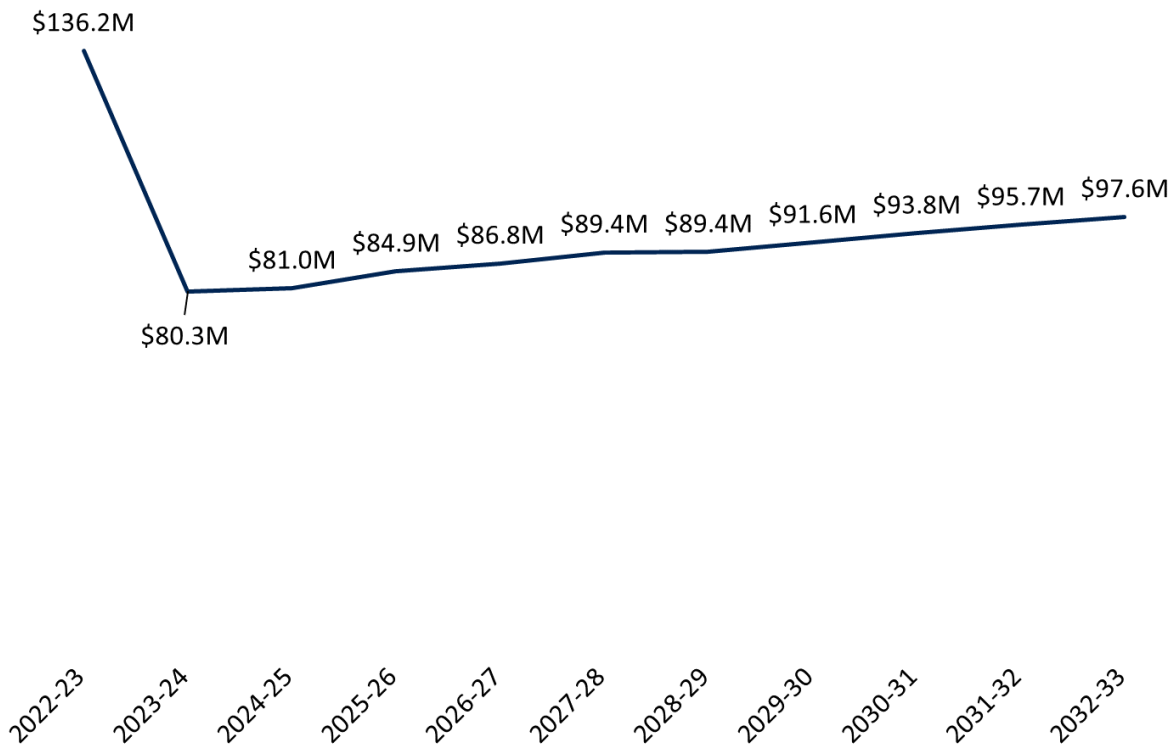
Revenues

The City relies heavily on three revenue sources: property tax, sales tax, and transient occupancy tax (TOT), which together make up the majority of its General Fund revenues. However, the City is facing a significant drop in revenue due to the impact of the CDTFA audit, which is expected to reduce revenues by \$30 million, or 28%, from original projections.

The City's General Fund revenues are projected to be \$80.3 million in FY 2023-24, and are expected to increase over the forecast period. Property tax and transient occupancy tax are expected to continue to be strong revenue sources, with projected increases. However, sales tax is projected to decrease significantly due to the CDTFA audit.

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.

10-Year General Fund Revenue Forecast

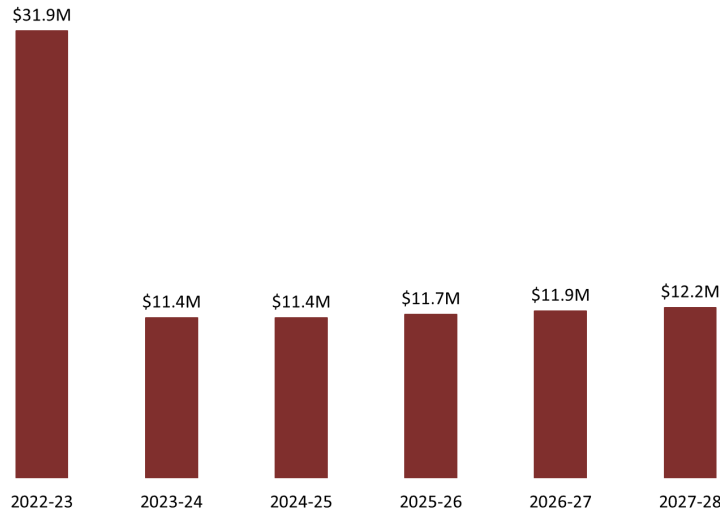


| FIVE-YEAR GENERAL FUND REVENUES FORECAST | | | | | | |
|--|--------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 |
| | Estimate | Adopted | Forecast | Forecast | Forecast | Forecast |
| REVENUES | | | | | | |
| Sales Tax | 31,944,089 | 11,428,930 | 11,428,930 | 11,667,239 | 11,912,472 | 12,156,862 |
| Property Tax | 30,039,574 | 31,736,834 | 31,736,834 | 34,595,300 | 35,538,579 | 37,044,780 |
| Transient Occupancy Tax | 6,000,000 | 7,500,000 | 7,500,000 | 7,718,436 | 7,930,861 | 8,137,745 |
| Utility Tax | 2,955,404 | 3,304,742 | 3,304,742 | 3,328,964 | 3,328,893 | 3,353,221 |
| Franchise Fees | 3,230,101 | 3,443,574 | 3,443,574 | 3,508,151 | 3,506,962 | 3,571,561 |
| Other Taxes | 1,787,691 | 1,641,486 | 1,641,486 | 1,682,873 | 1,679,433 | 1,722,554 |
| Licenses and Permits | 34,057,523 | 4,265,081 | 4,265,081 | 4,286,406 | 4,286,406 | 4,307,838 |
| Use of Money and Property | 1,277,013 | 2,328,336 | 3,405,839 | 3,484,825 | 3,568,078 | 3,655,861 |
| Intergovernmental | 7,946,051 | 807,624 | 807,624 | 811,662 | 815,720 | 819,799 |
| Charges for Services | 14,095,689 | 11,894,786 | 11,894,786 | 12,234,775 | 12,553,034 | 12,871,611 |
| Fines and Forfeitures | 427,000 | 405,000 | 405,000 | 405,000 | 405,000 | 405,000 |
| Miscellaneous | 1,182,892 | 1,142,836 | 1,142,836 | 1,197,650 | 1,251,525 | 1,305,344 |
| Transfers In | 861,140 | 15,000 | - | - | - | - |
| Other Financing Sources | 414,175 | 367,000 | - | - | - | - |
| TOTAL REVENUES | 136,218,342 | 80,281,229 | 80,976,733 | 84,921,283 | 86,776,963 | 89,352,176 |

Sales Tax

Prior to FY 2023-24, sales tax has been 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. Each quarterly payment is divided into three monthly payments: two advance payments and a final reconciliatory payment that reconciles the actual revenue collected with the CDTFA's projected revenue for that quarter.

5-Year Sales Tax Forecast



Sales tax revenues experienced a significant increase in FY 2020-21 and FY 2021-22. The City's business-to-business (B2B) industry and online sales were the primary drivers of this growth. The pandemic contributed to the surge in B2B revenues as businesses transitioned to remote work. Meanwhile, brick-and-mortar retail sales decreased due to Shelter-in-Place orders, resulting in an increase in online sales. However, the City believes this increase was a one-time event due to the pandemic.

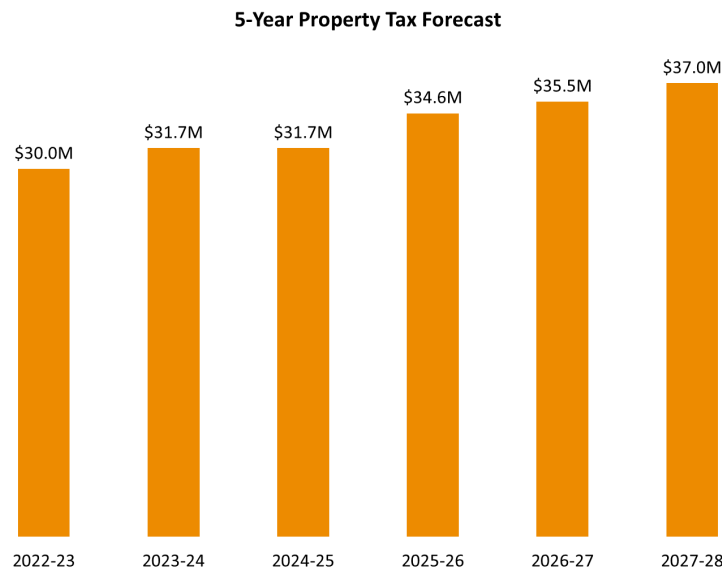
In FY 2023-24, sales tax revenues are projected to be \$11.4 million, a decrease of \$30 million, or 73%, from the original forecast due to the CDTFA audit. Sales tax revenues are projected to increase by an average annual growth rate of 1.6% in the forecast. Staff used conservative estimates for business and industry, general consumer goods, restaurants and hotels, and state and county pools.

The City faces a concentration risk due to the dependence on a single industry, particularly the B2B sector, which is sensitive to economic forces. Two technology companies account for a significant portion of the City's total sales tax revenue.

To mitigate the volatility of B2B revenue, the City's long-term fiscal, strategic plan aims 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 projected to remain stable in the near term. However, the impact of potential remote work on property taxes in the long term is uncertain. The trend towards remote work has caused people to reconsider where they choose to live, which could lead to a decrease in demand for residential real estate. Additionally, companies may need less office space if fewer employees are working at the office, which could decrease demand for commercial office space. This could result in a reduction of property tax revenue for the City.



In FY 2023-24, property tax revenues are expected to reach \$31.7 million and increase at an average annual growth rate of 3.1% in the forecast. The moderate forecast is based on a range of factors, including historical trends for the City and projections for the region. While property tax has grown at an average annual rate of 11% historically, this projection assumes a lower growth rate due to the absence of significant development projects.

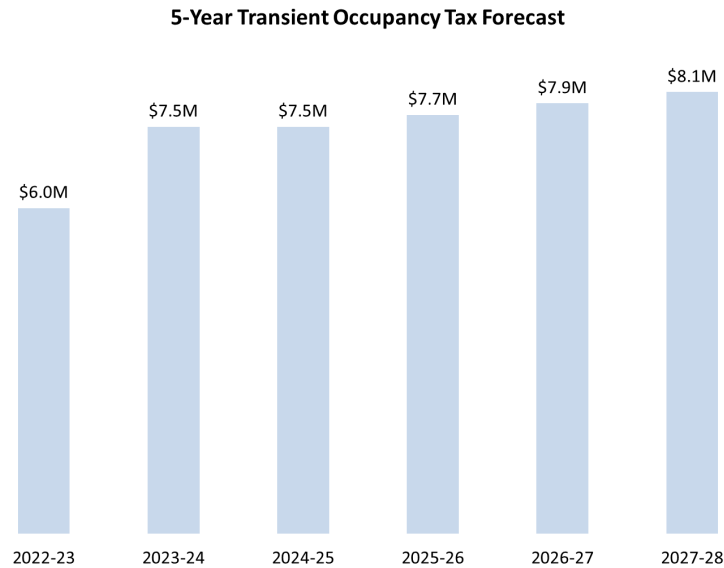
It is essential to note that major development projects, such as Main Street and Apple Park, have been significant contributors to the historical growth in property tax revenues. However, the current projection does not assume any such developments in the near future, resulting in a more modest growth rate forecast.

The City will continue to monitor economic and market trends to ensure that property tax revenue projections remain accurate.

Transient Occupancy Tax

The COVID-19 pandemic had a significant impact on Transient Occupancy Tax (TOT) revenues, with a dramatic decline in revenues due to the reduction in travel. The City experienced a decrease in TOT revenues from \$8.9

million in FY 2018-19 to \$2.1 million in FY 2020-21, with a partial recovery to \$4.4 million in FY 2021-22. TOT revenues are heavily reliant on business travel, which may be affected by remote work or economic conditions. Although leisure travel has recovered faster than expected, business travel has been slower to recover. The City is cautiously optimistic that business travel will continue to increase in FY 2023-24.



The City's current forecast assumes that TOT revenues will recover to \$7.5 million in FY 2023-24, and gradually increase from the new normal. The forecast projects an average annual growth rate of 1.9% for TOT revenues. This moderate forecast is based on historical tax collections and assumes slower growth than historical trends.

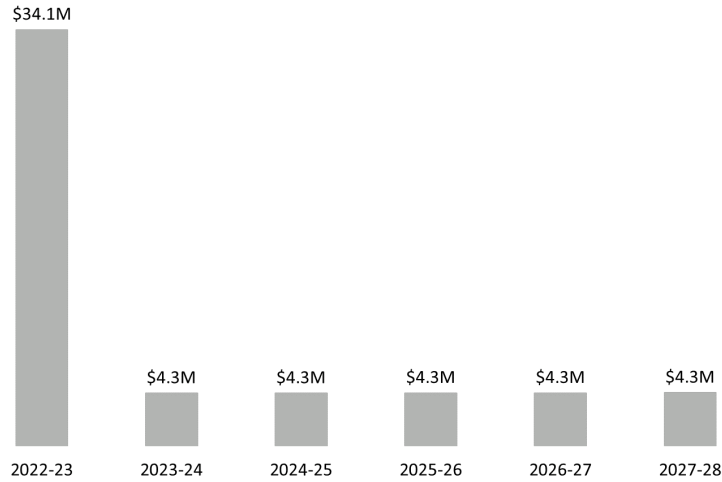
The TOT revenues are affected by the tax rate charged on hotels, occupancy rates, and average daily room rates (ADR). Given that TOT revenues in Cupertino are mainly driven by business travel, any shift in travel habits or economic conditions could significantly impact this revenue source.

Licenses and Permits

Licenses and permits revenue is expected to decrease in FY 2023-24 due to the slowdown in development activity, but is expected to increase slightly in the out-years. The City's forecast projects an average annual growth rate of 0.3% for licenses and permits revenue, 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.

It is important to note that this forecast does not take into account any significant development projects that are awaiting approval. In the event that new development projects are approved, staff will update this forecast accordingly.

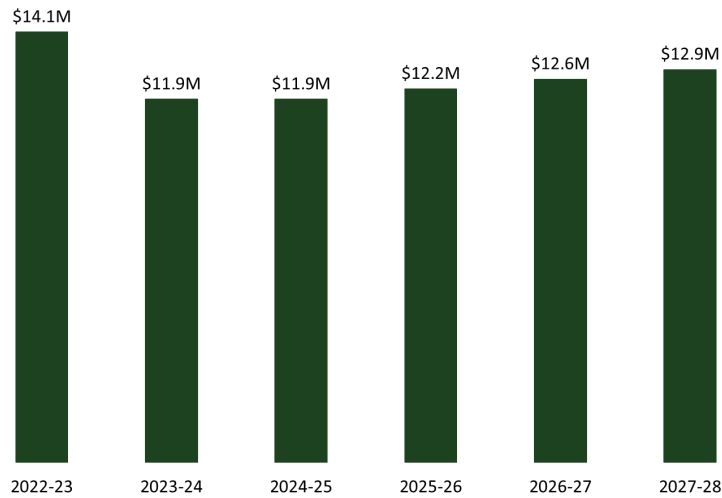
5-Year Licenses & Permits Forecast



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



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 expected to increase by 2.75%, reflecting full-time salary growth. Planning Fees and Engineering Fees are forecasted based on construction and development factors, such as California residential and non-residential building permits, and construction payrolls from the UCLA Anderson Forecast for the Nation and California.

This forecast does not consider any significant development projects awaiting approval. The City will update the forecast if new projects are approved.

Other Revenue

Utility taxes are forecasted to increase by an annual average growth rate of 0.5% 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 1.2% 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 0.4% 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 0.4% 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

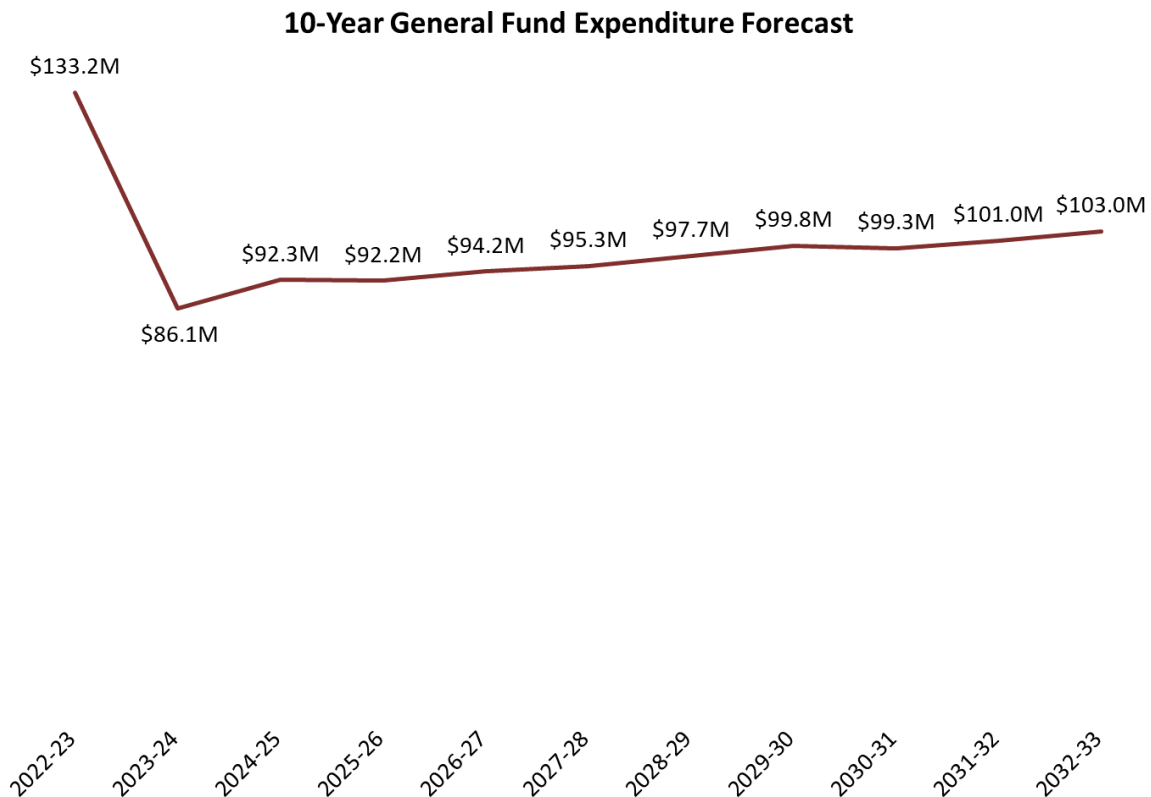
In FY 2019-20, the City developed a zero-based budget, which involved analyzing every function of the City for its needs and costs. As a result, all costs were justified, and base budget savings were achieved.

However, for FY 2023-24, the City is facing an expected revenue shortfall due to the CDTFA audit. To address this, departments have been asked to reduce their base budget expenditures by reducing materials and contract services by 40% and 20%, respectively. These efforts will help balance the City's budget.

In addition to these cost-saving measures, the City is implementing several budget-balancing strategies, including:

- Eliminating 14 vacant positions
- Decreasing expenditure on materials and contract services
- Reducing spending on special projects and capital outlays
- Reducing the City Manager's Discretionary Fund by \$25,000 and contingencies by 50%
- Decreasing the amount of transfers to other funds
- Utilizing the City's Section 115 Trusts to fund pension and OPEB (Other Post-Employment Benefits) costs

To inform these decisions, the City developed a forecast based on actual expenditures in prior years and FY 2023-24 projections. The forecast also considered factors such as CPI, construction and development activity, and CalPERS Normal Cost and Unfunded Liability projections. The forecast will be adjusted throughout the year to account for one-time changes and budget adjustments.



| FIVE-YEAR GENERAL FUND EXPENDITURES FORECAST | | | | | | |
|--|--------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 |
| | Estimate | Adopted | Forecast | Forecast | Forecast | Forecast |
| EXPENDITURES | | | | | | |
| Employee Compensation & Benefits | 37,545,076 | 35,786,222 | 35,896,463 | 33,819,639 | 33,991,213 | 33,352,091 |
| Personnel Costs | 37,545,076 | 35,786,222 | 35,896,463 | 33,819,639 | 33,991,213 | 33,352,091 |
| Materials | 8,034,656 | 6,395,466 | 6,619,307 | 6,804,648 | 6,974,764 | 7,135,184 |
| Contract Services | 30,496,818 | 24,813,166 | 30,886,314 | 32,243,900 | 33,566,913 | 34,879,645 |
| Cost Allocation | 10,385,961 | 10,257,656 | 10,539,742 | 10,829,584 | 11,127,398 | 11,433,401 |
| Capital Outlay & Special Projects | 32,378,038 | 1,211,157 | 755,291 | 776,439 | 795,850 | 814,155 |
| Contingencies | 399,227 | 216,731 | 175,505 | 180,419 | 184,930 | 189,183 |
| Other Uses | 1,503,165 | 925,000 | - | - | - | - |
| Non-Personnel Costs | 83,197,865 | 43,819,176 | 48,976,160 | 50,834,991 | 52,649,855 | 54,451,568 |
| Transfers | 12,453,213 | 6,457,600 | 7,476,200 | 7,498,600 | 7,518,205 | 7,545,032 |
| TOTAL EXPENDITURES | 133,196,154 | 86,062,998 | 92,348,823 | 92,153,231 | 94,159,273 | 95,348,691 |

The chart above illustrates the projected General Fund expenditures, which are estimated to be \$86.3 million in FY 2023-24, with an expected increase over the forecast period. The forecasted expenditure growth is primarily driven by increasing Law Enforcement costs. To provide an in-depth understanding of the estimated expenditure categories in the General Fund Forecast, the following discussion focuses on the assumptions made for each category.

Personnel Expenditures

Salaries

FY 2023-24 salaries and benefits reflect the cost-of-living adjustments approved by the City Council in August 2022. The City is currently negotiating with its bargaining groups because the agreements, which expire on June 30, 2025, include a salary and benefits reopener. In the forecast, full-time salaries are expected to increase by the CalPERS payroll growth rate. On the other hand, part-time salaries are forecasted to grow at a rate of 1.5%, because historically, part-time salaries have tended to grow at a slower rate than full-time salaries.

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 38% of employees are below Step 5.

Health Benefits

In FY 2023-24, 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 offers retirement benefits to its employees through the California Public Employee's Retirement System (CalPERS), which experienced a significant decline in its assets due to poor investment returns during the Great Recession. Moreover, changes in actuarial assumptions and enhanced benefits due to higher life expectancies have further increased the plan's liabilities. Consequently, the City's pension costs have escalated considerably and currently constitute one of the City's largest financial obligations.

The table below illustrates the City's CalPERS costs over the next few years.

| | Projected CalPERS Contributions | | | | | |
|-------------------------------|---------------------------------|---------------|---------------|---------------|---------------|---------------|
| | FY 2023-24 | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 |
| Projected Payroll | \$ 21,617,038 | \$ 22,222,316 | \$ 22,844,540 | \$ 23,484,187 | \$ 24,141,744 | \$ 24,817,713 |
| Normal Cost (%) | 10.7% | 10.6% | 10.4% | 10.2% | 10.1% | 9.9% |
| Normal Cost | \$ 2,315,185 | \$ 2,355,565 | \$ 2,375,832 | \$ 2,395,387 | \$ 2,438,316 | \$ 2,456,954 |
| UAL Payment (%) | 22.0% | 21.6% | 19.1% | 18.2% | 14.4% | 14.4% |
| UAL Payment | \$ 4,763,735 | \$ 4,811,000 | \$ 4,361,000 | \$ 4,278,000 | \$ 3,465,000 | \$ 3,586,000 |
| Total Contribution (%) | 32.7% | 32.2% | 29.5% | 28.4% | 24.5% | 24.3% |
| Total Contribution | \$ 7,078,920 | \$ 7,166,565 | \$ 6,736,832 | \$ 6,673,387 | \$ 5,903,316 | \$ 6,042,954 |

In December 2016, the CalPERS Board of Administration implemented a three-year phase-in beginning in FY 2018-19 to lower the discount rate from 7.5% to 7.0%. This was done to enhance the financial stability of the pension system, resulting in significant increases in retirement costs. Additionally, in FY 2021-22, the discount rate was further lowered from 7.0% to 6.8% due to the FY 2020-21 investment gain of 21.3%, which 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.

| Tier | Number of Employees | Benefit Factor | CalPERS Plan Breakdown by Tier | | | |
|------|---------------------|----------------|--------------------------------|--------------------------------|--------------------------------|--------------------|
| | | | Compensation Basis | Employer Share of Contribution | Employee Share of Contribution | Total Contribution |
| 1 | 56 | 2.7% @ 55 | Highest Year | 32.70% | 8.00% | 40.70% |
| 2 | 19 | 2% @ 60 | Highest 3 Year Average | 32.70% | 7.00% | 39.70% |
| 3 | 117 | 2% @ 62 | Highest 3 Year Average | 32.70% | 7.00% | 39.70% |

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.

Non-Personnel Expenditures

Non-Personnel budgets were developed based on previous year's base budget and adjusted for the current year's needs. One-time projects were excluded to reflect ongoing expenditure needs. Materials and contract services were adjusted by CPI, where applicable. In response to the anticipated revenue shortfall resulting from the CDTFA audit, departments were asked to find ways to reduce the base budget. To balance the budget, various categories including materials, contract services, capital outlays, special projects, transfers to other funds, and contingencies were reduced in the FY 2023-24 Adopted Budget.

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

The City's current agreement with the Santa Clara County Sheriff's Office is set to expire in June 2024, and negotiations are ongoing for a new agreement. In anticipation of potential increases in Law Enforcement costs, a placeholder increase has been included in the forecast. These costs have been a significant driver of the City's expenditure growth in recent years, and it is expected that they will continue to increase in the coming years.

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 \$5 million per year on capital outlays and special projects, excluding development projects that include pass-through revenue. Capital Outlays and Special Projects are being reduced as an expenditure-reduction strategy.

Contingencies are projected to increase by CPI. Program contingencies are being reduced to 1.25%, while the City Manager's Contingency Fund are being reduced to \$50,000 in FY 2023-24. 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. It's worth noting that the City has historically underutilized 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: \$2.5 million annually.
- Debt Service Funds: \$2.7 million based on the 2012 COPS debt service schedule.
- Capital Reserve: \$0 million.
- 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: \$1 million and increases at CPI annually.
- Enterprise Funds: \$0.5 million and increases at CPI per year.

Transfers from the General Fund to other funds have been reduced as part of an expenditure reduction strategy aimed at decreasing General Fund subsidies of other funds.

The City is expected to complete its debt payments for city facilities by FY 2029-30. Until then, the City will pay approximately \$2.7 million annually in principal and interest on its Certificates of Participation for City Hall, Community Hall, and Library. These funds will be transferred from the General Fund to the Debt Service Funds.

Starting in FY 2022-23, the City funds 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.

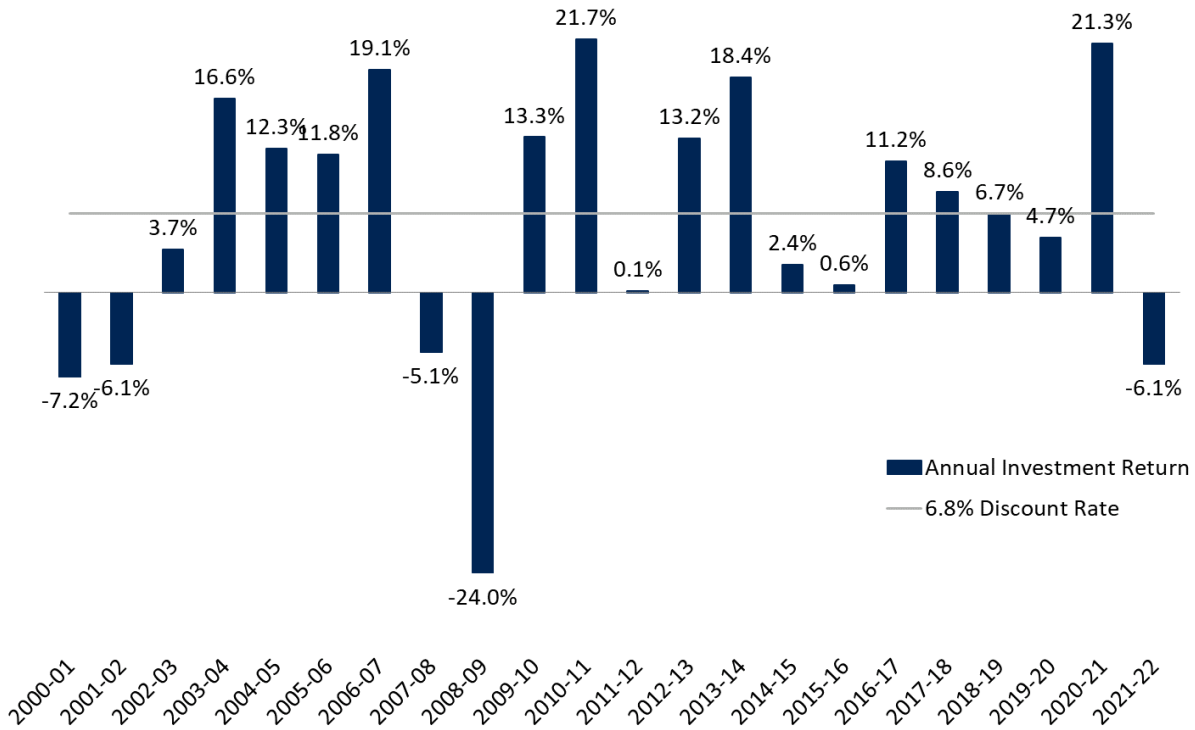
From the City's perspective, the discount rate is important as it is used to determine the City's annual contributions to the plan, the plan's unfunded liability, and the plan's funded status. In other words, the discount rate is used to determine whether a plan has enough assets to meet its future obligations. 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

The City's pension plan heavily relies on investment earnings, which fund nearly 60% of retirement benefits. Thus, the plan is sensitive to the investment returns of CalPERS. When investment returns fall below the discount rate, contributions must increase to cover the shortfall.

Currently, CalPERS assumes an annual investment return of 6.8%. However, the investment returns earned by CalPERS have fallen short of the discount rate assumption approximately half the time over the past 20 years, as shown in the chart below. Investment returns for individual fiscal years have ranged between -24.0% and +21.7%. For instance, CalPERS suffered 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 2021-22, CalPERS reported an investment return of -6.1%. The average investment return is 6.7% for a 5-year period, 7.7% for a 10-year period, 6.9% for a 20-year period, and 7.7% 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.

CalPERS Update

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, 2021, the City’s pension plan had assets of \$127.1 million and liabilities of \$168.4 million, resulting in an unfunded liability of \$41.3 million and a funded ratio of 75.5%. 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, 2020 | June 30, 2021 |
| Present Value of Projected Benefits | \$ 185,199,838 | \$ 201,774,867 |
| Entry Age Normal Accrued Liability | \$ 157,610,543 | \$ 168,421,875 |
| Market Value of Assets | \$ 103,788,993 | \$ 127,113,891 |
| Unfunded Accrued Liability | \$ 53,821,550 | \$ 41,307,984 |
| Funded Ratio | 65.9% | 75.5% |

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 6.8% each year. If investment returns are higher than 6.8%, the City's contributions decrease. On the other hand, if investment returns are lower than 6.8%, the City's contributions increase.

Challenging and volatile financial markets impacted CalPERS investment returns for FY 2021-22. During this period, CalPERS earned an investment return of -6.1%, which is lower than the assumed rate. 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, 2023, the Section 115 Pension Trust had a balance of \$19.1 million and had earned an annualized investment return of 5.51% gross of fees since inception.

Fund Balance

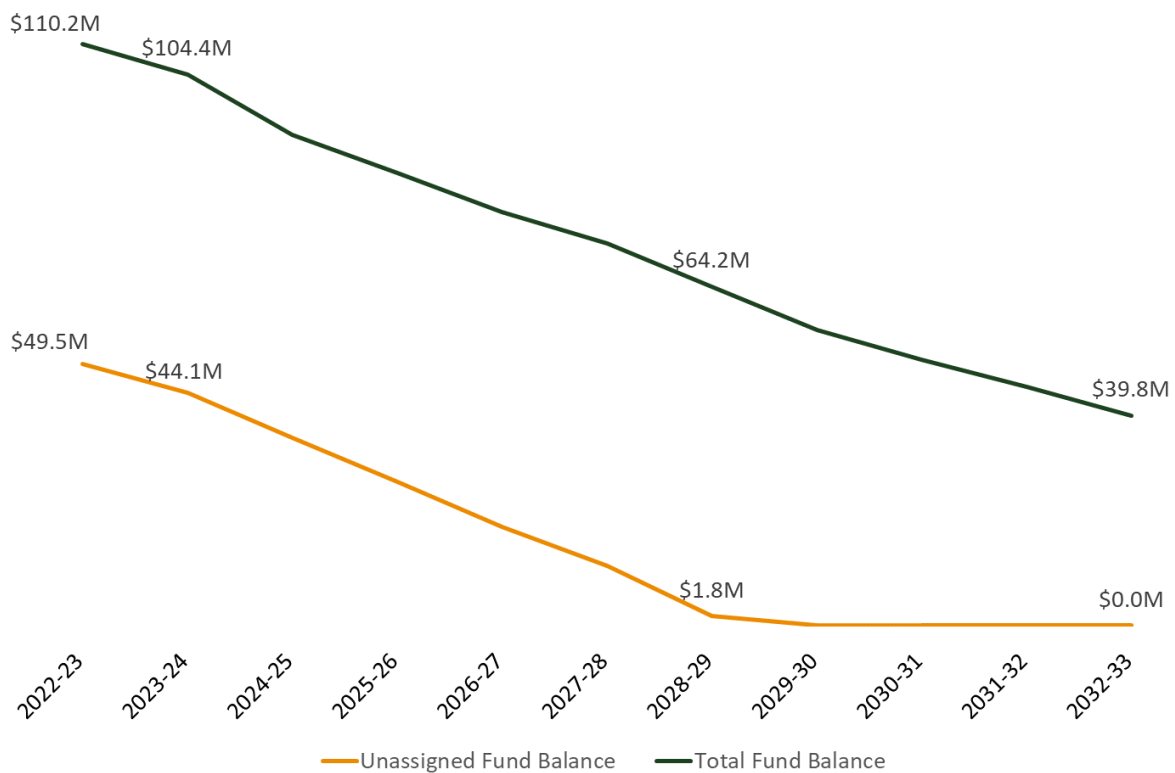
The foresight of the City Council and staff in previous years to focus on ensuring healthy reserves is paying off in full.

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 fund pension costs. Funds in the Section 115 Pension Trust are restricted and can only be used to pay CalPERS or reimburse the City for pension contributions.

In FY 2023-24, the General Fund’s total fund balance is projected to be \$107.5 million, and the General Fund's Unassigned fund balance is projected to be \$47.1 million. Fund balance is decreasing due to a persistent structural deficit, resulting from ongoing expenses exceeding ongoing revenues. To address this, the City intends to utilize the fund balance to cover the shortfall until revenue and expenditure can be brought into alignment.

10-Year General Fund Fund Balance Forecast



| FIVE-YEAR GENERAL FUND FUND BALANCE FORECAST | | | | | | |
|--|-------------|-------------|--------------|-------------|-------------|-------------|
| | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 |
| | Estimate | Adopted | Forecast | Forecast | Forecast | Forecast |
| Operating Revenue | 136,218,342 | 80,281,229 | 80,976,733 | 84,921,283 | 86,776,963 | 89,352,176 |
| Operating Expenditures | 133,196,154 | 86,062,998 | 92,348,823 | 92,153,231 | 94,159,273 | 95,348,691 |
| Net Revenues - Expenditures | 3,022,188 | (5,781,769) | (11,372,090) | (7,231,948) | (7,382,310) | (5,996,515) |
| Unassigned | 49,530,011 | 44,090,588 | 35,645,995 | 27,274,200 | 18,680,490 | 11,396,550 |
| All Other Classifications | 60,661,719 | 60,319,373 | 57,391,876 | 58,531,723 | 59,743,123 | 61,030,548 |
| Ending Fund Balance | 110,191,729 | 104,409,960 | 93,037,871 | 85,805,923 | 78,423,613 | 72,427,098 |

| FIVE-YEAR GENERAL FUND FUND BALANCE FORECAST | | | | | | |
|--|-------------|-------------|------------|------------|------------|------------|
| | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 |
| | Estimate | Adopted | Forecast | Forecast | Forecast | Forecast |
| <u>Nonspendable</u> | | | | | | |
| Loans Receivable | 439,199 | 435,000 | 430,000 | 425,000 | 420,000 | 415,000 |
| Prepaid Items | - | - | - | - | - | - |
| Total Nonspendable | 439,199 | 435,000 | 430,000 | 425,000 | 420,000 | 415,000 |
| <u>Restricted</u> | | | | | | |
| CASp Certification and Training | 23,621 | 23,621 | 23,621 | 23,621 | 23,621 | 23,621 |
| Section 115 Trust | 17,240,051 | 17,240,051 | 18,317,554 | 19,462,401 | 20,678,801 | 21,971,226 |
| Public Access Television | 1,492,810 | 1,492,810 | 1,492,810 | 1,492,810 | 1,492,810 | 1,492,810 |
| Public Art In-Lieu | 338,147 | - | - | - | - | - |
| Total Restricted | 19,094,629 | 18,756,482 | 19,833,985 | 20,978,832 | 22,195,232 | 23,487,657 |
| <u>Committed</u> | | | | | | |
| Economic Uncertainty | 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 | 7,000,000 | 7,000,000 | 3,000,000 | 3,000,000 | 3,000,000 | 3,000,000 |
| Total Assigned | 7,000,000 | 7,000,000 | 3,000,000 | 3,000,000 | 3,000,000 | 3,000,000 |
| Total Unassigned | 49,530,011 | 44,090,588 | 35,645,995 | 27,274,200 | 18,680,490 | 11,396,550 |
| TOTAL FUND BALANCE | 110,191,729 | 104,409,960 | 93,037,871 | 85,805,923 | 78,423,613 | 72,427,098 |

Potential Budget-Balancing Strategies

Historically, the City has maintained a structurally sound budget, with revenues surpassing expenditures in most fiscal years. During periods of excess revenue, the City has transferred the surplus fund balance to the Capital Reserve Fund in accordance with the City's Fund Balance and Use of One-Time Funds Policy.

However, the forecast shows a potential structural deficit resulting from the anticipated decrease in sales tax revenue due to the CDTFA audit. A structural deficit occurs when recurring expenditures consistently surpass recurring revenues, leading to an ongoing imbalance that cannot be remedied through short-term solutions.

| Potential Strategy | Description | Potential Impact | Currently Recommended |
|------------------------------|--|--|-----------------------|
| Section 115 Pension Trust | <p>In FY 2017-18, the City established a Section 115 Pension Trust to mitigate 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 in any given year.</p> <p>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.</p> | The fund has a balance of \$19.1 million. ¹ | Yes |
| Section 115 OPEB Trust | <p>In FY 2009-10, the City established a Section 115 OPEB Trust to help fund its retiree health obligations, also known as other post-employment benefits (OPEB).</p> <p>The OPEB plan is fully funded. Starting in FY 2022-23, retiree health costs will be funded by the OPEB Trust rather than the General Fund.</p> | The fund has a balance of \$34.7 million. ¹ | Yes |
| Capital Projects Reserve | The General Fund Capital Projects Reserve may be used to fund capital projects. | The reserve has a balance of \$10 million. | Yes |
| Economic Uncertainty Reserve | The General Fund Economic Uncertainty Reserve may be used to mitigate potential shortfalls. | The reserve has a balance of \$24 million. | No |

¹ As of June 30, 2023

Expenditure Reduction Strategies

| Potential Strategy | Description | Potential Impact | Currently Recommended |
|---|---|--|-----------------------|
| No new positions | Cost containment strategy | \$0 | Yes |
| Vacancy control | Keep non-essential positions unfilled as they become vacant. | Approximately \$186,000 per position on average | Yes |
| Employee cost-sharing of increases to CalPERS | Negotiate to share costs of increases to CalPERS employer rates with employees. Would be subject to bargaining unit agreement. | \$250,000 approximate based on a 5% rate increase | No |
| Defer or eliminate negotiated increases | Would be subject to bargaining unit agreement. | Approximately \$0.3 million savings based on a 1% decrease | No |
| Furloughs | Employees would take up to a 10% decrease in pay in exchange for 1 unpaid furlough day per pay period. Would be subject to bargaining unit agreement. | Approximately \$3 million savings based on a 10% decrease | No |
| Reduction in force | Identify positions to be reduced (laid off) based on MOU provisions and service level needs. | Approximately \$186,000 per position on average | No |
| Reduction in capital outlays and special projects | Cost containment strategy | Up to \$4 million | Yes |
| Reduction in contingencies | Cost containment strategy | Up to \$400,000 | Yes |
| Defer or cancel capital projects | Cost reduction strategy | Varies | Yes |
| Reduction of Community Funding and Historical Society Funding | Cost reduction strategy | Up to \$110,000 | Yes |
| Reduction of festival fee waivers | Cost reduction strategy | Varies | Yes |

Revenue Generation Strategies

| Potential Strategy | Description | Potential Impact | Currently Recommended |
|---|---|--|-----------------------|
| ¼ Cent Transaction and Use Tax (TUT) | Voter approval is required Could increase sales tax from 9.125% to 9.375% | \$5.4 million ¹ | No |
| Transient Occupancy Tax (2% increase) | 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 | No |
| Parcel Tax | Voter approval is required | \$3.5M flat rate per parcel \$3.6M variable rate per SF | No |
| Other Revenue Tax Measures | Urban Futures, Inc. (UFI) has been contracted to analyze potential revenue tax measures. | Varies | No |
| Increase fees and cost-recovery | Matrix Consulting Group has been contracted to conduct a fee study, which is scheduled to take place from April to July 2023. The study aims to assess the potential for fee increases and cost recovery. | Varies | Yes |
| Sale of City-owned Properties or Assets | The sale of city-owned assets would generate one-time revenue. | Varies | No |

¹ HdL estimate as of July 2023

Development Revenue Estimates

The City's current forecast does not incorporate potential significant development projects that are pending approval and permitting. However, once new development projects receive approvals and permits, staff will update the forecast accordingly.

The table below shows our best estimates of potential development revenue. These figures serve as rough approximations and are intended to give you a general idea of what to expect. The timeline for each project represents the Community Development department's best estimate of when commencement is anticipated. It is crucial to note that these estimates are subject to adjustments as we gather additional information over time.

| Project | Fund | Sub-Revenue | Year Fee Paid (projects may pay fees in multiple years) | | | | | | | | Grand Total |
|-------------------------------|-----------------|--------------------------------------|---|--------------|---------|---------|---------|------------|---------|-----------|-------------|
| | | | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | |
| Apple VPI | | | | | | | | | | | |
| Ongoing | General Fund | Property Tax Increase ² | | | 79,000 | 80,647 | 82,342 | 84,032 | 84,032 | 85,847 | 495,900 |
| Ongoing | General Fund | Sales Tax Increase ³ | | | 9,000 | 9,811 | 10,078 | 10,505 | 10,505 | 10,810 | 60,710 |
| Ongoing | General Fund | Transient Occupancy Tax ⁴ | | | | | | | | | - |
| One-time | General Fund | Permit Fees | Inspection/Plan Review | 194,577 | | | | | | | 194,577 |
| One-time | General Fund | Planning Fee | Advanced Planning Fee | 222,930 | | | | | | | 222,930 |
| One-time | BMR | Impact Fee | BMR | 4,496,925 | | | | | | | 4,496,925 |
| One-time | Transportation | Impact Fee | Transportation | 2,702,255 | | | | | | | 2,702,255 |
| One-time | Park Dedication | Impact Fee | Park | | | | | | | | - |
| One-time | General Fund | Construction Tax | | 552,753 | | | | | | | 552,753 |
| Canyon Crossing | | | | | | | | | | | |
| Ongoing | General Fund | Property Tax Increase | | | 14,000 | 14,292 | 14,592 | 14,892 | 14,892 | 15,213 | 87,881 |
| Ongoing | General Fund | Sales Tax Increase | | | 17,000 | 18,531 | 19,036 | 19,843 | 19,843 | 20,420 | 114,674 |
| Ongoing | General Fund | Transient Occupancy Tax | | | | | | | | | - |
| One-time | General Fund | Permit Fees | Inspection/Plan Review | 121,678 | | | | | | | 121,678 |
| One-time | General Fund | Planning Fee | Advanced Planning Fee | 21,638 | | | | | | | 21,638 |
| One-time | BMR | Impact Fee | BMR | - | | | | | | | - |
| One-time | Transportation | Impact Fee | Transportation | 84,830 | | | | | | | 84,830 |
| One-time | Park Dedication | Impact Fee | Park | 900,000 | | | | | | | 900,000 |
| One-time | General Fund | Construction Tax | | 39,971 | | | | | | | 39,971 |
| Bateh Brother/Alan Row | | | | | | | | | | | |
| Ongoing | General Fund | Property Tax Increase | | 8,000 | 8,000 | 8,167 | 8,338 | 8,510 | 8,510 | 8,693 | 58,218 |
| Ongoing | General Fund | Sales Tax Increase | | | | | | | | | - |
| Ongoing | General Fund | Transient Occupancy Tax | | | | | | | | | - |
| One-time | General Fund | Permit Fees | Inspection/Plan Review | 53,647 | | | | | | | 53,647 |
| One-time | General Fund | Planning Fee | Advanced Planning Fee | 4,749 | | | | | | | 4,749 |
| One-time | BMR | Impact Fee | BMR | 140,111 | | | | | | | 140,111 |
| One-time | Transportation | Impact Fee | Transportation | 38,199 | | | | | | | 38,199 |
| One-time | Park Dedication | Impact Fee | Park | 480,000 | | | | | | | 480,000 |
| One-time | General Fund | Construction Tax | | 8,111 | | | | | | | 8,111 |
| Marina Plaza | | | | | | | | | | | |
| Ongoing | General Fund | Property Tax Increase | | | 125,000 | 127,606 | 130,289 | 132,961 | 132,961 | 135,834 | 784,652 |
| Ongoing | General Fund | Sales Tax Increase | | | 206,000 | 224,554 | 230,677 | 240,453 | 240,453 | 247,439 | 1,389,576 |
| Ongoing | General Fund | Transient Occupancy Tax | | | | | | | | | - |
| One-time | General Fund | Permit Fees | Inspection/Plan Review | 230,473 | | | | | | | 230,473 |
| One-time | General Fund | Planning Fee | Advanced Planning Fee | 226,480 | | | | | | | 226,480 |
| One-time | BMR | Impact Fee | BMR | \$0 (onsite) | | | | | | | - |
| One-time | Transportation | Impact Fee | Transportation | 792,420 | | | | | | | 792,420 |
| One-time | Park Dedication | Impact Fee | Park | 10,152,000 | | | | | | | 10,152,000 |
| One-time | General Fund | Construction Tax | | 209,192 | | | | | | | 209,192 |
| Westport | | | | | | | | | | | |
| Ongoing | General Fund | Property Tax Increase | | | 127,000 | 129,648 | 132,373 | 135,089 | 135,089 | 138,007 | 797,206 |
| Ongoing | General Fund | Sales Tax Increase | | | 76,000 | | | | | | 76,000 |
| Ongoing | General Fund | Transient Occupancy Tax | | | | | | | | | - |
| One-time | General Fund | Permit Fees | Inspection/Plan Review | 453,643 | 256,767 | | | | | | 710,410 |
| One-time | General Fund | Planning Fee | Advanced Planning Fee | 53,049 | 166,048 | | | | | | 219,097 |
| One-time | BMR | Impact Fee | BMR | \$0 (onsite) | | | | | | | - |
| One-time | Transportation | Impact Fee | Transportation | 188,803 | | | | | | | 188,803 |
| One-time | Park Dedication | Impact Fee | Park | 8,970,000 | | | | | | | 8,970,000 |
| One-time | General Fund | Construction Tax | | 80,866 | 387,497 | | | | | | 468,363 |
| Hamptons Apartments | | | | | | | | | | | |
| Ongoing | General Fund | Property Tax Increase | | | | | | | | 253,000 | 253,000 |
| Ongoing | General Fund | Sales Tax Increase | | | | | | | | | - |
| Ongoing | General Fund | Transient Occupancy Tax | | | | | | | | | - |
| One-time | General Fund | Permit Fees | Inspection/Plan Review | | | | | 415,424 | | | 415,424 |
| One-time | General Fund | Planning Fee | Advanced Planning Fee | | | | | 654,226 | | | 654,226 |
| One-time | BMR | Impact Fee | BMR | | | | | 128,999 | | | 128,999 |
| One-time | Transportation | Impact Fee | Transportation | | | | | 1,800,000 | | | 1,800,000 |
| One-time | Park Dedication | Impact Fee | Park | | | | | 30,805,920 | | | 30,805,920 |
| One-time | General Fund | Construction Tax | | | | | | 860,234 | | | 860,234 |
| De Anza Hotel | | | | | | | | | | | |
| Ongoing | General Fund | Property Tax Increase | | | | | | | | 47,000 | 47,000 |
| Ongoing | General Fund | Sales Tax Increase | | | | | | | | | - |
| Ongoing | General Fund | Transient Occupancy Tax | | | | | | | | 984,000 | 984,000 |
| One-time | General Fund | Permit Fees | Inspection/Plan Review | | | | | 115,730 | | | 115,730 |
| One-time | General Fund | Planning Fee | Advanced Planning Fee | | | | | 107,740 | | | 107,740 |
| One-time | BMR | Impact Fee | BMR | | | | | 2,095,377 | | | 2,095,377 |
| One-time | Transportation | Impact Fee | Transportation | | | | | 577,840 | | | 577,840 |
| One-time | Park Dedication | Impact Fee | Park | | | | | - | | | - |
| One-time | General Fund | Construction Tax | | | | | | 100,589 | | | 100,589 |
| Cupertino Village | | | | | | | | | | | |
| Ongoing | General Fund | Property Tax Increase | | | | | | | | 43,000 | 43,000 |
| Ongoing | General Fund | Sales Tax Increase | | | | | | | | | - |
| Ongoing | General Fund | Transient Occupancy Tax | | | | | | | | 1,174,000 | 1,174,000 |
| One-time | General Fund | Permit Fees | Inspection/Plan Review | | | | | 109,531 | | | 109,531 |
| One-time | General Fund | Planning Fee | Advanced Planning Fee | | | | | 88,985 | | | 88,985 |
| One-time | BMR | Impact Fee | BMR | | | | | 1,849,765 | | | 1,849,765 |
| One-time | Transportation | Impact Fee | Transportation | | | | | 689,680 | | | 689,680 |
| One-time | Park Dedication | Impact Fee | Park | | | | | - | | | - |
| One-time | General Fund | Construction Tax | | | | | | 94,890 | | | 94,890 |
| Vallco | | | | | | | | | | | |
| Ongoing | General Fund | Property Tax Increase | | | | | | | | 1,538,000 | 1,538,000 |
| Ongoing | General Fund | Sales Tax Increase | | | | | | | | 1,621,000 | 1,621,000 |
| Ongoing | General Fund | Transient Occupancy Tax | | | | | | | | | - |
| One-time | General Fund | Permit Fees | Inspection/Plan Review | | | | | 4,136,525 | | | 4,136,525 |
| One-time | General Fund | Planning Fee | Advanced Planning Fee | | | | | 1,886,668 | | | 1,886,668 |
| One-time | BMR | Impact Fee | BMR | | | | | - | | | - |
| One-time | Transportation | Impact Fee | Transportation | | | | | - | | | - |
| One-time | Park Dedication | Impact Fee | Park | | | | | - | | | - |
| One-time | General Fund | Construction Tax | | | | | | 1,865,553 | | | 1,865,553 |

| TOTAL ALL PROJECTS | | | | | | | | | | | | |
|-----------------------|-----------------|-------------------------|------------------------|------------|------------|---------|---------|---------|---------|------------|-----------|------------|
| Ongoing | General Fund | Property Tax Increase | | - | 8,000 | 353,000 | 360,361 | 367,935 | 375,483 | 375,483 | 2,264,594 | 4,104,856 |
| Ongoing | General Fund | Sales Tax Increase | | - | - | 308,000 | 252,896 | 259,791 | 270,802 | 270,802 | 1,899,669 | 3,261,959 |
| Ongoing | General Fund | Transient Occupancy Tax | | - | - | - | - | - | - | - | 2,158,000 | 2,158,000 |
| One-time | General Fund | Permit Fees | Inspection/Plan Review | 507,290 | 803,495 | - | - | - | - | 4,777,210 | - | 6,087,995 |
| One-time | General Fund | Planning Fee | Advanced Planning Fee | 57,798 | 637,096 | - | - | - | - | 2,737,619 | - | 3,432,513 |
| One-time | BMR | Impact Fee | BMR | 140,111 | 4,496,925 | - | - | - | - | 4,074,141 | - | 8,711,177 |
| One-time | Transportation | Impact Fee | Transportation | 227,002 | 3,579,505 | - | - | - | - | 3,067,520 | - | 6,874,027 |
| One-time | Park Dedication | Impact Fee | Park | 9,450,000 | 11,052,000 | - | - | - | - | 30,805,920 | - | 51,307,920 |
| One-time | General Fund | Construction Tax | | 88,977 | 1,189,413 | - | - | - | - | 2,921,266 | - | 4,199,656 |
| Total Ongoing | | | | - | 8,000 | 661,000 | 613,256 | 627,726 | 646,285 | 646,285 | 6,322,263 | 9,524,815 |
| Total One-Time | | | | 10,471,178 | 21,758,434 | - | - | - | - | 48,383,676 | - | 80,613,288 |

¹These estimates are intended to provide a general idea and should be considered rough approximations. The timing of projects represents the Community Development department's best estimate of when a project is anticipated to commence. It's important to note that these estimates are subject to change as additional information becomes available.

²The estimate assumes an increased value of the improvements but not an increased value of the land. The increased value of the improvements is based on the number of bedrooms for residential properties and square footage for hotels, retail, or office properties. The average market values of residential properties are from Zillow.

³The estimate is calculated by multiplying the proposed retail square footage by the average sales tax revenue per square foot of retail from HdL 2023 Q1 Sales Tax Reports.

⁴The estimate is calculated by multiplying the number of proposed rooms in the hotel by the RevPAR (Revenue Per Occupied Room) and Transient Occupancy Tax rate (12%). RevPAR is the Average Daily Rate (ADR) multiplied by the Occupancy Rate. The average ADR and Occupancy Rate over the last year for hotels in Cupertino are from HdL.

Council and Commissions

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Department Overview

Budget Units

| Budget Unit | Program | 2024 Adopted Budget |
|---------------------|---|---------------------|
| City Council | | \$ 580,052 |
| 100-10-100 | City Council | \$ 431,393 |
| 100-10-101 | Community Funding | \$ 35,573 |
| 100-10-104 | Historical Society | \$ 40,000 |
| 100-10-110 | Sister Cities | \$ 73,086 |
| Commissions | | \$ 589,249 |
| 100-11-131 | Technology, Information & Communications Commission | \$ 35,630 |
| 100-11-140 | Library Commission | \$ 42,959 |
| 100-11-142 | Arts and Culture Commission | \$ 41,512 |
| 100-11-150 | Public Safety Commission | \$ 47,393 |
| 100-11-155 | Bicycle and Pedestrian Commission | \$ 62,715 |
| 100-11-160 | Parks and Recreation Commission | \$ 38,850 |
| 100-11-165 | Teen Commission | \$ 42,466 |
| 100-11-170 | Planning Commission | \$ 117,655 |
| 100-11-175 | Housing Commission | \$ 61,377 |
| 100-11-180 | Sustainability Commission | \$ 58,109 |
| 100-11-190 | Audit Committee | \$ 40,583 |
| Total | | \$ 1,169,301 |

Budget at a Glance

2024 Adopted Budget

| | |
|--------------------------|--------------|
| Total Revenues | \$ 827,983 |
| Total Expenditures | \$ 1,169,301 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 341,318 |
| % Funded by General Fund | 29.2% |
| Total Staffing | 7.2 FTE |

Organization

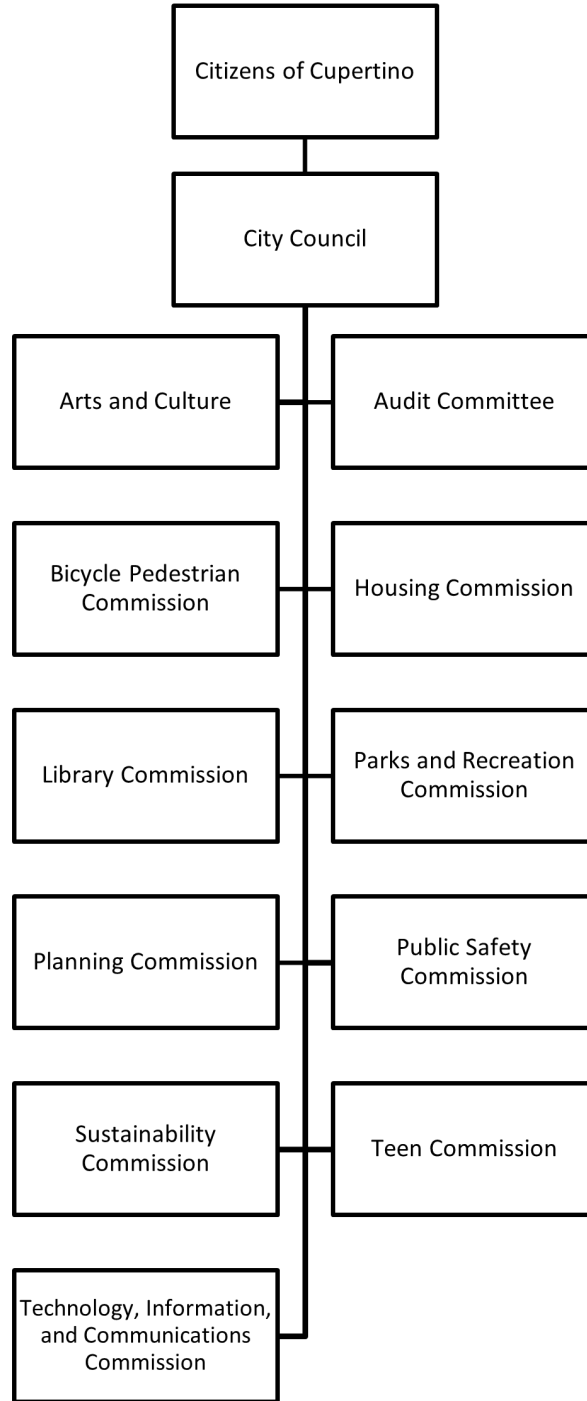
Hung Wei, Mayor

Sheila Mohan, Vice Mayor

Liang Chao, Council Member

J.R. Fruen, Council Member

Kitty Moore, Council Member



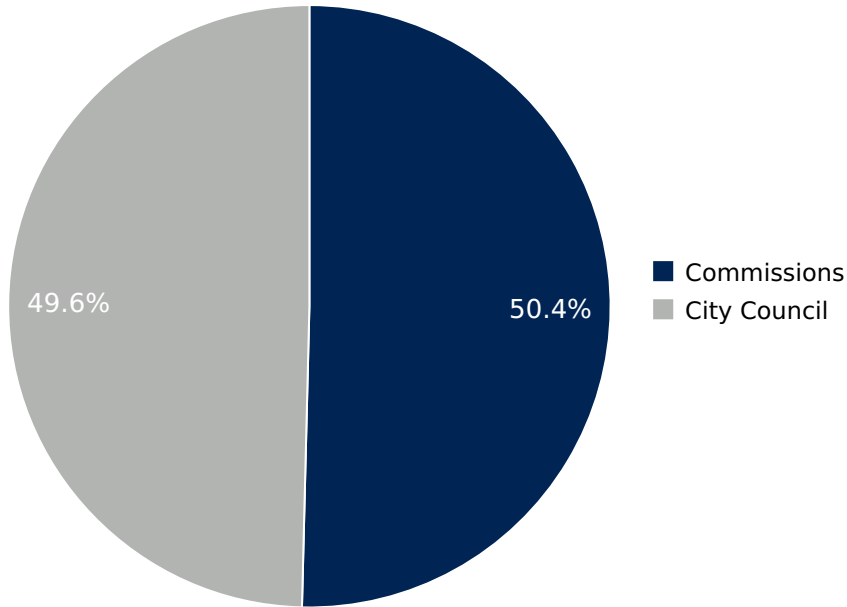
Adopted Budget

On June 6, 2023, City Council approved a budget of \$1,169,301 for the Council and Commissions department. This represents a decrease of \$137,075 (-10.5%) from the FY 2022-23 Adopted Budget.

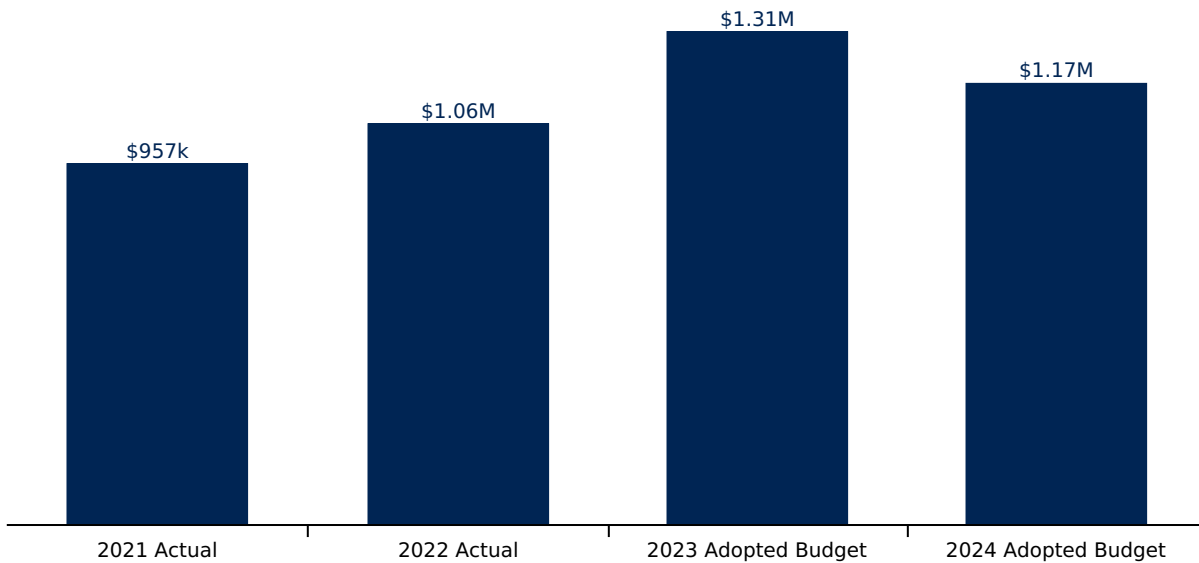
The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2022-23 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------|----------------------------|---------------------------|-----------|--|
| Materials | \$286,824 | \$161,259 | \$125,565 | Reduced meeting expenses, general supplies, and food and drink for Council meetings. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------------|---------------------|---------------------|---------------------|
| Revenues | | | | |
| Charges for Services | \$ 954,826 | \$ 1,054,877 | \$ 830,532 | \$ 827,983 |
| Miscellaneous Revenue | \$ 10,986 | \$ 1,251 | \$ - | \$ - |
| Transfers In | \$ - | \$ 82,396 | \$ - | \$ - |
| Total Revenues | \$ 965,812 | \$ 1,138,524 | \$ 830,532 | \$ 827,983 |
| Expenditures | | | | |
| Employee Compensation | \$ 327,344 | \$ 328,386 | \$ 352,312 | \$ 359,253 |
| Employee Benefits | \$ 191,185 | \$ 214,198 | \$ 262,391 | \$ 238,316 |
| Materials | \$ 101,704 | \$ 121,075 | \$ 256,738 | \$ 161,259 |
| Contract Services | \$ 128,698 | \$ 137,954 | \$ 155,114 | \$ 133,320 |
| Cost Allocation | \$ 206,675 | \$ 260,845 | \$ 271,261 | \$ 273,620 |
| Special Projects | \$ 1,155 | \$ - | \$ - | \$ - |
| Contingencies | \$ - | \$ 7 | \$ 8,560 | \$ 3,533 |
| Total Expenditures | \$ 956,761 | \$ 1,062,465 | \$ 1,306,376 | \$ 1,169,301 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ (9,049) | \$ (76,059) | \$ 475,844 | \$ 341,318 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|-----------------------------------|------------------------|------------------------|--------------------------------|--------------------------------|
| ADMINISTRATIVE ASSISTANT | 0.50 | 0.50 | 0.50 | 0.40 |
| ASST DIR RECREATION COMM SVCS | 0.05 | 0.05 | 0.15 | 0 |
| CHIEF TECHNOLOGY OFFICER | 0.02 | 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 |
| DIRECTOR OF COMM DEVELOPMENT | 0.06 | 0.06 | 0.06 | 0.06 |
| DIRECTOR OF PARKS REC | 0.05 | 0.05 | 0.05 | 0 |
| EMERGENCY MANAGER | 0 | 0 | 0 | 0.05 |
| EMERGENCY SERVICES COORDINATOR | 0.05 | 0.05 | 0.05 | 0 |
| EXEC ASST TO THE CITY COUNCIL | 0.50 | 0.50 | 0.50 | 0.50 |
| FINANCE MANAGER | 0.05 | 0.05 | 0.05 | 0.05 |
| MANAGEMENT ANALYST | 0.10 | 0.10 | 0.10 | 0.20 |
| PLANNING MANAGER | 0.10 | 0.10 | 0.10 | 0.10 |
| PUBLIC INFORMATION OFFICER | 0.15 | 0.15 | 0.15 | 0.15 |
| RECREATION COORDINATOR | 0.45 | 0.45 | 0 | 0 |
| RECREATION MANAGER | 0 | 0 | 0.10 | 0.15 |
| RECREATION SUPERVISOR | 0.05 | 0.05 | 0 | 0 |
| SENIOR PLANNER | 0 | 0 | 0 | 0.10 |
| SR OFFICE ASSISTANT | 0.20 | 0.20 | 0.20 | 0.20 |
| SUSTAINABILITY MANAGER | 0.05 | 0.05 | 0.05 | 0.05 |
| TRANSPORTATION MANAGER | 0.10 | 0.10 | 0.10 | 0.10 |
| Total | 7.58 | 7.58 | 7.28 | 7.23 |

City Council

Budget Unit 100-10-100

General Fund - City Council - City Council

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ 827,983 |
| Total Expenditures | \$ 431,393 |
| Fund Balance | \$ - |
| General Fund Costs | \$ (396,590) |
| % Funded by General Fund | -91.9% |
| 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. This budget includes funding of \$10,000 for the Mayor's Fund and \$2,500 for fee waivers for the City Council members.

Service Objectives

The City Council objectives are carried out by City staff under the sole direction of the City Manager.

Adopted Budget

On June 6, 2023, City Council approved a budget of \$431,393 for the City Council program. This represents a decrease of \$68,234 (-13.7%) from the FY 2022-23 Adopted Budget.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------|----------------------------|---------------------------|-----------|--|
| Materials | \$191,999 | \$108,303 | \$83,696 | Reduced meeting expenses such as food and coffee, conference and meetings, and tech reimbursements. Councilmembers now use City devices. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| Revenues | | | | |
| Charges for Services | \$ 954,826 | \$ 1,054,877 | \$ 830,532 | \$ 827,983 |
| Miscellaneous Revenue | \$ 2,625 | \$ 1,251 | \$ - | \$ - |
| Total Revenues | \$ 957,451 | \$ 1,056,128 | \$ 830,532 | \$ 827,983 |
| Expenditures | | | | |
| Employee Compensation | \$ 115,634 | \$ 118,793 | \$ 140,075 | \$ 149,862 |
| Employee Benefits | \$ 99,883 | \$ 121,999 | \$ 158,879 | \$ 143,301 |
| Materials | \$ 88,650 | \$ 92,438 | \$ 177,126 | \$ 108,303 |
| Contract Services | \$ 8,626 | \$ 7,086 | \$ 18,653 | \$ 28,220 |
| Special Projects | \$ 1,155 | \$ - | \$ - | \$ - |
| Contingencies | \$ - | \$ - | \$ 4,894 | \$ 1,707 |
| Total Expenditures | \$ 313,948 | \$ 340,316 | \$ 499,627 | \$ 431,393 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ (643,502) | \$ (715,812) | \$ (330,905) | \$ (396,590) |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 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 | 0.10 | 0.10 | 0.10 | 0.10 |
| SR OFFICE ASSISTANT | 0.15 | 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

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 35,573 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 35,573 |
| % 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 6, 2023, City Council approved a budget of \$35,573 for the Community Funding program. This represents a decrease of \$56,658 (-61.4%) from the FY 2022-23 Adopted Budget.

The decrease is due to reduced funding for the Community Funding program in FY 2023-24.

| Non-Profit Organization | FY 2022-23 Funding | FY 2022-23 Program/Project/Event | FY 2023-24 Funding | FY 2023-24 Program/Project/Event |
|------------------------------------|--------------------|----------------------------------|--------------------|-----------------------------------|
| AINAK | N/A ¹ | N/A ¹ | 2,500 | Eye Exams & Eyeglasses |
| Asian American Parents Association | N/A ¹ | N/A ¹ | 3,000 | 2024 Cupertino Multicultural Fair |

| | | | | |
|---|------------------|---|------------------|--|
| Cupertino Symphonic Band | N/A ¹ | N/A ¹ | 4,000 | Band Equipment |
| No Time to Waste | N/A ¹ | N/A ¹ | 5,000 | 7/250 Feed the Need |
| Omniware Networks | N/A ¹ | N/A ¹ | 4,000 | Mental Health Program |
| STEMBoost Corporation | N/A ¹ | N/A ¹ | 4,000 | Elementary Science Olympiad Fund Day/Night |
| West Valley Community Services of Santa Clara County, Inc | 10,000 | Gift of Hope 2022 | 10,000 | Gift of Hope 2023 |
| American Cancer Society | 6,000 | Relay for Life of Silicon Valley North | N/A ² | N/A ² |
| Breathe California of the Bay Area | 4,000 | Seniors Breathe Easy | N/A ² | N/A ² |
| Buddhist Tzu Chi Medical Foundation | 8,300 | Healthy Cupertino Health Fair | N/A ² | N/A ² |
| Chinese American Coalition for Compassionate Care | 13,000 | Mindfully Facing Grief and Loss and Starting the Conversation | N/A ² | N/A ² |
| Omniware Networks | 2,000 | Peace Love Unity Youth Art Contest Exhibition | N/A ² | N/A ² |
| Senior Services - Heart of the Valley | 6,161 | COVID Car Kit | N/A ² | N/A ² |
| Women SV | 20,000 | Technical Support for Domestic Abuse Survivors | N/A ² | N/A ² |
| Total | \$69,461 | | \$32,500 | |

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.

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| Revenues | | | | |
| Miscellaneous Revenue | \$ 8,361 | \$ - | \$ - | \$ - |
| Transfers In | \$ - | \$ 82,396 | \$ - | \$ - |
| Total Revenues | \$ 8,361 | \$ 82,396 | \$ - | \$ - |
| Expenditures | | | | |
| Contract Services | \$ 110,000 | \$ 115,900 | \$ 89,461 | \$ 32,500 |
| Cost Allocation | \$ 1,240 | \$ 2,259 | \$ 2,270 | \$ 2,267 |
| Contingencies | \$ - | \$ - | \$ 500 | \$ 806 |
| Total Expenditures | \$ 111,240 | \$ 118,159 | \$ 92,231 | \$ 35,573 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 102,879 | \$ 35,763 | \$ 92,231 | \$ 35,573 |

Staffing

There is no staffing associated with this program.

Historical Society

Budget Unit 100-10-104

General Fund - City Council - Historical Society

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 40,000 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 40,000 |
| % Funded by General Fund | 100.0% |
| Total Staffing | FTE |

Program Overview

The City has executed a Grant Funding and License Agreement with the Cupertino Historical Society, approved by City Council on October 4, 2022. The Agreement is set for three years, with an option to extend for another two. During this term the City is providing an annual grant amount of \$40,000 and a license to utilize space at the Quinlan Community Center to the Cupertino Historical Society. In return, the Cupertino Historical Society will continue to manage and operate the Historical Museum, commit to the Service Objectives highlighted below, and other terms and conditions highlighted in the Agreement. The grant amount has been separated into this program for increased transparency.

Service Objectives

- Collections Management - Professionally manage archive of over 5,000 objects. Sample activities include cataloging, rehousing objects, collections research, object paperwork and assessment, collections inventory, collections digitizing, condition reports, pest remediation, etc.
- Curatorial/Exhibitions - Provide 3-5 professionally curated exhibits/pop-up exhibits annually that relate to the mission of the museum and interests of the community.
- Community Outreach - Museum open houses during City festivals and fairs; QCC Preschool Events with Crafts; Special Exhibits at various locations around Cupertino (Cupertino Library, Baer Blacksmith Shop, Other Local Organizations); Traveling Trunk; Quarterly Speaker Series; Community Action Committee; Oral History Events; History Happy Hours; Volunteer and Internship opportunities for anyone ages 16+; Reading Groups

Adopted Budget

On June 6, 2023, City Council approved a budget of \$40,000 for the Historical Society 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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------|-------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Contract Services | \$ - | \$ - | \$ - | \$ 40,000 |
| Total Expenditures | \$ - | \$ - | \$ - | \$ 40,000 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ - | \$ - | \$ - | \$ 40,000 |

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

| | 2024 Adopted Budget |
|--------------------------|----------------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 73,086 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 73,086 |
| % 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 6, 2023, City Council approved a budget of \$73,086 for the Sister Cities program. This represents an increase of \$9,080 (14.2%) from the FY 2022-23 Adopted Budget.

Funding for this program includes Sister Cities membership and visits, delegation swag, and gifts as outlined in the Sister Cities Policy.

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|------------------|------------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ 12,301 | \$ 11,095 | \$ 12,005 | \$ 12,533 |
| Employee Benefits | \$ 5,727 | \$ 4,320 | \$ 6,066 | \$ 5,957 |
| Materials | \$ 768 | \$ 1,210 | \$ 5,830 | \$ 15,680 |
| Contract Services | \$ 4,235 | \$ 2,825 | \$ 20,000 | \$ 20,000 |
| Cost Allocation | \$ 37,129 | \$ 31,921 | \$ 19,459 | \$ 18,520 |
| Contingencies | \$ - | \$ - | \$ 646 | \$ 396 |
| Total Expenditures | \$ 60,160 | \$ 51,371 | \$ 64,006 | \$ 73,086 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 60,160 | \$ 51,371 | \$ 64,006 | \$ 73,086 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|----------------------------|-------------|-------------|---------------------|---------------------|
| PUBLIC INFORMATION OFFICER | 0.05 | 0.05 | 0.05 | 0.05 |
| SR OFFICE ASSISTANT | 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.

Technology, Information & Communications Commission

Budget Unit 100-11-131

General Fund - Commissions - Technology, Information & Communications Commission

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 35,630 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 35,630 |
| % 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 6, 2023, City Council approved a budget of \$35,630 for the Technology, Information & Communications Commission program. This represents a decrease of \$3,851 (-9.8%) from the FY 2022-23 Adopted Budget.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------|----------------------------|---------------------------|-----------|--|
| Materials | \$1,429 | \$318 | \$1,111 | Reduced supplies for commissioners (i.e. business cards) and meeting expenses such as food and coffee. |
| Contracts | \$5,000 | \$0 | \$5,000 | Removal of Cybersecurity education funding. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|------------------|------------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ 9,860 | \$ 10,365 | \$ 10,116 | \$ 11,795 |
| Employee Benefits | \$ 3,476 | \$ 3,748 | \$ 4,675 | \$ 5,026 |
| Materials | \$ - | \$ 740 | \$ 1,348 | \$ 318 |
| Contract Services | \$ - | \$ - | \$ 5,000 | \$ - |
| Cost Allocation | \$ 3,650 | \$ 16,056 | \$ 18,183 | \$ 18,487 |
| Contingencies | \$ - | \$ - | \$ 159 | \$ 4 |
| Total Expenditures | \$ 16,986 | \$ 30,909 | \$ 39,481 | \$ 35,630 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 16,986 | \$ 30,909 | \$ 39,481 | \$ 35,630 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|--------------------------|-------------|-------------|---------------------|---------------------|
| ADMINISTRATIVE ASSISTANT | 0.05 | 0.05 | 0.05 | 0 |
| CHIEF TECHNOLOGY OFFICER | 0.02 | 0.02 | 0.02 | 0.02 |
| MANAGEMENT ANALYST | 0 | 0 | 0 | 0.05 |
| Total | 0.07 | 0.07 | 0.07 | 0.07 |

The Administrative Assistant was reclassified as a Management Analyst based on the current duties and tasks assigned to that position.

Library Commission

Budget Unit 100-11-140

General Fund - Commissions - Library Commission

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 42,959 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 42,959 |
| % 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 6, 2023, City Council approved a budget of \$42,959 for the Library Commission program. This represents a decrease of \$8,412 (-16.4%) from the FY 2022-23 Adopted Budget.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------|-------------------------------|------------------------------|-----------|--|
| Materials | \$389 | \$68 | \$321 | Removed funds for business cards and parting gift for Poet Laureate. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|------------------|------------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ 6,612 | \$ 15,404 | \$ 10,563 | \$ 12,526 |
| Employee Benefits | \$ 3,040 | \$ 6,887 | \$ 5,465 | \$ 6,060 |
| Materials | \$ 137 | \$ 307 | \$ 389 | \$ 68 |
| Contract Services | \$ 366 | \$ 2,143 | \$ 2,000 | \$ 2,000 |
| Cost Allocation | \$ 14,126 | \$ 15,562 | \$ 32,894 | \$ 22,279 |
| Contingencies | \$ - | \$ - | \$ 60 | \$ 26 |
| Total Expenditures | \$ 24,281 | \$ 40,303 | \$ 51,371 | \$ 42,959 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 24,281 | \$ 40,303 | \$ 51,371 | \$ 42,959 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|----------------------------------|----------------|-------------|---------------------|---------------------|
| ADMINISTRATIVE ASSISTANT | 0.05 | 0.05 | 0.05 | 0.05 |
| ASST DIR RECREATION COMM SVCS | 0.05 | 0.05 | 0 | 0 |
| RECREATION MANAGER | 0 | 0 | 0.05 | 0.05 |
| RECREATION SUPERVISOR | 0.05 | 0.05 | 0 | 0 |
| Total | 0.15 | 0.15 | 0.10 | 0.10 |

There are no changes to the current level of staffing.

Arts and Culture Commission

Budget Unit 100-11-142

General Fund - Commissions - Arts and Culture Commission

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 41,512 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 41,512 |
| % Funded by General Fund | 100.0% |
| Total Staffing | 0.1 FTE |

Program Overview

The Arts and Culture 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. At the end of Fiscal Year 2022-2023, the Senior Planner of Community Development 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 and Art in Lieu fees.
- 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 6, 2023, City Council approved a budget of \$41,512 for the Arts and Culture Commission program. This represents a decrease of \$32,112 (-43.6%) from the FY 2022-23 Adopted Budget.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|-------------------------------|------------------------------|-----------|--|
| Materials | \$10,470 | \$4,089 | \$6,381 | Reduced unused funds for the Artist Awards and business cards. |
| Contract Services | \$7,000 | \$0 | \$7,000 | Removed budget for Art in Unexpected Places. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|------------------|------------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ 14,378 | \$ 8,751 | \$ 28,378 | \$ 15,613 |
| Employee Benefits | \$ 8,531 | \$ 5,784 | \$ 11,769 | \$ 5,914 |
| Materials | \$ 2,949 | \$ 3,249 | \$ 6,926 | \$ 4,089 |
| Contract Services | \$ 3,671 | \$ - | \$ 10,000 | \$ - |
| Cost Allocation | \$ 22,787 | \$ 25,149 | \$ 16,128 | \$ 15,845 |
| Contingencies | \$ - | \$ 7 | \$ 423 | \$ 51 |
| Total Expenditures | \$ 52,316 | \$ 42,940 | \$ 73,624 | \$ 41,512 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 52,316 | \$ 42,939 | \$ 73,624 | \$ 41,512 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|-------------------------------|--------------------|--------------------|----------------------------|----------------------------|
| ASST DIR RECREATION COMM SVCS | 0 | 0 | 0.15 | 0 |
| RECREATION COORDINATOR | 0.15 | 0.15 | 0 | 0 |
| SENIOR PLANNER | 0 | 0 | 0 | 0.10 |
| Total | 0.15 | 0.15 | 0.15 | 0.10 |

Staff time has been reallocated from this account, with Community Development now serving as the liaison to the Commission.

Public Safety Commission

Budget Unit 100-11-150

General Fund - Commissions - Public Safety Commission

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 47,393 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 47,393 |
| % 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 6, 2023, City Council approved a budget of \$47,393 for the Public Safety Commission program. This represents an increase of \$2,201 (4.9%) from the FY 2022-23 Adopted Budget.

The increase is primarily due to the reclassification of the Emergency Services Coordinator in this budget.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------|----------------------------|---------------------------|-----------|--|
| Materials | \$10,288 | \$6,143 | \$4,145 | Reduced supplies, printing and graphic design, and professional memberships. The reduction eliminates contingency planning for an outdoor Public Safety Forum event and reduces the catering 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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|------------------|------------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ 5,148 | \$ 7,227 | \$ 7,785 | \$ 9,583 |
| Employee Benefits | \$ 2,475 | \$ 3,801 | \$ 4,116 | \$ 4,559 |
| Materials | \$ 100 | \$ 1,454 | \$ 10,288 | \$ 6,143 |
| Contract Services | \$ - | \$ 10,000 | \$ 10,000 | \$ 10,600 |
| Cost Allocation | \$ 8,514 | \$ 8,933 | \$ 12,496 | \$ 16,299 |
| Contingencies | \$ - | \$ - | \$ 507 | \$ 209 |
| Total Expenditures | \$ 16,237 | \$ 31,415 | \$ 45,192 | \$ 47,393 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 16,238 | \$ 31,415 | \$ 45,192 | \$ 47,393 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|--------------------------------|-------------|-------------|---------------------|---------------------|
| EMERGENCY MANAGER | 0 | 0 | 0 | 0.05 |
| EMERGENCY SERVICES COORDINATOR | 0.05 | 0.05 | 0.05 | 0 |
| Total | 0.05 | 0.05 | 0.05 | 0.05 |

There are no changes to the current level of staffing.

Bicycle and Pedestrian Commission

Budget Unit 100-11-155

General Fund - Commissions - Bicycle and Pedestrian Commission

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 62,715 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 62,715 |
| % 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 6, 2023, City Council approved a budget of \$62,715 for the Bicycle and Pedestrian Commission program. This represents an increase of \$485 (0.8%) from the FY 2022-23 Adopted Budget.

The budget is relatively unchanged.

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|------------------|------------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ 21,519 | \$ 24,762 | \$ 24,704 | \$ 27,282 |
| Employee Benefits | \$ 8,638 | \$ 12,022 | \$ 12,502 | \$ 11,434 |
| Materials | \$ - | \$ 131 | \$ 210 | \$ 223 |
| Cost Allocation | \$ 825 | \$ 10,706 | \$ 24,809 | \$ 23,773 |
| Contingencies | \$ - | \$ - | \$ 5 | \$ 3 |
| Total Expenditures | \$ 30,982 | \$ 47,621 | \$ 62,230 | \$ 62,715 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 30,982 | \$ 47,621 | \$ 62,230 | \$ 62,715 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|--------------------------|-------------|-------------|---------------------|---------------------|
| ADMINISTRATIVE ASSISTANT | 0.05 | 0.05 | 0.05 | 0.05 |
| TRANSPORTATION 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.

Parks and Recreation Commission

Budget Unit 100-11-160

General Fund - Commissions - Parks and Recreation Commission

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 38,850 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 38,850 |
| % 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. A Parks and Recreation Department Recreation Manager 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 6, 2023, City Council approved a budget of \$38,850 for the Parks and Recreation Commission program. This represents a decrease of \$14,235 (-26.8%) from the FY 2022-23 Adopted Budget.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------|-------------------------------|------------------------------|-----------|--|
| Materials | \$8,187 | \$11 | \$8,176 | Removed funds for meeting expenses such as food and for conferences. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|------------------|------------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ 15,968 | \$ 14,314 | \$ 17,531 | \$ 12,603 |
| Employee Benefits | \$ 6,403 | \$ 4,407 | \$ 7,455 | \$ 5,069 |
| Materials | \$ - | \$ 90 | \$ 7,724 | \$ 11 |
| Cost Allocation | \$ 19,376 | \$ 24,945 | \$ 20,182 | \$ 21,167 |
| Contingencies | \$ - | \$ - | \$ 193 | \$ - |
| Total Expenditures | \$ 41,747 | \$ 43,756 | \$ 53,085 | \$ 38,850 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 41,747 | \$ 43,756 | \$ 53,085 | \$ 38,850 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|--------------------------|-------------|-------------|---------------------|---------------------|
| ADMINISTRATIVE ASSISTANT | 0.05 | 0.05 | 0.05 | 0.05 |
| DIRECTOR OF PARKS REC | 0.05 | 0.05 | 0.05 | 0 |
| RECREATION MANAGER | 0 | 0 | 0 | 0.05 |
| Total | 0.10 | 0.10 | 0.10 | 0.10 |

Staff time is being reallocated to this program, with a Recreation Manager taking over as liaison for the Commission.

Teen Commission

Budget Unit 100-11-165

General Fund - Commissions - Teen Commission

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 42,466 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 42,466 |
| % 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 6, 2023, City Council approved a budget of \$42,466 for the Teen Commission program. This represents a decrease of \$3,610 (-7.8%) from the FY 2022-23 Adopted Budget.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------|-------------------------------|------------------------------|-----------|--|
| Materials | \$4,590 | \$2,140 | \$2,450 | Reduced funds for materials and supplies and removed budget for conferences and trainings. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|------------------|------------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ 32,154 | \$ 31,766 | \$ 6,300 | \$ 7,343 |
| Employee Benefits | \$ 13,118 | \$ 14,694 | \$ 5,748 | \$ 2,767 |
| Materials | \$ 49 | \$ 220 | \$ 4,685 | \$ 2,140 |
| Cost Allocation | \$ 28,449 | \$ 31,971 | \$ 29,226 | \$ 30,189 |
| Contingencies | \$ - | \$ - | \$ 117 | \$ 27 |
| Total Expenditures | \$ 73,770 | \$ 78,651 | \$ 46,076 | \$ 42,466 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 73,771 | \$ 78,652 | \$ 46,076 | \$ 42,466 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|------------------------|-------------|-------------|---------------------|---------------------|
| RECREATION COORDINATOR | 0.30 | 0.30 | 0 | 0 |
| RECREATION MANAGER | 0 | 0 | 0.05 | 0.05 |
| Total | 0.30 | 0.30 | 0.05 | 0.05 |

There are no changes to the current level of staffing.

Planning Commission

Budget Unit 100-11-170

General Fund - Commissions - Planning Commission

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 117,655 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 117,655 |
| % 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 6, 2023, City Council approved a budget of \$117,655 for the Planning Commission program. This represents a decrease of \$3,841 (-3.2%) from the FY 2022-23 Adopted Budget.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------|----------------------------|---------------------------|-----------|---|
| Materials | \$37,097 | \$22,215 | \$14,882 | Reduced meeting expenses such as food and coffee, conferences and meetings. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|------------------|-------------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ 39,547 | \$ 33,901 | \$ 34,949 | \$ 36,403 |
| Employee Benefits | \$ 14,806 | \$ 12,208 | \$ 15,248 | \$ 18,046 |
| Materials | \$ 8,488 | \$ 20,172 | \$ 34,997 | \$ 22,215 |
| Cost Allocation | \$ 30,715 | \$ 37,520 | \$ 35,427 | \$ 40,713 |
| Contingencies | \$ - | \$ - | \$ 875 | \$ 278 |
| Total Expenditures | \$ 93,556 | \$ 103,801 | \$ 121,496 | \$ 117,655 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 93,556 | \$ 103,801 | \$ 121,496 | \$ 117,655 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|------------------------------|-------------|-------------|---------------------|---------------------|
| ADMINISTRATIVE ASSISTANT | 0.20 | 0.20 | 0.20 | 0.20 |
| DIRECTOR OF COMM DEVELOPMENT | 0.06 | 0.06 | 0.06 | 0.06 |
| Total | 0.26 | 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

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 61,377 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 61,377 |
| % 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 6, 2023, City Council approved a budget of \$61,377 for the Housing Commission program. This represents a decrease of \$91 (-0.1%) from the FY 2022-23 Adopted Budget.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------|----------------------------|---------------------------|-----------|--|
| Materials | \$1,088 | \$229 | \$859 | Reduced meeting expenses and general supplies (i.e. business cards). |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|------------------|------------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ 22,012 | \$ 22,098 | \$ 24,783 | \$ 24,595 |
| Employee Benefits | \$ 10,366 | \$ 10,469 | \$ 12,135 | \$ 11,438 |
| Materials | \$ 163 | \$ - | \$ 1,027 | \$ 229 |
| Cost Allocation | \$ 21,610 | \$ 24,838 | \$ 23,497 | \$ 25,112 |
| Contingencies | \$ - | \$ - | \$ 26 | \$ 3 |
| Total Expenditures | \$ 54,151 | \$ 57,405 | \$ 61,468 | \$ 61,377 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 54,150 | \$ 57,405 | \$ 61,468 | \$ 61,377 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|--------------------------|-------------|-------------|---------------------|---------------------|
| ADMINISTRATIVE ASSISTANT | 0.05 | 0.05 | 0.05 | 0.05 |
| 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

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 58,109 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 58,109 |
| % 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 6, 2023, City Council approved a budget of \$58,109 for the Sustainability Commission program. This represents a decrease of \$2,874 (-4.7%) from the FY 2022-23 Adopted Budget.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2022-23 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------|----------------------------|---------------------------|-----------|--|
| Materials | \$6,188 | \$1,840 | \$4,348 | Eliminated funding for old programs (School Waste Audit, Grant Programs for Students) that have not been active in recent 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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|------------------|------------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ 18,431 | \$ 20,574 | \$ 21,648 | \$ 23,264 |
| Employee Benefits | \$ 9,704 | \$ 10,723 | \$ 11,776 | \$ 11,295 |
| Materials | \$ 400 | \$ 1,064 | \$ 6,188 | \$ 1,840 |
| Contract Services | \$ 1,800 | \$ - | \$ - | \$ - |
| Cost Allocation | \$ 18,254 | \$ 25,122 | \$ 21,216 | \$ 21,687 |
| Contingencies | \$ - | \$ - | \$ 155 | \$ 23 |
| Total Expenditures | \$ 48,589 | \$ 57,483 | \$ 60,983 | \$ 58,109 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 48,589 | \$ 57,483 | \$ 60,983 | \$ 58,109 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|------------------------|--------------------|--------------------|----------------------------|----------------------------|
| MANAGEMENT ANALYST | 0.10 | 0.10 | 0.10 | 0.10 |
| SUSTAINABILITY MANAGER | 0.05 | 0.05 | 0.05 | 0.05 |
| Total | 0.15 | 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

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 40,583 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 40,583 |
| % 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, holds the following powers and functions:

- To review the annual audit report and management letter.
- To recommend appointment of internal/external auditors.
- To review the quarterly Treasurer's Investment report.
- To recommend a budget format.
- To review City investment policies and internal controls of such policies.
- To review internal audit reports.
- To review quarterly Fraud, Waste, and Abuse Program reports.

The Audit Committee meets quarterly. The Finance Manager serves as staff liaison.

Adopted Budget

On June 6, 2023, City Council approved a budget of \$40,583 for the Audit Committee program. This represents an increase of \$5,077 (14.3%) from the FY 2022-23 Adopted Budget.

This increase is due to increases in employee compensation and benefits, which reflect the cost-of-living adjustments approved by the City Council in August 2022.

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|------------------|------------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ 13,780 | \$ 9,336 | \$ 13,475 | \$ 15,851 |
| Employee Benefits | \$ 5,018 | \$ 3,136 | \$ 6,557 | \$ 7,450 |
| Cost Allocation | \$ - | \$ 5,863 | \$ 15,474 | \$ 17,282 |
| Total Expenditures | \$ 18,798 | \$ 18,335 | \$ 35,506 | \$ 40,583 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 18,798 | \$ 18,335 | \$ 35,506 | \$ 40,583 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|--------------------------|-------------|-------------|---------------------|---------------------|
| ADMINISTRATIVE ASSISTANT | 0.05 | 0.05 | 0.05 | 0 |
| FINANCE MANAGER | 0.05 | 0.05 | 0.05 | 0.05 |
| MANAGEMENT ANALYST | 0 | 0 | 0 | 0.05 |
| Total | 0.10 | 0.10 | 0.10 | 0.10 |

There is a reduction of 0.05 FTE of an Administrative Assistant position to meet the position elimination target as part of the City's budget-balancing strategies. 0.05 FTE of a Management Analyst position is being allocated to the Audit Committee.

Administration

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Department Overview

Budget Units

| Budget Unit | Program | 2024 Adopted Budget |
|-----------------------------------|---|---------------------|
| City Manager | | \$ 5,303,875 |
| 100-12-120 | City Manager | \$ 2,382,405 |
| 100-12-122 | Sustainability | \$ 704,037 |
| 100-12-126 | Office of Communications | \$ 680,267 |
| 100-12-305 | Multimedia | \$ 16,752 |
| 100-12-307 | Public Access Support | \$ 47,732 |
| 100-12-632 | Community Outreach and Neighborhood Watch | \$ 252,103 |
| 100-12-633 | Office of Emergency Management | \$ 753,768 |
| 100-12-705 | Economic Development | \$ 466,811 |
| City Clerk | | \$ 816,187 |
| 100-13-130 | City Clerk | \$ 774,402 |
| 100-13-132 | Duplicating and Mail Services | \$ 40,808 |
| 100-13-133 | Elections | \$ 977 |
| City Manager Discretionary | | \$ 50,000 |
| 100-14-123 | City Manager Contingency | \$ 50,000 |
| City Attorney | | \$ 1,589,268 |
| 100-15-141 | City Attorney | \$ 1,589,268 |
| Total | | \$ 7,759,330 |

Budget at a Glance

2024 Adopted Budget

| | |
|--------------------------|--------------|
| Total Revenues | \$ 1,261,357 |
| Total Expenditures | \$ 7,759,330 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 6,497,973 |
| % Funded by General Fund | 83.7% |
| Total Staffing | 21.8 FTE |

Organization

Pamela Wu, City Manager

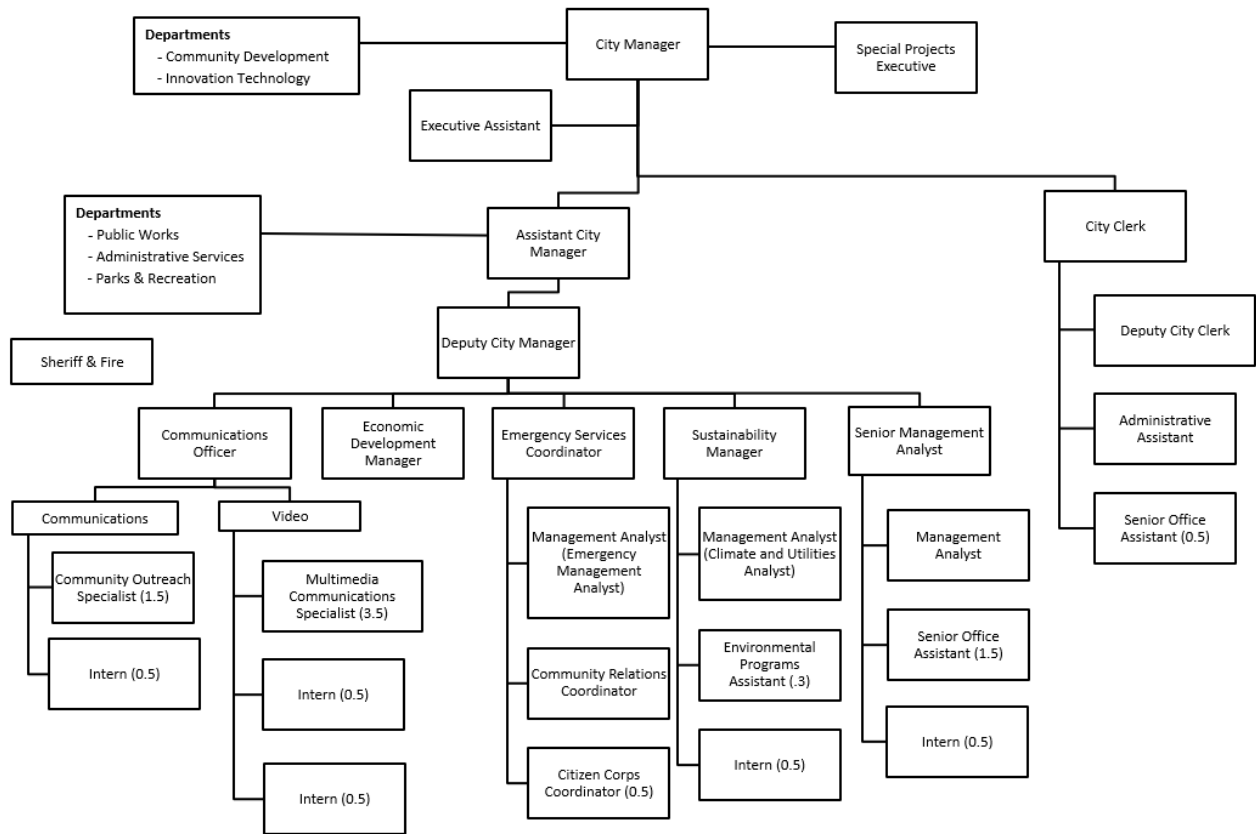
Matt Morley, Assistant City Manager

Christopher Jensen, City Attorney

Tina Kapoor, Deputy City Manager

Kirsten Squarcia, City Clerk

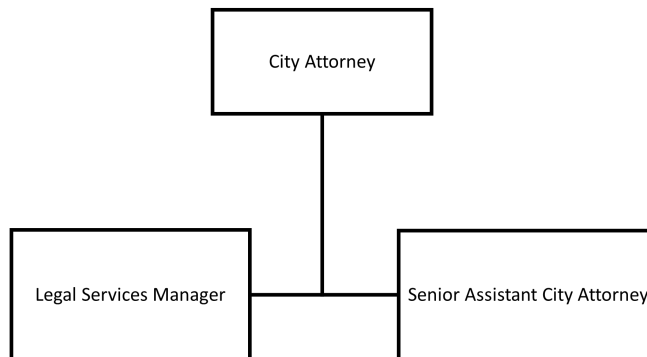
City Manager's Office



As part of an expenditure reduction strategy, the following vacant positions are being removed from the budget:

- Assistant City Manager
- Communications Analyst

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 2021 July-June | FY 2022 July-June | FY 2023 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 2021 July-June | FY 2022 July-June | FY 2023 July-Dec | Ongoing Target |
|---|----------------------|----------------------|---------------------|---------------------------|
| Social media engagement: total number of followers including City Hall Nextdoor, Facebook, Twitter, and Instagram accounts | 35,177 | N/A | 40,294 | 10% annual increase |
| Social media engagement: average number of engagements (reactions, comments, shares, and clicks) per post on City Hall Facebook account | 66.5 | 27.6 | 20.6 | 10% annual increase |
| Cupertino 311: Average response time to customers organization-wide (in days): | 3.5 Days | 2.7 Days | 2.6 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 2021 July-June | FY 2022 July-June | FY 2023 July-Dec | Ongoing Target |
|---|--|------------------------------|-----------------------------|--|
| % community-wide emissions reduced from baseline of 307,288 MT CO2e/yr ¹ | 2018 inventory: 24% decrease in emissions from baseline (258,659 MT CO2e/yr) | | | 15% reduction by 2020 (261,195 MT CO2e/yr) |
| Initiate and implement all Climate Action Plan near-term measures: | | | | |
| % initiated | 100% | 100% | 6% | 100% |
| % complete or ongoing | 79% | 79% | 4% | 100% |
| % municipal operations emissions reduced from baseline of 1,865 MT CO2e/yr | 2018 inventory: 66% reduction in emissions from baseline: 642 MT CO2e | | | 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 2021 July-June | FY 2022 July-June | FY 2023 July-Dec | Ongoing Target |
|--|------------------------------|------------------------------|-----------------------------|---------------------------|
| Maintain Economic Development Business Connect Subscribers | 2,500 | 3,000 | 4,000 | 4,000 |
| Economic Development Business Workshops & Events | 3* | 3 | 3 | 10 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 2021 July-June | FY 2022 July-June | FY 2023 July-Dec |
|---|----------------------|----------------------|---------------------|
| City Council minutes for regular meetings presented for Council approval by the following regular meeting | 15/15 | 21/21 | 11/11 |
| Adopted City Council resolutions and ordinances processed and scanned to Laserfiche within a week of Clerk's office receipt of final, signed document | 148/185; 10/12 | 71/77; 7/7 | 74; 4 |
| Public Record Act requests responded to by the Statutory deadline date | 94/94 | 124/103 | 119 |

Office of Communications

| Workload Indicator | FY 2021 July-June | FY 2022 July-June | FY 2023 July-Dec |
|---|----------------------|----------------------|---------------------|
| Social Media Engagement: Post per year (Facebook, Nextdoor, Twitter, Instagram) | 1,634 | 1,161 | 563 |
| Number of Projects Created on Engage Cupertino | N/A | 35 | 8 |
| Number of Community Information and Outreach Program products provided (newsletters, press releases, website news postings) | 248 | 185 | 121 |

Sustainability Division

| Workload Indicator | FY 2021 July-June | FY 2022 July-June | FY 2023 July-Dec |
|--|------------------------------|------------------------------|-----------------------------|
| Climate Action Plan 2.0 Actions initiated or in Progress | N/A | 3 | 8 |
| Climate Action Plan 2.0 Actions Completed | N/A | 2 | 5 |
| Community Education and Outreach Activities Held | 7 | 26 | 5 |
| Cross-Departmental Projects Supporting | 5 | 6 | 9 |
| Number of municipal and community programs leading or supporting | 8 | 8 | 8 |

Economic Development Division

| Workload Indicator | FY 2021 July-June | FY 2022 July-June | FY 2023 July-Dec |
|---|------------------------------|------------------------------|-----------------------------|
| Meetings with large groups/organizations; appointments with brokers, prospective business owners, business owners and operators, City staff, etc. | 20* | | |
| Special events, including small business workshops and seminars, ICSC conferences and events, ribbon cuttings and grand openings, and Small Business Saturday Celebration | 7* | 7 | 2 |
| Number of Business Connect Newsletter editions | 4 | 4 | 2 |

* This is an estimate based on the best information available

Multimedia Division

Multimedia Division has been moved under the Innovation & Technology Department.

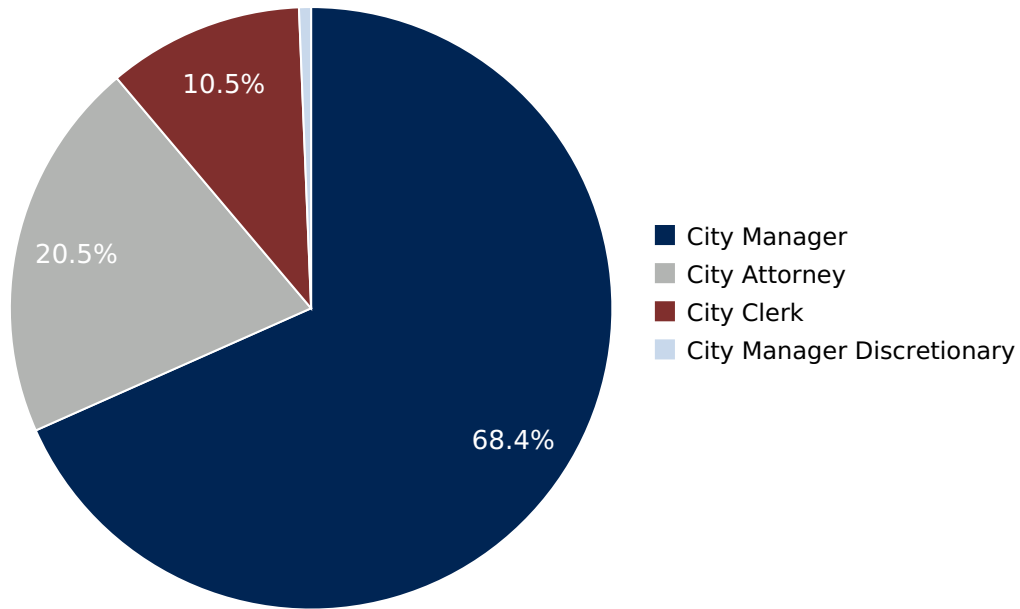
Adopted Budget

On June 6, 2023, City Council approved a budget of \$7,759,330 for the Administration department. This represents a decrease of \$1,889,089 (-19.6%) from the FY 2022-23 Adopted Budget.

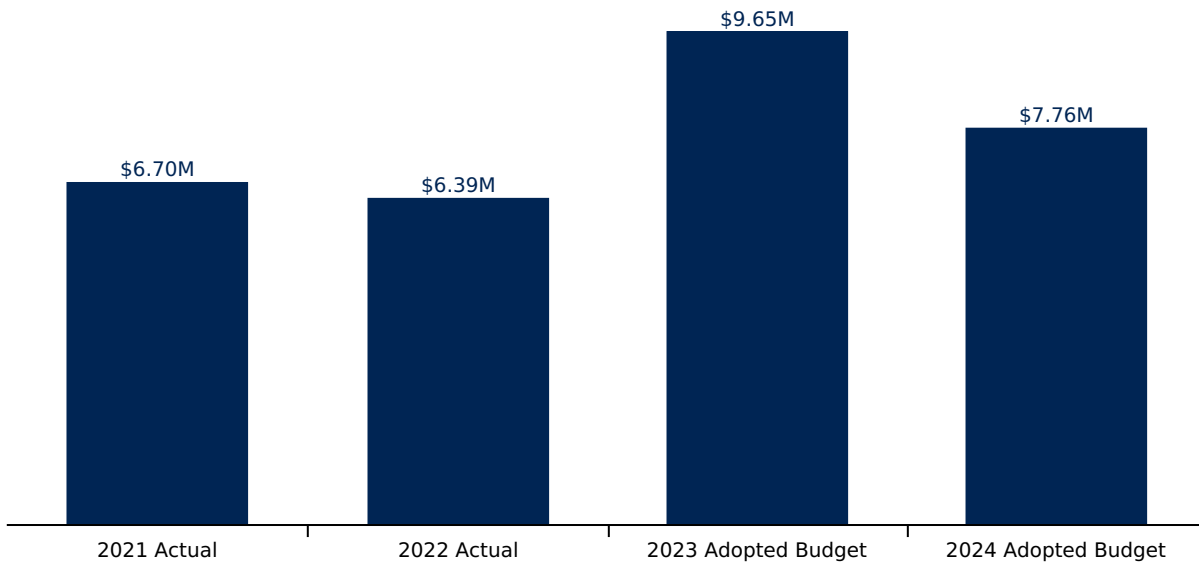
The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impacts |
|--------------------|-----------------------------------|----------------------------------|------------------|---|
| Materials | \$535,812 | \$400,223 | \$135,589 | Reduction in conferences/trainings, office supplies, meeting expenses, supplies for City events, some emergency/ business/and sustainability programs |
| Contract Services | \$1,362,790 | \$941,380 | \$421,410 | Reduction in funds available for new/unexpected litigation and other legal issues, translation services, and water conservation rebate agreement |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| Revenues | | | | |
| Intergovernmental Revenue | \$ 45,516 | \$ 6,074 | \$ 1,000,000 | \$ 111,500 |
| Charges for Services | \$ 1,399,287 | \$ 1,739,136 | \$ 1,469,823 | \$ 1,149,857 |
| Miscellaneous Revenue | \$ 19,634 | \$ 11,326 | \$ - | \$ - |
| Transfers In | \$ - | \$ 477,507 | \$ - | \$ - |
| Total Revenues | \$ 1,464,437 | \$ 2,234,043 | \$ 2,469,823 | \$ 1,261,357 |
| Expenditures | | | | |
| Employee Compensation | \$ 2,606,217 | \$ 3,301,226 | \$ 4,091,919 | \$ 4,069,298 |
| Employee Benefits | \$ 1,061,161 | \$ 1,297,532 | \$ 1,777,576 | \$ 1,753,607 |
| Materials | \$ 327,504 | \$ 311,781 | \$ 535,812 | \$ 400,223 |
| Contract Services | \$ 1,973,653 | \$ 649,787 | \$ 1,362,790 | \$ 941,380 |
| Cost Allocation | \$ 481,712 | \$ 526,940 | \$ 468,859 | \$ 518,051 |
| Special Projects | \$ 247,344 | \$ 299,938 | \$ 1,289,000 | \$ 10,000 |
| Contingencies | \$ - | \$ 135 | \$ 122,463 | \$ 66,771 |
| Total Expenditures | \$ 6,697,591 | \$ 6,387,339 | \$ 9,648,419 | \$ 7,759,330 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 5,233,153 | \$ 4,153,294 | \$ 7,178,596 | \$ 6,497,973 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|-------------------------------------|------------------------|------------------------|--------------------------------|--------------------------------|
| ADMINISTRATIVE ASSISTANT | 0 | 0 | 1.00 | 1.00 |
| ASSISTANT CITY MANAGER | 1.00 | 1.00 | 2.00 | 1.00 |
| ASSIST TO THE CITY MNGR | 1.00 | 1.00 | 0 | 0 |
| CITY ATTORNEY | 0 | 0 | 1.00 | 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 | 1.00 | 0 |
| COMMUNITY OUTREACH SPECIALIST | 1.20 | 1.20 | 0.90 | 0.90 |
| COMMUNITY RELATIONS COORD | 0.75 | 0.75 | 1.00 | 1.00 |
| DEPUTY CITY CLERK | 1.00 | 1.00 | 1.00 | 1.00 |
| DEPUTY CITY MANAGER | 0 | 0 | 1.00 | 1.00 |
| ECONOMIC DEVELOPMENT MANAGER | 0 | 1.00 | 1.00 | 1.00 |
| EMERGENCY MANAGER | 0 | 0 | 0 | 0.95 |
| EMERGENCY SERVICES COORDINATOR | 0.95 | 0.95 | 0.95 | 0 |
| ENVIRONMENTAL PROGRAMS ASSISTANT | 0.35 | 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 | 1.00 | 0 |
| MANAGEMENT ANALYST | 1.70 | 2.70 | 2.70 | 2.70 |
| MULTIMEDIA COMMUNICATIONS SPEC | 3.00 | 3.00 | 1.50 | 0 |
| PUBLIC INFORMATION OFFICER | 0.85 | 0.85 | 0.85 | 0.85 |
| SENIOR ASSISTANT CITY ATTORNEY | 0 | 0 | 1.00 | 1.00 |
| SENIOR MANAGEMENT ANALYST | 0 | 0 | 0 | 1.00 |
| SPECIAL PROJECT EXECUTIVE | 0 | 0 | 0 | 1.00 |
| SR OFFICE ASSISTANT | 1.80 | 1.80 | 1.80 | 1.80 |
| SUSTAINABILITY MANAGER | 0.75 | 0.75 | 0.75 | 0.75 |
| Total | 17.85 | 19.85 | 24.30 | 21.80 |

City Manager

Budget Unit 100-12-120

General Fund - City Manager - City Manager

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ 617,164 |
| Total Expenditures | \$ 2,382,405 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 1,765,241 |
| % Funded by General Fund | 74.1% |
| 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 6, 2023, City Council approved a budget of \$2,382,405 for the City Manager program. This represents an increase of \$162,683 (7.3%) from the FY 2022-23 Adopted Budget.

This increase is due to increases in employee compensation and benefits, which reflect the cost-of-living adjustments approved by the City Council in August 2022.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impacts |
|-------------------|----------------------------|---------------------------|-----------|---|
| Materials | \$71,573 | \$ 54,628 | \$16,945 | Reduced funding for supplies, meeting expenses, conferences and travel, and memberships. |
| Contract Services | \$83,572 | \$72,008 | \$11,564 | Reduced lobbyist contract and removal of language translations which will be done in house. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| Revenues | | | | |
| Intergovernmental Revenue | \$ 36,716 | \$ - | \$ - | \$ - |
| Charges for Services | \$ 452,422 | \$ 637,444 | \$ 631,098 | \$ 617,164 |
| Total Revenues | \$ 489,138 | \$ 637,444 | \$ 631,098 | \$ 617,164 |
| Expenditures | | | | |
| Employee Compensation | \$ 885,438 | \$ 968,245 | \$ 1,427,444 | \$ 1,579,939 |
| Employee Benefits | \$ 310,212 | \$ 304,009 | \$ 590,183 | \$ 674,247 |
| Materials | \$ 14,328 | \$ 16,993 | \$ 53,887 | \$ 54,628 |
| Contract Services | \$ 137,342 | \$ 70,416 | \$ 131,572 | \$ 72,008 |
| Special Projects | \$ 17,432 | \$ - | \$ 12,000 | \$ - |
| Contingencies | \$ - | \$ - | \$ 4,636 | \$ 1,583 |
| Total Expenditures | \$ 1,364,752 | \$ 1,359,663 | \$ 2,219,722 | \$ 2,382,405 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 875,614 | \$ 722,219 | \$ 1,588,624 | \$ 1,765,241 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|-------------------------------|--------------------|--------------------|----------------------------|----------------------------|
| ASSISTANT CITY MANAGER | 1.00 | 1.00 | 2.00 | 1.00 |
| ASSIST TO THE CITY MNGR | 1.00 | 1.00 | 0 | 0 |
| CITY MANAGER | 1.00 | 1.00 | 1.00 | 1.00 |
| DEPUTY CITY MANAGER | 0 | 0 | 1.00 | 1.00 |
| EXEC ASST TO THE CITY COUNCIL | 0.50 | 0.50 | 0.50 | 0.50 |
| LEGISLATIVE AIDE | 0 | 0 | 1.00 | 0 |
| MANAGEMENT ANALYST | 1.00 | 1.00 | 1.00 | 1.00 |
| SENIOR MANAGEMENT ANALYST | 0 | 0 | 0 | 1.00 |
| SPECIAL PROJECT EXECUTIVE | 0 | 0 | 0 | 1.00 |
| SR OFFICE ASSISTANT | 0.40 | 0.40 | 0.40 | 0.40 |
| Total | 4.90 | 4.90 | 6.90 | 6.90 |

As part of an expenditure reduction strategy, the vacant Assistant City Manager position is being removed from the budget.

Sustainability

Budget Unit 100-12-122

General Fund - City Manager - Sustainability

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ 111,500 |
| Total Expenditures | \$ 704,037 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 592,537 |
| % Funded by General Fund | 84.2% |
| 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.
- Support the City's Sustainability Commission, a citizen advisory body that helps the City Council to implement effective climate actions.
- 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 6, 2023, City Council approved a budget of \$704,037 for the Sustainability program. This represents a decrease of \$109,427 (-13.5%) from the FY 2022-23 Adopted Budget.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|----------------------------|---------------------------|-----------|---|
| Materials | \$33,709 | \$20,366 | \$13,343 | Reduced marketing and outreach for programs such as GreenBiz, reduced conferences and professional training, Reduced meeting expenses, printing and graphic design, technology supplies, Earth Day festival expenses, and eliminate cell service for outreach events/tablets. |
| Contract Services | \$101,529 | \$52,850 | \$48,679 | Reduced maintenance expenses for bicycle fleet and contract services for Earth Day festival. |

The following project/s have been identified as unfunded needs, which refer to priority projects that lack sufficient funding to be implemented at this time.

| Service | Description | Estimated Cost | Funding Status |
|--|--|----------------|----------------|
| Enhanced water conservation incentives for Cupertino residents | Cupertino provides additional incentives to promote water conservation activities by community members. Residents have leveraged these enhanced incentives since 2015 resulting in approximately 80,000 square feet of grass removed and replaced with drought-tolerant gardens each year. | \$45,000 | Unfunded |
| Employee Alternative Commute program | Program to manage parking impacts, reduce traffic, and encourage use of local public transit and carpooling for staff as they return back to the office. The fund would pay for three years of operation of this program. | \$35,000 | Unfunded |
| Climate Victory Gardens | A program to support residents to remove grass from their property by providing direct technical support, landscape design services, and assistance with filling out rebate paperwork. | \$175,000 | Unfunded |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| Revenues | | | | |
| Intergovernmental Revenue | \$ - | \$ - | \$ - | \$ 111,500 |
| Miscellaneous Revenue | \$ 1,450 | \$ 11,326 | \$ - | \$ - |
| Transfers In | \$ - | \$ 327,106 | \$ - | \$ - |
| Total Revenues | \$ 1,450 | \$ 338,432 | \$ - | \$ 111,500 |
| Expenditures | | | | |
| Employee Compensation | \$ 221,141 | \$ 257,523 | \$ 291,223 | \$ 315,081 |
| Employee Benefits | \$ 112,596 | \$ 126,271 | \$ 137,241 | \$ 136,429 |
| Materials | \$ 7,581 | \$ 12,899 | \$ 34,755 | \$ 20,366 |
| Contract Services | \$ 48,853 | \$ 64,815 | \$ 104,379 | \$ 52,850 |
| Cost Allocation | \$ 208,182 | \$ 249,106 | \$ 182,388 | \$ 178,396 |
| Special Projects | \$ 63,299 | \$ 265,652 | \$ 60,000 | \$ - |
| Contingencies | \$ - | \$ - | \$ 3,478 | \$ 915 |
| Total Expenditures | \$ 661,652 | \$ 976,266 | \$ 813,464 | \$ 704,037 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 660,201 | \$ 637,833 | \$ 813,464 | \$ 592,537 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|----------------------------------|-------------|-------------|---------------------|---------------------|
| ENVIRONMENTAL PROGRAMS ASSISTANT | 0.35 | 0.35 | 0.35 | 0.35 |
| MANAGEMENT ANALYST | 0.70 | 0.70 | 0.70 | 0.70 |
| SUSTAINABILITY MANAGER | 0.75 | 0.75 | 0.75 | 0.75 |
| Total | 1.80 | 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

| | 2024 Adopted Budget |
|--------------------------|----------------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 680,267 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 680,267 |
| % Funded by General Fund | 100.0% |
| Total Staffing | 2.7 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 6, 2023, City Council approved a budget of \$680,267 for the Office of Communications program. This represents a decrease of \$339,250 (-33.3%) from the FY 2022-23 Adopted Budget.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|-------------------------------|------------------------------|-----------|--|
| Materials | \$189,812 | \$152,134 | \$37,678 | Reduced funding for City branded swag for outreach events, paid social media ads, food and supplies for CREST and State of the City. |
| Contract Services | \$120,000 | \$25,000 | \$95,000 | Removed funding for Leadership 95014 program. Funds for the Community Survey (\$75k) were not used in FY 23 and will be carried over to FY 24. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ 318,479 | \$ 300,055 | \$ 449,061 | \$ 350,688 |
| Employee Benefits | \$ 135,743 | \$ 127,829 | \$ 212,471 | \$ 150,231 |
| Materials | \$ 137,495 | \$ 141,280 | \$ 187,478 | \$ 152,134 |
| Contract Services | \$ 18,827 | \$ 23,731 | \$ 120,800 | \$ 25,000 |
| Special Projects | \$ - | \$ - | \$ 42,000 | \$ - |
| Contingencies | \$ - | \$ - | \$ 7,707 | \$ 2,214 |
| Total Expenditures | \$ 610,544 | \$ 592,895 | \$ 1,019,517 | \$ 680,267 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 610,544 | \$ 592,894 | \$ 1,019,517 | \$ 680,267 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|----------------------------------|------------------------|------------------------|--------------------------------|--------------------------------|
| COMMUNICATIONS ANALYST | 0 | 0 | 1.00 | 0 |
| COMMUNITY OUTREACH SPECIALIST | 1.20 | 1.20 | 0.90 | 0.90 |
| PUBLIC INFORMATION OFFICER | 0.85 | 0.85 | 0.85 | 0.85 |
| SR OFFICE ASSISTANT | 0.90 | 0.90 | 0.90 | 0.90 |
| Total | 2.95 | 2.95 | 3.65 | 2.65 |

As part of an expenditure reduction strategy, the vacant Communications Analyst position is being removed from the budget.

Multimedia

Budget Unit 100-12-305

General Fund - City Manager - Multimedia

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ 167,188 |
| Total Expenditures | \$ 16,752 |
| Fund Balance | \$ - |
| General Fund Costs | \$ (150,436) |
| % Funded by General Fund | -898.0% |
| Total Staffing | 0.0 FTE |

Program Overview

For FY 2023-24, this program transferred from the City Manager’s Office to Innovation Technology. Historical data can be found under Budget Unit 100-31-305 & 100-12-305. 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 6, 2023, City Council approved a budget of \$16,752 for the Multimedia program. This represents a decrease of \$422,040 (-96.2%) from the FY 2022-23 Adopted Budget.

For FY 2023-24, this program transferred from the City Manager’s Office to Innovation Technology.

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| Revenues | | | | |
| Intergovernmental Revenue | \$ 8,800 | \$ 6,074 | \$ - | \$ - |
| Charges for Services | \$ 293,110 | \$ 414,196 | \$ 354,821 | \$ 167,188 |
| Total Revenues | \$ 301,910 | \$ 420,270 | \$ 354,821 | \$ 167,188 |
| Expenditures | | | | |
| Employee Compensation | \$ 465,372 | \$ 495,765 | \$ 303,932 | \$ - |
| Employee Benefits | \$ 196,887 | \$ 217,343 | \$ 101,391 | \$ - |
| Materials | \$ 60,650 | \$ 46,049 | \$ 1,406 | \$ 2,745 |
| Contract Services | \$ 74,066 | \$ 73,083 | \$ 21,491 | \$ 13,800 |
| Special Projects | \$ 104,963 | \$ 19,541 | \$ 10,000 | \$ - |
| Contingencies | \$ - | \$ - | \$ 572 | \$ 207 |
| Total Expenditures | \$ 901,938 | \$ 851,781 | \$ 438,792 | \$ 16,752 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 600,027 | \$ 431,510 | \$ 83,971 | \$ (150,436) |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|--------------------------------|-------------|-------------|---------------------|---------------------|
| MULTIMEDIA COMMUNICATIONS SPEC | 3.00 | 3.00 | 1.50 | 0 |
| Total | 3.00 | 3.00 | 1.50 | 0 |

Public Access Support

Budget Unit 100-12-307

General Fund - City Manager - Public Access Support

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 47,732 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 47,732 |
| % 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 6, 2023, City Council approved a budget of \$47,732 for the Public Access Support program. This represents a decrease of \$31,517 (-39.8%) from the FY 2022-23 Adopted Budget.

Contract Services is expected to be lower through current negotiations.

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|------------------|------------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Contract Services | \$ 70,961 | \$ 69,815 | \$ 75,120 | \$ 45,000 |
| Cost Allocation | \$ 3,022 | \$ 2,533 | \$ 2,251 | \$ 2,169 |
| Contingencies | \$ - | \$ - | \$ 1,878 | \$ 563 |
| Total Expenditures | \$ 73,983 | \$ 72,348 | \$ 79,249 | \$ 47,732 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 73,983 | \$ 72,348 | \$ 79,249 | \$ 47,732 |

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

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 252,103 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 252,103 |
| % 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 6, 2023, City Council approved a budget of \$252,103 for the Community Outreach and Neighborhood Watch program. This represents an increase of \$38,280 (17.9%) from the FY 2022-23 Adopted Budget.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------|----------------------------|---------------------------|-----------|--|
| Materials | \$14,541 | \$8,290 | \$6,251 | Reduced funding for supplies, printing and graphic design, and reduced professional memberships. |

Special Projects

The following table shows the special projects for the fiscal year.

| Project | Appropriations | Revenue | Funding Source | Description | Strategic Goal |
|--|----------------|---------|----------------|--|-----------------|
| Public Safety in Both Residential and Commercial Areas - License Plate Readers | \$10,000 | \$0 | General Fund | City Work Program: Strengthen Block Leader/Neighborhood Watch programs to ensure the leaders are active and expand the coverage of active neighborhoods. | Quality of Life |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| Revenues | | | | |
| Transfers In | \$ - | \$ 1,500 | \$ - | \$ - |
| Total Revenues | \$ - | \$ 1,500 | \$ - | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ 83,627 | \$ 40,018 | \$ 92,579 | \$ 106,151 |
| Employee Benefits | \$ 38,468 | \$ 20,309 | \$ 47,518 | \$ 49,441 |
| Materials | \$ 5,971 | \$ 1,964 | \$ 14,818 | \$ 8,290 |
| Cost Allocation | \$ 56,874 | \$ 68,769 | \$ 58,538 | \$ 78,117 |
| Special Projects | \$ - | \$ - | \$ - | \$ 10,000 |
| Contingencies | \$ - | \$ - | \$ 370 | \$ 104 |
| Total Expenditures | \$ 184,940 | \$ 131,060 | \$ 213,823 | \$ 252,103 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 184,940 | \$ 129,560 | \$ 213,823 | \$ 252,103 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------|-------------|---------------------|---------------------|
| COMMUNITY RELATIONS COORD | 0.75 | 0.75 | 1.00 | 1.00 |
| Total | 0.75 | 0.75 | 1.00 | 1.00 |

There are no changes to the current level of staffing.

Office of Emergency Management

Budget Unit 100-12-633

General Fund - City Manager - Office of Emergency Management

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 753,768 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 753,768 |
| % Funded by General Fund | 100.0% |
| 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.
- Manage the City's Contract for Law Enforcement Services with the Santa Clara County Sheriff's Office

Adopted Budget

On June 6, 2023, City Council approved a budget of \$753,768 for the Office of Emergency Management program. This represents a decrease of \$952,725 (-55.8%) from the FY 2022-23 Adopted Budget.

There is an increase in employee compensation and benefits, which reflect the cost-of-living adjustments approved by the City Council in August 2022.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|----------------------------|---------------------------|-----------|--|
| Materials | \$50,348 | \$29,925 | \$20,423 | Reduced emergency preparedness supplies, conferences, meeting expenses, printing and graphic design, and reduced professional memberships. |
| Contract Services | \$14,200 | \$2,120 | \$12,080 | Reduced contracted training 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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| Revenues | | | | |
| Intergovernmental Revenue | \$ - | \$ - | \$ 1,000,000 | \$ - |
| Transfers In | \$ - | \$ 144,039 | \$ - | \$ - |
| Total Revenues | \$ - | \$ 144,039 | \$ 1,000,000 | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ 171,115 | \$ 239,898 | \$ 302,775 | \$ 355,040 |
| Employee Benefits | \$ 72,593 | \$ 106,987 | \$ 148,923 | \$ 160,346 |
| Materials | \$ 11,595 | \$ 8,384 | \$ 61,108 | \$ 29,925 |
| Contract Services | \$ - | \$ 4,544 | \$ 14,200 | \$ 2,120 |
| Cost Allocation | \$ 128,820 | \$ 188,792 | \$ 177,604 | \$ 205,936 |
| Special Projects | \$ 61,650 | \$ 4,745 | \$ 1,000,000 | \$ - |
| Contingencies | \$ - | \$ - | \$ 1,883 | \$ 401 |
| Total Expenditures | \$ 445,773 | \$ 553,350 | \$ 1,706,493 | \$ 753,768 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 445,773 | \$ 409,312 | \$ 706,493 | \$ 753,768 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|-----------------------------------|------------------------|------------------------|--------------------------------|--------------------------------|
| EMERGENCY MANAGER | 0 | 0 | 0 | 0.95 |
| EMERGENCY SERVICES COORDINATOR | 0.95 | 0.95 | 0.95 | 0 |
| MANAGEMENT ANALYST | 0 | 1.00 | 1.00 | 1.00 |
| Total | 0.95 | 1.95 | 1.95 | 1.95 |

Reclassification of the Emergency Services Coordinator in this budget.

Economic Development

Budget Unit 100-12-705

General Fund - City Manager - Economic Development

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|----------------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 466,811 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 466,811 |
| % 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 6, 2023, City Council approved a budget of \$466,811 for the Economic Development program. This represents a decrease of \$132,082 (-22.1%) from the FY 2022-23 Adopted Budget.

There is an increase in employee compensation and benefits, which reflect the cost-of-living adjustments approved by the City Council in August 2022.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------|----------------------------|---------------------------|-----------|---|
| Materials | \$57,113 | \$39,236 | \$17,877 | Reduced funding in supplies, meeting expenses, and costs of attending and hosting business workshops. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| Revenues | | | | |
| Transfers In | \$ - | \$ 4,862 | \$ - | \$ - |
| Total Revenues | \$ - | \$ 4,862 | \$ - | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ - | \$ 125,701 | \$ 180,045 | \$ 206,441 |
| Employee Benefits | \$ 1,221 | \$ 46,931 | \$ 76,832 | \$ 82,324 |
| Materials | \$ 33,890 | \$ 21,189 | \$ 69,629 | \$ 39,236 |
| Contract Services | \$ 149,994 | \$ 69,780 | \$ 62,308 | \$ 87,646 |
| Cost Allocation | \$ 50,406 | \$ 13,227 | \$ 41,781 | \$ 49,578 |
| Special Projects | \$ - | \$ 10,000 | \$ 165,000 | \$ - |
| Contingencies | \$ - | \$ 135 | \$ 3,298 | \$ 1,586 |
| Total Expenditures | \$ 235,511 | \$ 286,963 | \$ 598,893 | \$ 466,811 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 235,511 | \$ 282,100 | \$ 598,893 | \$ 466,811 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|------------------------------|-------------|-------------|---------------------|---------------------|
| ECONOMIC DEVELOPMENT MANAGER | 0 | 1.00 | 1.00 | 1.00 |
| Total | 0 | 1.00 | 1.00 | 1.00 |

There are no changes to the current level of staffing.

City Clerk

Budget Unit 100-13-130

General Fund - City Clerk - City Clerk

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ 87,435 |
| Total Expenditures | \$ 774,402 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 686,967 |
| % Funded by General Fund | 88.7% |
| 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; managing official elections; and providing 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.
- Process and sort routine incoming and outgoing mail for each department.

Adopted Budget

On June 6, 2023, City Council approved a budget of \$774,402 for the City Clerk program. This represents an increase of \$54,983 (7.6%) from the FY 2022-23 Adopted Budget.

This increase is due to increases in employee compensation and benefits, which reflect the cost-of-living adjustments approved by the City Council in August 2022.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------|----------------------------|---------------------------|-----------|---|
| Materials | \$44,445 | \$42,301 | \$2,144 | Reduced funding in supplies, printing, and conferences. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| Revenues | | | | |
| Charges for Services | \$ 91,584 | \$ 144,551 | \$ 121,651 | \$ 87,435 |
| Total Revenues | \$ 91,584 | \$ 144,551 | \$ 121,651 | \$ 87,435 |
| Expenditures | | | | |
| Employee Compensation | \$ 351,929 | \$ 352,315 | \$ 434,265 | \$ 476,192 |
| Employee Benefits | \$ 139,725 | \$ 139,124 | \$ 198,878 | \$ 207,511 |
| Materials | \$ 35,000 | \$ 23,445 | \$ 46,172 | \$ 42,301 |
| Contract Services | \$ 27,822 | \$ 45,355 | \$ 38,000 | \$ 47,278 |
| Contingencies | \$ - | \$ - | \$ 2,104 | \$ 1,120 |
| Total Expenditures | \$ 554,476 | \$ 560,239 | \$ 719,419 | \$ 774,402 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 462,893 | \$ 415,688 | \$ 597,768 | \$ 686,967 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|--------------------------|-------------|-------------|---------------------|---------------------|
| ADMINISTRATIVE ASSISTANT | 0 | 0 | 1.00 | 1.00 |
| CITY CLERK | 1.00 | 1.00 | 1.00 | 1.00 |
| DEPUTY CITY CLERK | 1.00 | 1.00 | 1.00 | 1.00 |
| SR OFFICE ASSISTANT | 0.50 | 0.50 | 0.50 | 0.50 |
| Total | 2.50 | 2.50 | 3.50 | 3.50 |

There are no changes to the current level of staffing.

Duplicating and Mail Services

Budget Unit 100-13-132

General Fund - City Clerk - Duplicating and Mail Services

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|----------------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 40,808 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 40,808 |
| % 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 6, 2023, City Council approved a budget of \$40,808 for the Duplicating and Mail Services program. This represents a decrease of \$8,267 (-16.8%) from the FY 2022-23 Adopted Budget.

The decrease is due to a decrease in general office supplies.

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|------------------|------------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Materials | \$ 18,551 | \$ 23,733 | \$ 37,794 | \$ 30,471 |
| Contract Services | \$ 5,271 | \$ 3,738 | \$ 6,500 | \$ 6,500 |
| Cost Allocation | \$ 32,813 | \$ 4,366 | \$ 3,674 | \$ 3,375 |
| Contingencies | \$ - | \$ - | \$ 1,107 | \$ 462 |
| Total Expenditures | \$ 56,635 | \$ 31,837 | \$ 49,075 | \$ 40,808 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 56,635 | \$ 31,838 | \$ 49,075 | \$ 40,808 |

Staffing

There is no staffing associated with this program.

Elections

Budget Unit 100-13-133

General Fund - City Clerk - Elections

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 977 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 977 |
| % 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 6, 2023, City Council approved a budget of \$977 for the Elections program. This represents a decrease of \$139,862 (-99.3%) from the FY 2022-23 Adopted Budget.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------|----------------------------|---------------------------|-----------|--|
| Materials | \$4,845 | \$491 | \$4,354 | Reduced advertising and legal or contract services. This reduction will not have any service impacts as next year is not 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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------------|---------------|---------------------|---------------------|
| Revenues | | | | |
| Miscellaneous Revenue | \$ 14,300 | \$ - | \$ - | \$ - |
| Total Revenues | \$ 14,300 | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Materials | \$ 600 | \$ 847 | \$ 4,845 | \$ 491 |
| Contract Services | \$ 113,261 | \$ - | \$ 130,000 | \$ - |
| Cost Allocation | \$ 1,595 | \$ 147 | \$ 2,623 | \$ 480 |
| Contingencies | \$ - | \$ - | \$ 3,371 | \$ 6 |
| Total Expenditures | \$ 115,456 | \$ 994 | \$ 140,839 | \$ 977 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 101,156 | \$ 994 | \$ 140,839 | \$ 977 |

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

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 50,000 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 50,000 |
| % Funded by General Fund | 100.0% |
| Total Staffing | FTE |

Program Overview

The City Manager Contingency program is designed to address unforeseen citywide expenses that may arise during the year. To provide a cushion for any unexpected expenses, a contingencies expenditure category was added to each program in FY 2013-14. This category was established to cover any unforeseen expenses that may arise during the year. However, in FY 2020-21, the program contingencies were reduced from 5% of budgeted materials and contract services to 2.5%.

To provide a second layer of contingency for any unexpected expenditures, the City Manager Contingency was established. This contingency is in addition to the program contingency and is used for unexpected expenditures that exceed the program contingency. In FY 2020-21, the City Manager Contingency was also reduced from 5% of budgeted General Fund materials and contract services to 2.5%.

To further reduce expenditures, in FY 2021-22, the City Manager Contingency was reduced to \$75,000. In FY 2022-23, as part of an expenditure-reduction strategy, program contingencies are being reduced to 1.25%, and the City Manager Contingency is being reduced to \$50,000. These measures are aimed at maintaining fiscal responsibility while ensuring that unexpected expenses can still be addressed.

The City has a track record of underspending in this category. The program contingency budget may be used by departments to cover unanticipated expenses at their discretion. On the other hand, the City Manager Contingency requires the approval of the City Manager before it can be used. Any usage of the City Manager Contingency is reported by staff to the City Council as part of the quarterly financial report. This reporting ensures transparency and accountability in the use of contingency funds.

Adopted Budget

On June 6, 2023, City Council approved a budget of \$50,000 for the City Manager Contingency program. This represents a decrease of \$25,000 (-33.3%) from the FY 2022-23 Adopted Budget.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|----------------------------|---------------------------|-----------|--|
| Contract Services | \$75,000 | \$50,000 | \$25,000 | This will limit the ability for the City Manager to cover unanticipated City 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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------|-------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Contingencies | \$ - | \$ - | \$ 75,000 | \$ 50,000 |
| Total Expenditures | \$ - | \$ - | \$ 75,000 | \$ 50,000 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ - | \$ - | \$ 75,000 | \$ 50,000 |

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

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ 278,070 |
| Total Expenditures | \$ 1,589,268 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 1,311,198 |
| % Funded by General Fund | 82.5% |
| 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 6, 2023, City Council approved a budget of \$1,589,268 for the City Attorney program. This represents an increase of \$15,135 (1.0%) from the FY 2022-23 Adopted Budget.

This increase is due to increases in employee compensation and benefits, which reflect the cost-of-living adjustments approved by the City Council in August 2022.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Service | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|----------------------------|---------------------------|-----------|---|
| Materials | \$25,356 | \$19,636 | \$5,720 | Reduced training for CAO staff, office supplies and meeting expenses. |
| Contract Services | \$742,000 | \$589,178 | \$152,822 | Reduced funds for new/unexpected litigation and other legal-related issues. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|---------------------|-------------------|---------------------|---------------------|
| Revenues | | | | |
| Charges for Services | \$ 562,171 | \$ 542,945 | \$ 362,253 | \$ 278,070 |
| Miscellaneous Revenue | \$ 3,884 | \$ - | \$ - | \$ - |
| Total Revenues | \$ 566,055 | \$ 542,945 | \$ 362,253 | \$ 278,070 |
| Expenditures | | | | |
| Employee Compensation | \$ 109,116 | \$ 521,706 | \$ 610,595 | \$ 679,766 |
| Employee Benefits | \$ 53,716 | \$ 208,729 | \$ 264,139 | \$ 293,078 |
| Materials | \$ 1,843 | \$ 14,998 | \$ 23,920 | \$ 19,636 |
| Contract Services | \$ 1,327,256 | \$ 224,510 | \$ 658,420 | \$ 589,178 |
| Contingencies | \$ - | \$ - | \$ 17,059 | \$ 7,610 |
| Total Expenditures | \$ 1,491,931 | \$ 969,943 | \$ 1,574,133 | \$ 1,589,268 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 925,876 | \$ 426,998 | \$ 1,211,880 | \$ 1,311,198 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|-----------------------------------|------------------------|------------------------|--------------------------------|----------------------------|
| CITY ATTORNEY | 0 | 0 | 1.00 | 1.00 |
| LEGAL SERVICES MANAGER | 1.00 | 1.00 | 1.00 | 1.00 |
| SENIOR ASSISTANT CITY ATTORNEY | 0 | 0 | 1.00 | 1.00 |
| Total | 1.00 | 1.00 | 3.00 | 3.00 |

There are no changes to the current level of staffing.

Law Enforcement

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Department Overview

Budget Units

| Budget Unit | Program | 2024 Adopted Budget |
|------------------------|--------------------------|----------------------|
| Law Enforcement | | \$ 17,812,608 |
| 100-20-200 | Law Enforcement | \$ 17,812,608 |
| 100-20-201 | Interoperability Project | \$ - |
| Total | | \$ 17,812,608 |

Budget at a Glance

2024 Adopted Budget

| | |
|--------------------------|---------------|
| Total Revenues | \$ 1,462,646 |
| Total Expenditures | \$ 17,812,608 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 16,349,962 |
| % Funded by General Fund | 91.8% |
| Total Staffing | FTE |

Organization

Captain Neil Valenzuela, 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 2021 July-June | FY 2022 July-June | FY 2023 July-Dec | Ongoing Target |
|---|----------------------|----------------------|---------------------|-------------------|
| Response time for emergency calls | | | | |
| Priority 1 | 3.40 | 3.27 | 6.98* | 5 minutes |
| Priority 2 | 6.07 | 6.66 | 7.07 | 9 minutes |
| Priority 3 | 11.80 | 11.73 | 11.28 | 20 minutes |
| % programs maintaining minimum attendance | | | | |
| Teen Academy | 92% | 98% | 75% | 80% |
| Citizen Academy | N/A | N/A | N/A | 80% |

**On Nov. 12, 2022, the Sheriff's Office received a Priority 1 call that affected the average response times for the reporting period.*

Workload Indicators

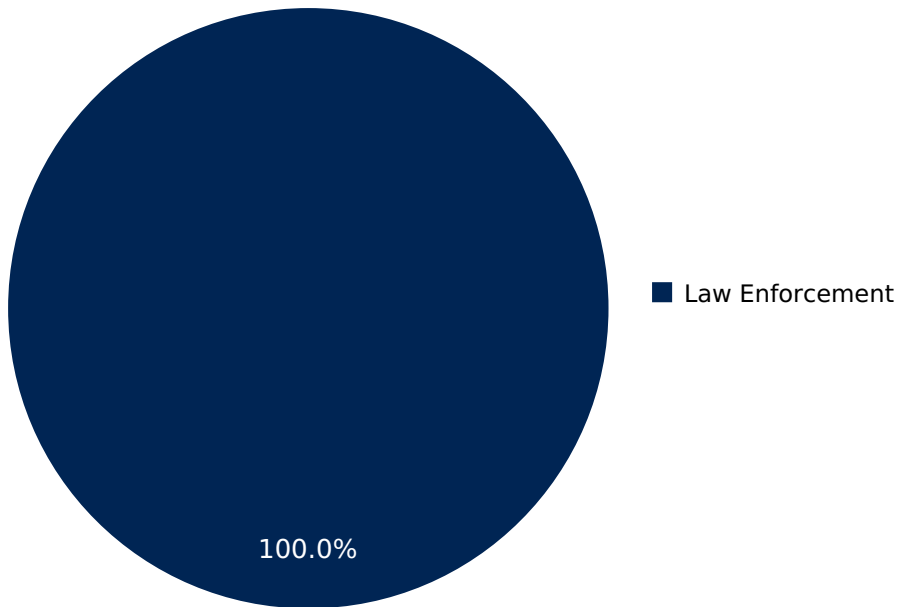
| Workload Indicator | FY 2021 July-June | FY 2022 July-June | FY 2023 July-Dec |
|---|------------------------------|------------------------------|-----------------------------|
| Total Priority 1 Calls | 31 | 76 | 35 |
| Total Priority 2 Calls | 3,107 | 4,027 | 2,144 |
| Total Priority 3 Calls | 4,254 | 3,624 | 1,639 |
| Total Teen/Community Academy Participants | 23 | 39 | 15 |

Adopted Budget

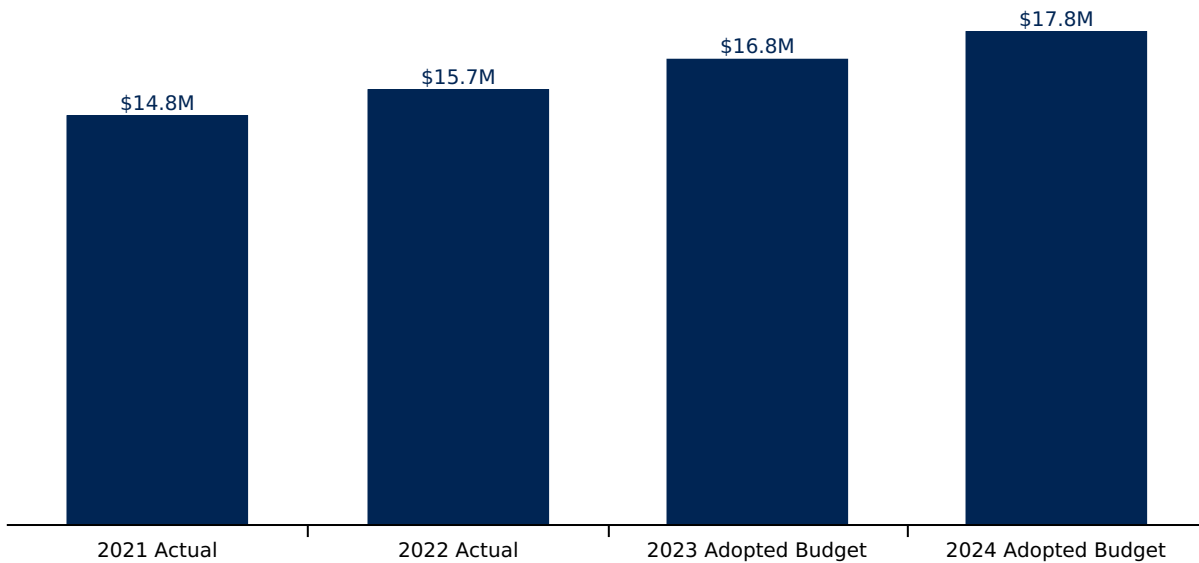
On June 6, 2023, City Council approved a budget of \$17,812,608 for the Law Enforcement department. This represents an increase of \$998,089 (5.9%) from the FY 2022-23 Adopted Budget.

The increase is due to contractually agreed-upon increases in salary and benefits for Sheriff's Deputies and increases in the West Valley Substation facility lease agreement.

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|----------------------|----------------------|----------------------|----------------------|
| Revenues | | | | |
| Intergovernmental Revenue | \$ 156,727 | \$ 161,285 | \$ 156,000 | \$ 161,094 |
| Charges for Services | \$ 410,824 | \$ 558,777 | \$ 61,000 | \$ 115,000 |
| Fines and Forfeitures | \$ 102,396 | \$ 188,053 | \$ 202,000 | \$ 180,000 |
| Miscellaneous Revenue | \$ 837,329 | \$ 887,259 | \$ 948,721 | \$ 1,006,552 |
| Transfers In | \$ - | \$ 972,987 | \$ - | \$ - |
| Total Revenues | \$ 1,507,276 | \$ 2,768,361 | \$ 1,367,721 | \$ 1,462,646 |
| Expenditures | | | | |
| Materials | \$ 158 | \$ 222 | \$ 53,891 | \$ 408 |
| Contract Services | \$ 14,652,520 | \$ 15,547,160 | \$ 16,606,737 | \$ 17,667,516 |
| Cost Allocation | \$ 123,731 | \$ 168,433 | \$ 153,891 | \$ 144,684 |
| Total Expenditures | \$ 14,776,409 | \$ 15,715,815 | \$ 16,814,519 | \$ 17,812,608 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 13,269,134 | \$ 12,947,454 | \$ 15,446,798 | \$ 16,349,962 |

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

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ 1,462,646 |
| Total Expenditures | \$ 17,812,608 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 16,349,962 |
| % Funded by General Fund | 91.8% |
| Total Staffing | FTE |

Program Overview

The Law Enforcement program provides law enforcement, emergency communications, and School Resource Officers. 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. 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. Furthermore, the City receives an annual donation for enhanced law enforcement services (two additional deputies) in the C5 beat. The donation is \$1.0 million for FY 2023-24.

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.
- Provide annual Teen Academy during summer months providing community engagement and an introduction to law enforcement for youth (budgeted in the Public Safety Commission).

Adopted Budget

On June 6, 2023, City Council approved a budget of \$17,812,608 for the Law Enforcement program. This represents an increase of \$1,047,512 (6.2%) from the FY 2022-23 Adopted Budget.

The increase in Contract Services funding is due to contractually agreed-upon increases in salary and benefits for Sheriff's Deputies and increases in the West Valley Substation facility lease agreement.

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|----------------------|----------------------|----------------------|----------------------|
| Revenues | | | | |
| Intergovernmental Revenue | \$ 156,727 | \$ 161,285 | \$ 156,000 | \$ 161,094 |
| Charges for Services | \$ 410,824 | \$ 558,777 | \$ 61,000 | \$ 115,000 |
| Fines and Forfeitures | \$ 102,396 | \$ 188,053 | \$ 202,000 | \$ 180,000 |
| Miscellaneous Revenue | \$ 837,329 | \$ 887,259 | \$ 948,721 | \$ 1,006,552 |
| Transfers In | \$ - | \$ 972,987 | \$ - | \$ - |
| Total Revenues | \$ 1,507,276 | \$ 2,768,361 | \$ 1,367,721 | \$ 1,462,646 |
| Expenditures | | | | |
| Materials | \$ 158 | \$ 222 | \$ 53,891 | \$ 408 |
| Contract Services | \$ 14,652,520 | \$ 15,547,160 | \$ 16,558,198 | \$ 17,667,516 |
| Cost Allocation | \$ 123,003 | \$ 167,594 | \$ 153,007 | \$ 144,684 |
| Total Expenditures | \$ 14,775,681 | \$ 15,714,976 | \$ 16,765,096 | \$ 17,812,608 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 13,268,406 | \$ 12,946,615 | \$ 15,397,375 | \$ 16,349,962 |

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

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ - |
| Fund Balance | \$ - |
| General Fund Costs | \$ - |
| % Funded by General Fund | 0.0% |
| 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

There is no budget requested for this program.

There is no budget due to the elimination of the contract for this project.

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|---------------|---------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Contract Services | \$ - | \$ - | \$ 48,539 | \$ - |
| Cost Allocation | \$ 728 | \$ 839 | \$ 884 | \$ - |
| Total Expenditures | \$ 728 | \$ 839 | \$ 49,423 | \$ - |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 728 | \$ 839 | \$ 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 | 2024 Adopted Budget |
|-------------------------------|--|---------------------|
| I&T Administration | | \$ 189,715 |
| 610-30-300 | Innovation & Technology Administration | \$ 189,715 |
| Video | | \$ 925,970 |
| 100-31-305 | Video | \$ 925,970 |
| Applications | | \$ 2,706,815 |
| 100-32-308 | Applications | \$ 2,706,815 |
| Infrastructure | | \$ 2,245,117 |
| 610-34-310 | Infrastructure | \$ 2,245,117 |
| GIS | | \$ 1,489,528 |
| 610-35-986 | GIS | \$ 1,489,528 |
| Total | | \$ 7,557,145 |

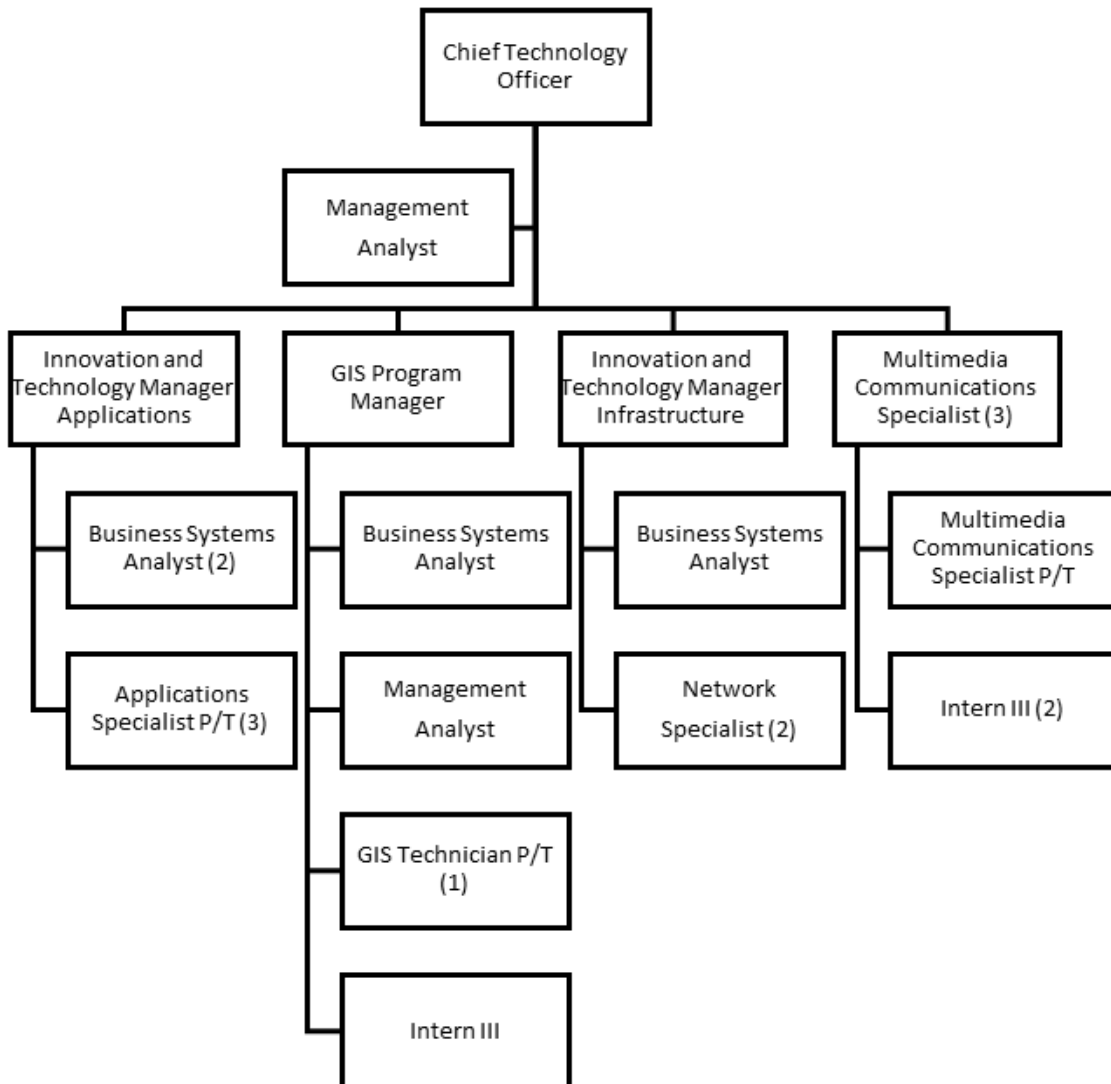
Budget at a Glance

2024 Adopted Budget

| | |
|--------------------------|--------------|
| Total Revenues | \$ 4,145,863 |
| Total Expenditures | \$ 7,557,145 |
| Fund Balance | \$ (477,502) |
| General Fund Costs | \$ 2,933,780 |
| % Funded by General Fund | 38.8% |
| Total Staffing | 14.9 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 2021 July-June | FY 2022 July-June | FY 2023 July-Dec | Ongoing Target |
|--|------------------------------|------------------------------|-----------------------------|---------------------------|
| GIS: % of time spent Developing Application | 25% | 40% | 35% | 35% |
| GIS: % of time Maintaining applications | 75% | 60% | 65% | 65% |
| GIS: Met Requests within SLA (map, data, Web maps, Cityworks, schema, other) completed | 98% | 99% | 100% | 100% |
| GIS: Increase Property Information (Internal/External) site visits per month | 691/533 | 3,344/616 | 1,176/229 | 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 20% | 45/31 68% | 45/31 10% | 45/45 20% |
| Infrastructure: Percentage based upon number of scheduled projects/Number of projects completed on time | 86% | 89% | 64% | 100% |
| Infrastructure: Percentage based upon number of HelpDesk tickets/SLA measurements | 94% | 93% | 89% | 90% |
| Infrastructure: % Customer satisfaction based upon Satisfaction Rate from helpdesk tickets | 98.7% | 98.0% | 96.9% | 85% |
| Infrastructure: % of network uptime (not including planned maintenance) | 99.9% | 99.9% | 99.9% | 99% |
| Applications: % of citywide-enterprise application project management performed on time and on budget | 95% | 96% | 98% | 95% |
| Applications: Number of website site visits/Number of site hits | 800,164 | 886,899 | 578,462 | 5% annual increase |
| Applications: Number of support request for the applications support per month | 65 | 870 | 490 | 20 |
| Applications: Actual grant Revenue vs. Adopted budget | 46% | 0 | 2% | 15% |

Multimedia Division

| Performance Measure | FY 2021 July-June | FY 2022 July-June | FY 2023 July-Dec | Ongoing Target |
|--|------------------------------|------------------------------|-----------------------------|---------------------------|
| Percentage of total video productions performed vs scheduled productions (city meetings excluded) ¹ | 522% 47/9 | 356% 57/16 | 245% 27/11 | 100% |
| Percentage of total engineering projects vs scheduled projects ² | 250% 15/6 | 275% 11/4 | 100% 2/2 | 100% |
| Total video views on YouTube and Granicus platforms combined ³ | 246,313 | 158,300 | 60,249 | 5% annual increase |

* Percentage skewed due to pandemic - more overall views due to daily press conference postings

Workload Indicators

Applications Division

| Workload Indicator | FY 2021 July-June | FY 2022 July-June | FY 2023 July-Dec |
|--|------------------------------|------------------------------|-----------------------------|
| Enterprise Programs Support & Maintenance | 1,900 hours | 2,500 hours | 1,950 hours |
| Application Development | 800 hours | 1,600 hours | 850 hours |
| Percentage of Project Management Performed on Time and Budget for Citywide Applications | 95% | 95% | 94% |

Infrastructure Division

| Workload Indicator | FY 2021 July-June | FY 2022 July-June | FY 2023 July-Dec |
|--|----------------------|----------------------|---------------------|
| Percentage of helpdesk requests completed 48 hours or less | 94% | 93% | 89% |
| % of network uptime | 99.9% | 99.9% | 99.8% |
| Number of IT Projects Completed | 100% 7/7 | 88.89% 9/8 | 64.28% 9/14 |

GIS Division

| Workload Indicator | FY 2021 July-June | FY 2022 July-June | FY 2023 July-Dec |
|---|---|--|---|
| Hours Spent Web Application Development | 540/tracking is still being refined. This is not an accurate account. | 876/tracking is still being refined. This is not an accurate account. | 582/ tracking is still being refined. This is not an accurate account |
| Map, Data, Analysis, Report, Application Configuration Requests, Workflow Enhancements Completed Requests | 882/tracking is still being refined. This is not an accurate account. | 1272/tracking is still being refined. This is not an accurate account. | 821/tracking is still being refined. This is not an accurate account. |
| Number of I&T workplan projects completed | 100% 8/8 After budget reduction | 90% 9/10 | 20% 2/10 |

Multimedia Division

| Workload Indicator | FY 2021 July-June | FY 2022 July-June | FY 2023 July-Dec |
|---|----------------------|----------------------|---------------------|
| Percentage of total video productions performed vs scheduled productions (city meetings excluded) | 522% 47/9 | 356% 57/16 | 245% 27/11 |
| Percentage of total engineering projects vs scheduled projects | 250% 15/6 | 275% 11/4 | 100% 2/2 |
| Total video views on YouTube and Granicus platforms combined* | 246,313 | 158,300 | 60,249 |

* Percentage skewed due to pandemic - more overall views due to daily press conference postings

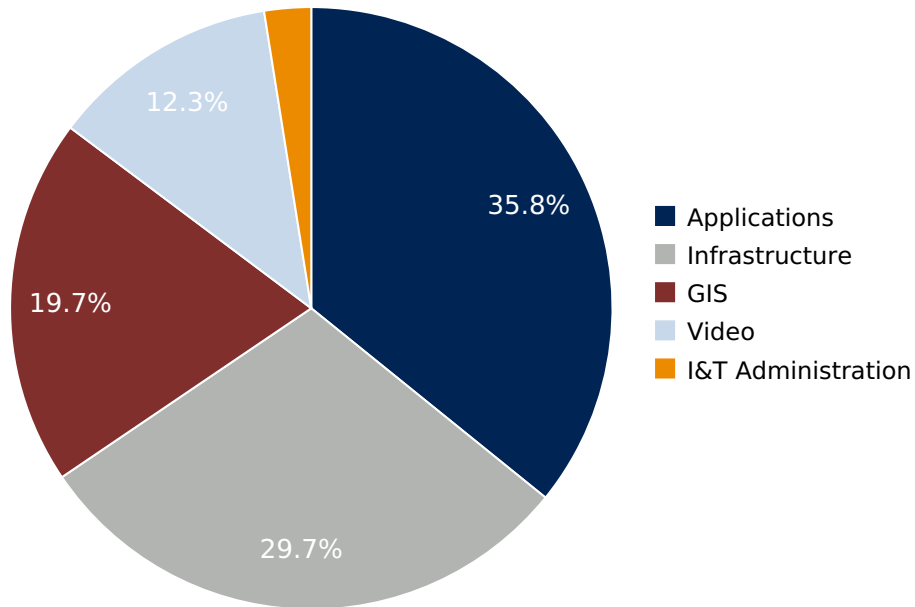
Adopted Budget

On June 6, 2023, City Council approved a budget of \$7,557,145 for the Innovation and Technology department. This represents a decrease of \$442,834 (-5.5%) from the FY 2022-23 Adopted Budget.

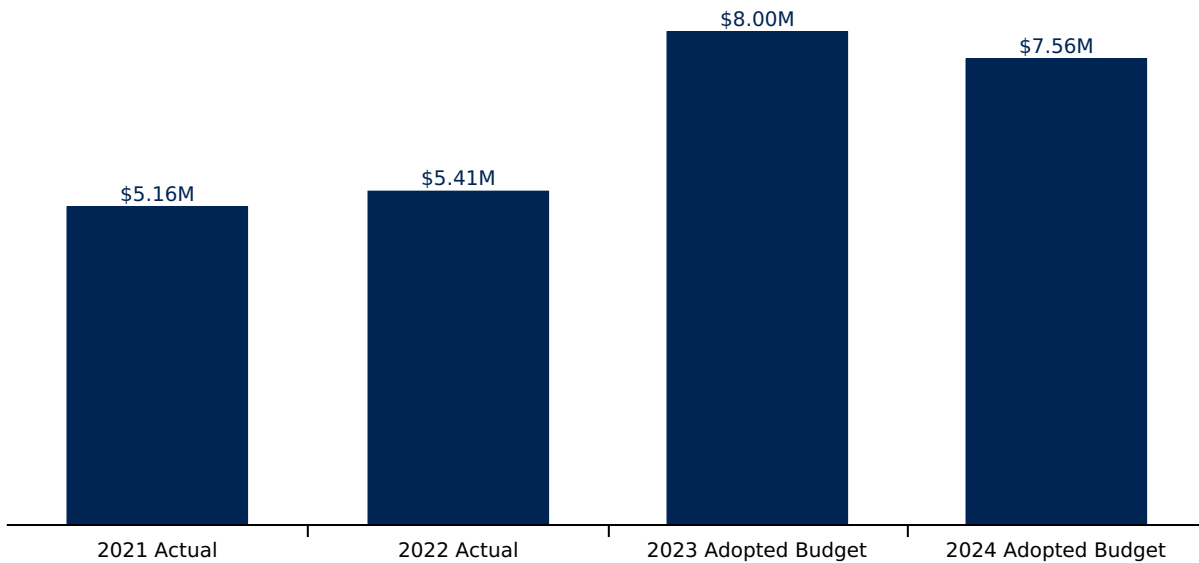
The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Service | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|----------------------------|---------------------------|-----------|--|
| Materials | \$2,794,442 | \$1,812,505 | \$981,937 | <p>Reduced applications utilized by staff, residents, and customers. Commissioners and part time staff limited to E-mail; Prolonged tech refresh cycles and significant reduction in replacement parts and supplies.</p> <p>Reduced Training and Conferences for department. Drone program and training reduced, and eliminate Wi-Fi in parks.</p> |
| Contract Services | \$791,240 | \$620,119 | \$171,121 | <p>Reduce expert technical training; less outside technical support, and reduced LaserFiche document scanning.</p> <p>Reduced maintenance of equipment.</p> |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| Revenues | | | | |
| Intergovernmental Revenue | \$ 15,000 | \$ 242,900 | \$ - | \$ 60,000 |
| Charges for Services | \$ 3,996,438 | \$ 4,572,658 | \$ 3,916,540 | \$ 4,085,863 |
| Miscellaneous Revenue | \$ 67,130 | \$ - | \$ - | \$ - |
| Transfers In | \$ - | \$ 146,308 | \$ - | \$ - |
| Total Revenues | \$ 4,078,568 | \$ 4,961,866 | \$ 3,916,540 | \$ 4,145,863 |
| Expenditures | | | | |
| Employee Compensation | \$ 2,028,109 | \$ 2,030,751 | \$ 2,434,120 | \$ 2,953,284 |
| Employee Benefits | \$ 729,278 | \$ 611,750 | \$ 991,799 | \$ 1,163,394 |
| Materials | \$ 1,385,735 | \$ 1,705,614 | \$ 2,416,519 | \$ 1,812,505 |
| Contract Services | \$ 516,877 | \$ 456,178 | \$ 835,469 | \$ 620,119 |
| Special Projects | \$ 198,377 | \$ 322,675 | \$ 941,028 | \$ 691,475 |
| Other Financing Uses | \$ 299,745 | \$ 285,961 | \$ 299,745 | \$ 285,961 |
| Contingencies | \$ - | \$ - | \$ 81,299 | \$ 30,407 |
| Total Expenditures | \$ 5,158,121 | \$ 5,412,929 | \$ 7,999,979 | \$ 7,557,145 |
| Fund Balance | \$ (394,967) | \$ (198,074) | \$ 412,601 | \$ (477,502) |
| General Fund Costs | \$ 684,587 | \$ 252,990 | \$ 4,496,040 | \$ 2,933,780 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|-----------------------------------|------------------------|------------------------|--------------------------------|--------------------------------|
| ADMINISTRATIVE ASSISTANT | 0.95 | 0.95 | 0.95 | 0 |
| APPLICATIONS MANAGER | 1.00 | 1.00 | 1.00 | 1.00 |
| ASSET MANAGEMENT TECHNCIAN | 1.00 | 1.00 | 0 | 0 |
| BUSINESS SYSTEMS ANALYST | 3.00 | 3.00 | 3.00 | 3.00 |
| CHIEF TECHNOLOGY OFFICER | 0.98 | 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 | 0 |
| MANAGEMENT ANALYST | 0 | 0 | 1.00 | 1.95 |
| MULTIMEDIA COMMUNICATIONS SPEC | 0 | 0 | 1.50 | 3.00 |
| NETWORK SPECIALIST | 0 | 0 | 0 | 2.00 |
| Total | 11.93 | 11.93 | 13.43 | 14.93 |

Innovation & Technology Administration

Budget Unit 610-30-300

Information Technology - I&T Administration - Innovation & Technology Administration

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 189,715 |
| Fund Balance | \$ (189,715) |
| General Fund Costs | \$ - |
| % Funded by General Fund | 0.0% |
| 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 6, 2023, City Council approved a budget of \$189,715 for the Innovation & Technology Administration program. This represents a decrease of \$152,219 (-44.5%) from the FY 2022-23 Adopted Budget.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|----------------------------|---------------------------|-----------|--|
| Materials | \$13,103 | \$6,071 | \$7,032 | Reduced training and conferences for Chief Technology Officer and Management Analyst, these tools assist in developing future plans. |
| Contract Services | \$17,200 | \$2,500 | \$14,700 | Less review of future technologies as they apply to Cupertino. |

The following project/s have been identified as unfunded needs, which refer to priority projects that lack sufficient funding to be implemented at this time.

| Project | Description | Estimated Cost | Funding Status |
|-------------------|--|-------------------|----------------|
| IT Strategic Plan | Partner with Departments to develop a three-year FY25-FY27 Strategic Plan to provide guidance/governance to future IT Projects | \$75,000 one-time | Unfunded |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ 120,302 | \$ 114,941 | \$ 115,790 | \$ 128,598 |
| Employee Benefits | \$ 33,205 | \$ 23,024 | \$ 50,019 | \$ 52,439 |
| Materials | \$ 5,178 | \$ 3,787 | \$ 11,451 | \$ 6,071 |
| Contract Services | \$ 21,613 | \$ 14,107 | \$ 15,500 | \$ 2,500 |
| Special Projects | \$ 140,684 | \$ 29,100 | \$ 148,500 | \$ - |
| Contingencies | \$ - | \$ - | \$ 674 | \$ 107 |
| Total Expenditures | \$ 320,982 | \$ 184,959 | \$ 341,934 | \$ 189,715 |
| Fund Balance | \$ (320,982) | \$ (184,959) | \$ (259,434) | \$ (189,715) |
| 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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|--------------------------|--------------------|--------------------|----------------------------|----------------------------|
| ADMINISTRATIVE ASSISTANT | 0.15 | 0.15 | 0.15 | 0 |
| CHIEF TECHNOLOGY OFFICER | 0.38 | 0.38 | 0.38 | 0.38 |
| MANAGEMENT ANALYST | 0 | 0 | 0 | 0.15 |
| Total | 0.53 | 0.53 | 0.53 | 0.53 |

Reclassification of Administrative Assistant to Management Analyst.

Video

Budget Unit 100-31-305

General Fund - Video - Video

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|----------------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 925,970 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 925,970 |
| % Funded by General Fund | 100.0% |
| Total Staffing | 3.0 FTE |

Program Overview

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 6, 2023, City Council approved a budget of \$925,970 for the Video program. This represents an increase of \$351,366 (61.1%) from the FY 2022-23 Adopted Budget.

Increase in Compensation and Benefits is due to a transfer of 1.5 positions from the City Manager's Office.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Service | FY2023-24 Original Budget | FY2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|---------------------------|--------------------------|-----------|---|
| Materials | \$64,776 | \$38,579 | \$26,197 | Significant reduction in replacement parts and supplies. |
| Contract Services | \$80,090 | \$63,463 | \$16,627 | Less outside technical support assistance on preventative maintenance and repairs |

The following project/s have been identified as unfunded needs, which refer to priority projects that lack sufficient funding to be implemented at this time.

| Projects | Description | Estimated Cost | Funding Status |
|--|---|-------------------|----------------|
| Community Hall Portable Projector | Procurement of a portable projector for revenue generating public and private events | \$6,000 one-time | Unfunded |
| Monta Vista Recreation Center Portable Projection System | Procurement of portable projector for revenue generating classroom rentals | \$6,000 one-time | Unfunded |
| Quinlan Craft Room Display System | Installation of a large 98 inch flat panel display for revenue generating room | \$10,000 one-time | Unfunded |
| Quinlan Social Room Projection System and Screen | Procurement of a ceiling-mounted video projection system and motorized retractable screen for revenue generating room | \$25,000 one-time | Unfunded |
| Senior Center Digital Signage Displays | Procurement of two 50-inch displays at revenue generating Senior Center Lobby for displaying Electronic Activity Calendar | \$5,000 one-time | Unfunded |
| Senior Center Tech Lab Projection System | Installation of a ceiling-mounted video projector for revenue generating room | \$15,000 one-time | Unfunded |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------------|-------------|---------------------|---------------------|
| Revenues | | | | |
| Charges for Services | \$ 7,204 | \$ - | \$ - | \$ - |
| Total Revenues | \$ 7,204 | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ - | \$ - | \$ 246,871 | \$ 591,230 |
| Employee Benefits | \$ - | \$ - | \$ 99,404 | \$ 231,422 |
| Materials | \$ 76 | \$ - | \$ 61,417 | \$ 38,579 |
| Contract Services | \$ - | \$ - | \$ 95,002 | \$ 63,463 |
| Special Projects | \$ - | \$ - | \$ 68,000 | \$ - |
| Contingencies | \$ - | \$ - | \$ 3,910 | \$ 1,276 |
| Total Expenditures | \$ 76 | \$ - | \$ 574,604 | \$ 925,970 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ (7,128) | \$ - | \$ 574,604 | \$ 925,970 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|--------------------------------|-------------|-------------|---------------------|---------------------|
| MULTIMEDIA COMMUNICATIONS SPEC | 0 | 0 | 1.50 | 3.00 |
| Total | 0 | 0 | 1.50 | 3.00 |

Transfer of 1.5 FTE from the City Manager's Office.

Applications

Budget Unit 100-32-308

General Fund - Applications - Applications

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ 1,599,005 |
| Total Expenditures | \$ 2,706,815 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 1,107,810 |
| % Funded by General Fund | 40.9% |
| 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 Software-as-a-Service (SaaS) software platforms like bid management solution and residential parking permit solution. Staff is 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 6, 2023, City Council approved a budget of \$2,706,815 for the Applications program. This represents a decrease of \$108,443 (-3.9%) from the FY 2022-23 Adopted Budget.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Service | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|----------------------------|---------------------------|-----------|--|
| Materials | \$1,317,411 | \$966,999 | \$350,412 | Reduced applications utilized by staff and subscription licensing count. |
| Contract Services | \$177,051 | \$126,151 | \$50,900 | Reduced outside expert technical support. |

The following project/s have been identified as unfunded needs, which refer to priority projects that lack sufficient funding to be implemented at this time.

| Project | Description | Estimated Cost | Funding Status |
|----------------------|---|-------------------------------------|----------------|
| Debtbook for GASB 96 | Application required for accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). | \$15,000 one-time, \$13,000 ongoing | Unfunded |

Special Projects

The following table shows the special projects for the fiscal year.

| Special Project | Appropriation | Revenue | Funding Source | Description |
|---|---------------------------------------|---------------------------------------|----------------|---|
| Enterprise Resource Planning (ERP) Phase III | FY24 \$450,000; \$300,000 ongoing | FY24 \$450,000; \$300,000 ongoing | General Fund | Implementation of new ERP for Financials and Human Resources. Funding will cover interim staff required for implementation. |
| ProjectDox move to Software-as-a-Service (SaaS) | \$129,475 one-time; \$117,100 ongoing | \$129,475 one-time; \$117,100 ongoing | General Fund | Move to SaaS model to shift the responsibility of the day-to-day maintenance, upgrades and back-ups to Vendor. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| Revenues | | | | |
| Intergovernmental Revenue | \$ 15,000 | \$ 242,900 | \$ - | \$ 60,000 |
| Charges for Services | \$ 1,307,803 | \$ 1,613,055 | \$ 1,431,322 | \$ 1,539,005 |
| Miscellaneous Revenue | \$ 67,130 | \$ - | \$ - | \$ - |
| Transfers In | \$ - | \$ 146,308 | \$ - | \$ - |
| Total Revenues | \$ 1,389,933 | \$ 2,002,263 | \$ 1,431,322 | \$ 1,599,005 |
| Expenditures | | | | |
| Employee Compensation | \$ 635,662 | \$ 670,756 | \$ 722,798 | \$ 754,882 |
| Employee Benefits | \$ 206,339 | \$ 232,154 | \$ 254,426 | \$ 265,644 |
| Materials | \$ 749,988 | \$ 895,294 | \$ 1,254,233 | \$ 966,999 |
| Contract Services | \$ 186,966 | \$ 129,333 | \$ 215,139 | \$ 126,151 |
| Special Projects | \$ 57,693 | \$ 135,638 | \$ 331,928 | \$ 579,475 |
| Contingencies | \$ - | \$ - | \$ 36,734 | \$ 13,664 |
| Total Expenditures | \$ 1,836,648 | \$ 2,063,175 | \$ 2,815,258 | \$ 2,706,815 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 446,715 | \$ 60,912 | \$ 1,383,936 | \$ 1,107,810 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|--------------------------|-------------|-------------|---------------------|---------------------|
| ADMINISTRATIVE ASSISTANT | 0.30 | 0.30 | 0.30 | 0 |
| APPLICATIONS MANAGER | 1.00 | 1.00 | 1.00 | 1.00 |
| BUSINESS SYSTEMS ANALYST | 2.00 | 2.00 | 2.00 | 2.00 |
| CHIEF TECHNOLOGY OFFICER | 0.20 | 0.20 | 0.20 | 0.20 |
| MANAGEMENT ANALYST | 0 | 0 | 0 | 0.30 |
| Total | 3.50 | 3.50 | 3.50 | 3.50 |

There are no changes to current level of staffing.

Infrastructure

Budget Unit 610-34-310

Information Technology - Infrastructure - Infrastructure

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|----------------------------|
| Total Revenues | \$ 1,591,722 |
| Total Expenditures | \$ 2,245,117 |
| Fund Balance | \$ 246,605 |
| General Fund Costs | \$ 900,000 |
| % Funded by General Fund | 40.1% |
| 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 6, 2023, City Council approved a budget of \$2,245,117 for the Infrastructure program. This represents a decrease of \$476,840 (-17.5%) from the FY 2022-23 Adopted Budget.

Increase in Compensation and Benefits is due to reclassification of 2 Infrastructure Technicians to Network Specialists.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Service | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|----------------------------|---------------------------|-----------|--|
| Materials | \$1,010,941 | \$566,688 | \$445,253 | Commissioners and Part Time staff limited to Email, prolonged tech refresh cycles; reduce license count to minimum, eliminate Wi-Fi in Parks |
| Contract Services | \$288,299 | \$265,905 | \$22,394 | Reduced outside expert technical support |

The following project/s have been identified as unfunded needs, which refer to priority projects that lack sufficient funding to be implemented at this time.

| Projects | Description | Estimated Cost | Funding Status |
|--------------------|---|-------------------|----------------|
| Air Gapped Backups | As part of a network backup and recovery strategy, Air Gapped backups provide a copy of the Organizations data that is offline and inaccessible to cyber criminals. | \$45,000 one-time | Unfunded |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| Revenues | | | | |
| Charges for Services | \$ 1,767,098 | \$ 1,882,195 | \$ 1,556,269 | \$ 1,591,722 |
| Total Revenues | \$ 1,767,098 | \$ 1,882,195 | \$ 1,556,269 | \$ 1,591,722 |
| Expenditures | | | | |
| Employee Compensation | \$ 660,555 | \$ 629,802 | \$ 683,644 | \$ 789,572 |
| Employee Benefits | \$ 270,305 | \$ 192,068 | \$ 314,130 | \$ 326,584 |
| Materials | \$ 470,005 | \$ 611,350 | \$ 793,929 | \$ 566,688 |
| Contract Services | \$ 212,752 | \$ 195,656 | \$ 305,328 | \$ 265,905 |
| Special Projects | \$ - | \$ 78,960 | \$ 297,700 | \$ - |
| Other Financing Uses | \$ 299,745 | \$ 285,961 | \$ 299,745 | \$ 285,961 |
| Contingencies | \$ - | \$ - | \$ 27,481 | \$ 10,407 |
| Total Expenditures | \$ 1,913,362 | \$ 1,993,797 | \$ 2,721,957 | \$ 2,245,117 |
| Fund Balance | \$ 98,735 | \$ 80,476 | \$ 1,289,312 | \$ 246,605 |
| General Fund Costs | \$ 245,000 | \$ 192,078 | \$ 2,455,000 | \$ 900,000 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|--------------------------|-------------|-------------|---------------------|---------------------|
| ADMINISTRATIVE ASSISTANT | 0.30 | 0.30 | 0.30 | 0 |
| 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 | 0 |
| MANAGEMENT ANALYST | 0 | 0 | 0 | 0.30 |
| NETWORK SPECIALIST | 0 | 0 | 0 | 2.00 |
| Total | 4.50 | 4.50 | 4.50 | 4.50 |

The Administrative Assistant was reclassified as a Management Analyst and Infrastructure Technicians to Network Specialists based on the current duties and tasks assigned to that position.

GIS

Budget Unit 610-35-986

Information Technology - GIS - GIS

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ 955,136 |
| Total Expenditures | \$ 1,489,528 |
| Fund Balance | \$ (534,392) |
| 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 6, 2023, City Council approved a budget of \$1,489,528 for the GIS program. This represents a decrease of \$56,698 (-3.7%) from the FY 2022-23 Adopted Budget.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Service | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|----------------------------|---------------------------|-----------|---|
| Materials | \$388,211 | \$234,168 | \$154,043 | Removal of applications used by residents and customers, reduced Emergency Management System (EMS) application and Drone program as well as conferences and training. |
| Contract Services | \$228,600 | \$162,100 | \$66,500 | Reduced outside technical support, reduced Aerial Acquisition, and Laserfiche document scanning. |

The following project/s have been identified as unfunded needs, which refer to priority projects that lack sufficient funding to be implemented at this time.

| Project | Description | Estimated Cost | Funding Status |
|----------------------|---|------------------------------------|----------------|
| GPS Rental Equipment | Creating topological deliverables requires renting GPS equipment to achieve the positional accuracy required to produce contours, a service we would like to bring in-house for cost savings. | \$5,000 one-time; \$5,000 ongoing | Unfunded |
| FuelMaster Live | Update our existing FuelMaster SQL deployment to the updated FMLive cloud-based fuel management system. | \$22,000 one-time; \$5,000 ongoing | Unfunded |

Special Projects

The following table shows the special projects for the fiscal year.

| Project | Appropriation | Revenue | Funding Source | Description |
|-----------|--------------------|--------------------|----------------|--|
| VR Decarb | \$112,000 one-time | \$112,000 one-time | General Fund | Virtual reality simulation to help engage the community and promote all-electric household appliances. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| Revenues | | | | |
| Charges for Services | \$ 914,333 | \$ 1,077,408 | \$ 928,949 | \$ 955,136 |
| Total Revenues | \$ 914,333 | \$ 1,077,408 | \$ 928,949 | \$ 955,136 |
| Expenditures | | | | |
| Employee Compensation | \$ 611,590 | \$ 615,252 | \$ 665,017 | \$ 689,002 |
| Employee Benefits | \$ 219,429 | \$ 164,504 | \$ 273,820 | \$ 287,305 |
| Materials | \$ 160,488 | \$ 195,183 | \$ 295,489 | \$ 234,168 |
| Contract Services | \$ 95,546 | \$ 117,082 | \$ 204,500 | \$ 162,100 |
| Special Projects | \$ - | \$ 78,977 | \$ 94,900 | \$ 112,000 |
| Contingencies | \$ - | \$ - | \$ 12,500 | \$ 4,953 |
| Total Expenditures | \$ 1,087,053 | \$ 1,170,998 | \$ 1,546,226 | \$ 1,489,528 |
| Fund Balance | \$ (172,720) | \$ (93,591) | \$ (617,277) | \$ (534,392) |
| 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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|-------------------------------|-------------|-------------|---------------------|---------------------|
| ADMINISTRATIVE ASSISTANT | 0.20 | 0.20 | 0.20 | 0 |
| ASSET MANAGEMENT TECHNCIAN | 1.00 | 1.00 | 0 | 0 |
| CHIEF TECHNOLOGY OFFICER | 0.20 | 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 | 1.00 | 1.20 |
| Total | 3.40 | 3.40 | 3.40 | 3.40 |

There are no changes to the current level of staffing.

Administrative Services

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Department Overview

Budget Units

| Budget Unit | Program | 2024 Adopted Budget |
|--------------------------------|--|----------------------|
| Administrative Services | | \$ 367,693 |
| 100-40-400 | Administrative Services Administration | \$ 367,693 |
| Finance | | \$ 3,133,396 |
| 100-41-405 | Accounting | \$ 1,818,249 |
| 100-41-406 | Business Licenses | \$ 423,530 |
| 100-41-425 | Purchasing | \$ 369,477 |
| 100-41-426 | Budget | \$ 522,140 |
| Human Resources | | \$ 6,523,140 |
| 100-44-412 | Human Resources | \$ 1,395,466 |
| 642-44-414 | Retiree Benefits | \$ 1,486,988 |
| 100-44-417 | Insurance Administration | \$ 2,297,437 |
| 620-44-418 | Workers Compensation Insurance | \$ 582,778 |
| 641-44-419 | Long Term Disability | \$ 102,381 |
| 641-44-420 | Compensated Absences | \$ 658,090 |
| Total | | \$ 10,024,229 |

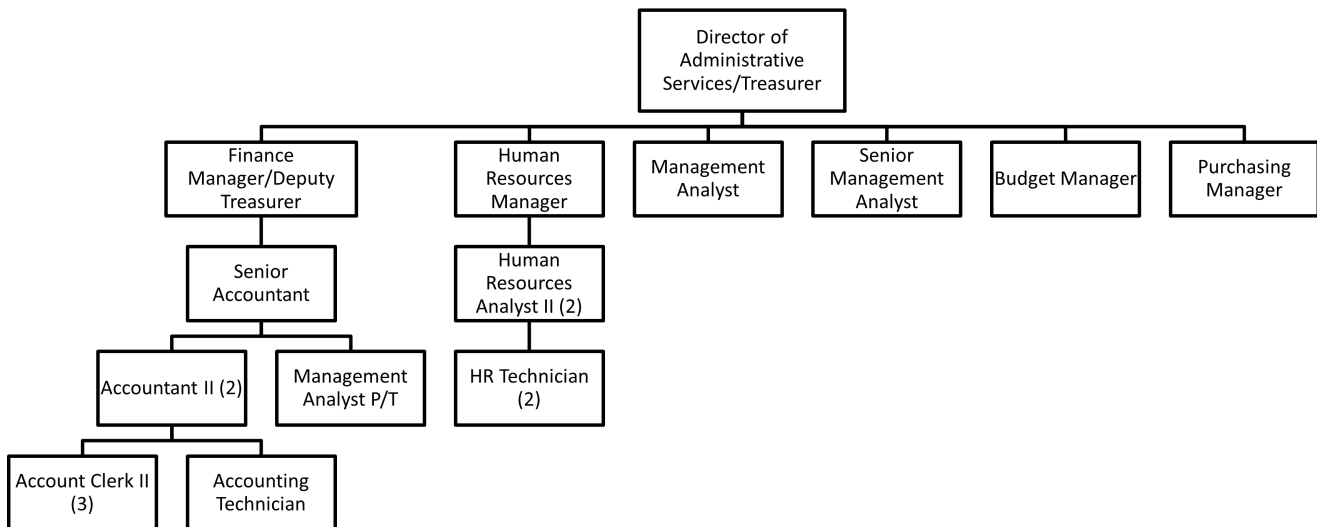
Budget at a Glance

2024 Adopted Budget

| | |
|--------------------------|----------------|
| Total Revenues | \$ 4,159,392 |
| Total Expenditures | \$ 10,024,229 |
| Fund Balance | \$ (2,450,237) |
| General Fund Costs | \$ 3,414,600 |
| % Funded by General Fund | 34.1% |
| Total Staffing | 17.9 FTE |

Organization

Kristina Alfaro, Director of Administrative Services



As part of an expenditure reduction strategy, the vacant Administrative Assistant position is being removed from the budget.

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 2021 July-June | FY 2022 July-June | FY 2023 July-Dec | Ongoing Target |
|--|----------------------|----------------------|---------------------|-------------------|
| General Fund fund balance as a % of budgeted appropriations | 103% | 104% | 96% | 35% |
| Credit Rating | AA+ | AA+ | AA+ | AA+ |
| Actual revenue vs. budget (% below budget) | 19% | 24% | 34% | 10% |
| Actual expenditures (% below budget) | 15% | 9% | 30% | 5% |
| Funding allocated to high priority services (Public Works, Community Development, Law Enforcement) | 53% | 52% | 66% | 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 2021 July-June | FY 2022 July-June | FY 2023 July-Dec | Ongoing Target |
|---|------------------------------|------------------------------|-----------------------------|---------------------------|
| # of Worker's Compensation Cases | 10 | 11 | 3 | 0 |
| Total recordable Injury Rate YTD | N/A | 4.3% | 1.0% | 0% |
| % absenteeism (% of total annual work hours) | 2% | 2% | 3% | 2% |
| % turnover rate | 5% | 9% | 5% | 1% |
| % Employee participation in wellness activities | 43% | 48% | 37% | 75% |
| Average # of applications received per recruitment | 70 | 49 | 38 | 50 |
| Recruitment timeline - # days from hiring request to offer letter | 78 | 88 | 70 | 60 |

Workload Indicators

Finance Division

| Workload Indicator | FY 2021 July-June | FY 2022 July-June | FY 2023 July-Dec |
|------------------------------------|------------------------------|------------------------------|-----------------------------|
| # of vendor checks processed | 4,457 | 4,993 | 2,509 |
| # of payroll checks processed | 7,816 | 8,119 | 4,936 |
| # of business license applications | 1,061 | 884 | 444 |
| # of business license renewals | 2,467 | 1,521 | 854 |
| # of journal entries posted | 3,915 | 3,635 | 1,772 |
| # of purchase orders approved | 534 | 563 | 315 |
| # of receipts processed | 10,367 | 9,353 | 4,460 |

Human Resources Division

| Workload Indicator | FY 2021 July-June | FY 2022 July-June | FY 2023 July-Dec |
|--|------------------------------|------------------------------|-----------------------------|
| # of regular recruitments | 24 | 33 | 16 |
| # of regular new hires | 22 | 38 | 10 |
| # of temporary new hires | 18 | 77 | 13 |
| # of personnel payroll changes | 834 | 787 | 378 |
| # of full-time employee exits processed | 30 | 24 | 14 |
| # of mandated training classes offered* | 18 | 20 | 20 |
| # of employees participating in the wellness program | 90 | 104 | 74 |

* some trainings mandated every other year, however not on the same annual schedule

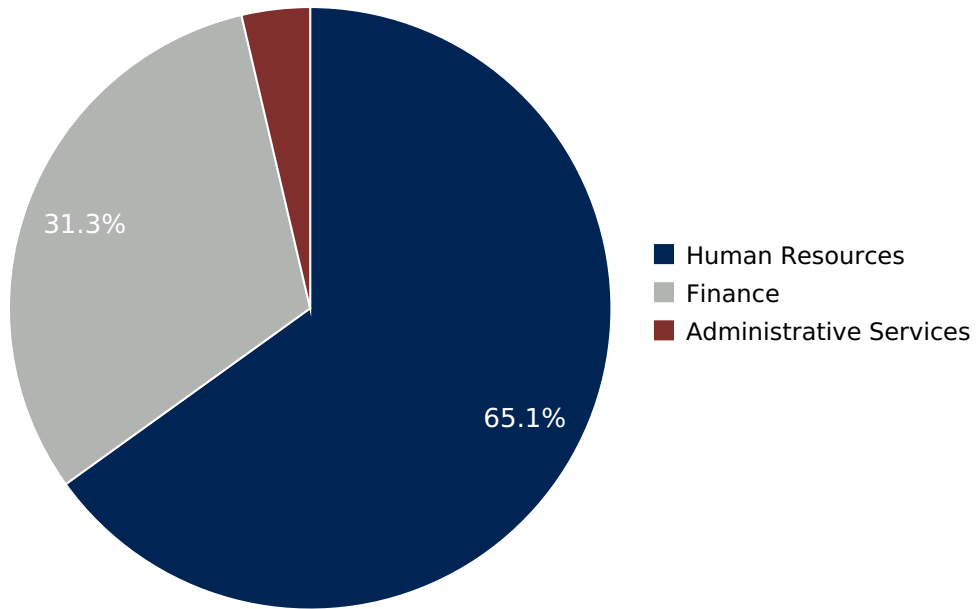
Adopted Budget

On June 6, 2023, City Council approved a budget of \$10,024,229 for the Administrative Services department. This represents a decrease of \$12,235 (-0.1%) from the FY 2022-23 Adopted Budget.

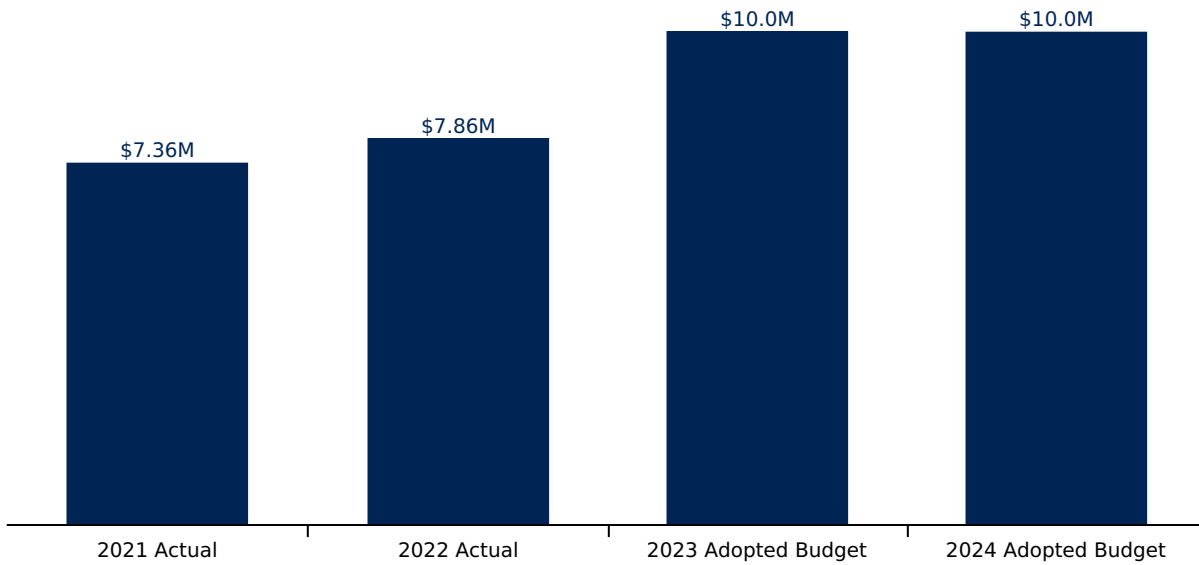
The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Service | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|-----------------------------------|----------------------------------|------------------|---|
| Materials | \$186,223 | \$108,808 | \$77,415 | Reduced conference attendance, office and general supplies, recruitment advertisements, printing, citywide coffee and tea and reduced citywide employee events. |
| Contract Services | \$4,152,414 | \$4,020,746 | \$131,668 | Reduced citywide trainings, reduced executive recruitments and reduced consultant costs. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-----------------------|---------------------|-----------------------|-----------------------|
| Revenues | | | | |
| Charges for Services | \$ 3,910,403 | \$ 4,484,822 | \$ 3,967,516 | \$ 4,159,392 |
| Miscellaneous Revenue | \$ 8,775 | \$ 44,002 | \$ - | \$ - |
| Other Financing Sources | \$ 246,381 | \$ 356,830 | \$ 436,145 | \$ - |
| Transfers In | \$ - | \$ 332,112 | \$ - | \$ - |
| Total Revenues | \$ 4,165,559 | \$ 5,217,766 | \$ 4,403,661 | \$ 4,159,392 |
| Expenditures | | | | |
| Employee Compensation | \$ 2,229,343 | \$ 2,240,233 | \$ 2,688,101 | \$ 2,808,263 |
| Employee Benefits | \$ 2,191,476 | \$ 2,401,776 | \$ 2,660,698 | \$ 2,735,256 |
| Materials | \$ 83,977 | \$ 136,581 | \$ 191,213 | \$ 108,808 |
| Contract Services | \$ 2,513,838 | \$ 2,740,443 | \$ 3,719,161 | \$ 4,020,746 |
| Cost Allocation | \$ 341,705 | \$ 341,693 | \$ 349,530 | \$ 308,962 |
| Special Projects | \$ - | \$ - | \$ 330,000 | \$ - |
| Contingencies | \$ - | \$ - | \$ 97,761 | \$ 42,194 |
| Total Expenditures | \$ 7,360,339 | \$ 7,860,726 | \$ 10,036,464 | \$ 10,024,229 |
| Fund Balance | \$ (1,678,654) | \$ (735,233) | \$ (1,332,250) | \$ (2,450,237) |
| General Fund Costs | \$ 1,516,125 | \$ 1,907,727 | \$ 4,300,553 | \$ 3,414,600 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|----------------------------|--------------------|--------------------|----------------------------|----------------------------|
| ACCOUNTANT II | 1.00 | 2.00 | 2.00 | 2.00 |
| ACCOUNT CLERK II | 3.00 | 3.00 | 3.00 | 3.00 |
| ACCOUNTING TECHNICIAN | 1.00 | 1.00 | 1.00 | 1.00 |
| ADMINISTRATIVE ASSISTANT | 0.95 | 0.95 | 0.95 | 0 |
| BUDGET MANAGER | 0 | 0 | 1.00 | 1.00 |
| DIRECTOR OF ADMIN SERVICES | 1.00 | 1.00 | 1.00 | 1.00 |
| FINANCE MANAGER | 0.95 | 0.95 | 0.95 | 0.95 |
| HUMAN RESOURCES ANALYST II | 2.00 | 2.00 | 2.00 | 2.00 |
| HUMAN RESOURCES MANAGER | 1.00 | 1.00 | 1.00 | 1.00 |
| HUMAN RESOURCES TECH | 2.00 | 2.00 | 2.00 | 2.00 |
| MANAGEMENT ANALYST | 0 | 0 | 0 | 0.95 |
| PURCHASING MANAGER | 0 | 0 | 1.00 | 1.00 |
| SENIOR ACCOUNTANT | 1.00 | 1.00 | 1.00 | 1.00 |
| SENIOR MANAGEMENT ANALYST | 2.00 | 2.00 | 2.00 | 1.00 |
| Total | 15.90 | 16.90 | 18.90 | 17.90 |

Administrative Services Administration

Budget Unit 100-40-400

General Fund - Administrative Services - Administrative Services Administration

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ 154,333 |
| Total Expenditures | \$ 367,693 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 213,360 |
| % Funded by General Fund | 58.0% |
| Total Staffing | 1.4 FTE |

Program Overview

The Administrative Services Administration program oversees and coordinates Human Resources/Risk Management, Finance, Purchasing, Budget, and Treasury. In Fall 2022, City Council adopted the City's Fraud, Waste, and Abuse (FWA) Program which is administered by the City's Internal Auditor. The Internal Auditor monitors the hotline, triages complaints received, recommends action to the appropriate City personnel, and conducts investigations, as appropriate. Costs associated with supporting the FWA hotline are expensed in this program. Additionally, staff support from this program is provided to the Audit Committee.

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 contract for the City's Fraud, Waste, Abuse Program.
- Provide staff support to Audit Committee.

Adopted Budget

On June 6, 2023, City Council approved a budget of \$367,693 for the Administrative Services Administration program. This represents a decrease of \$534,187 (-59.2%) from the FY 2022-23 Adopted Budget.

The decrease is primarily due to the reduction of one Administrative Assistant position and the reallocation of the Director of Administrative Services position among the department's budgets. The work associated with the Administrative Assistant will be re-evaluated and then redistributed among existing staff.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Service | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-----------|----------------------------|---------------------------|-----------|--|
| Materials | \$32,241 | \$17,628 | \$14,613 | Reduced conference attendance, trainings, meeting expenses, and general and office supplies. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| Revenues | | | | |
| Charges for Services | \$ 185,799 | \$ 183,169 | \$ 156,003 | \$ 154,333 |
| Miscellaneous Revenue | \$ (2,800) | \$ 36,300 | \$ - | \$ - |
| Total Revenues | \$ 182,999 | \$ 219,469 | \$ 156,003 | \$ 154,333 |
| Expenditures | | | | |
| Employee Compensation | \$ 593,523 | \$ 562,571 | \$ 588,164 | \$ 240,749 |
| Employee Benefits | \$ 249,510 | \$ 242,833 | \$ 282,451 | \$ 103,522 |
| Materials | \$ 17,077 | \$ 47,865 | \$ 29,841 | \$ 17,628 |
| Contract Services | \$ 8,323 | \$ - | \$ 661 | \$ 5,505 |
| Contingencies | \$ - | \$ - | \$ 763 | \$ 289 |
| Total Expenditures | \$ 868,433 | \$ 853,269 | \$ 901,880 | \$ 367,693 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 685,434 | \$ 633,800 | \$ 745,877 | \$ 213,360 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|----------------------------|-------------|-------------|---------------------|---------------------|
| ADMINISTRATIVE ASSISTANT | 0.95 | 0.95 | 0.95 | 0 |
| DIRECTOR OF ADMIN SERVICES | 0.80 | 0.80 | 0.80 | 0.20 |
| MANAGEMENT ANALYST | 0 | 0 | 0 | 0.20 |
| SENIOR MANAGEMENT ANALYST | 2.00 | 2.00 | 2.00 | 1.00 |
| Total | 3.75 | 3.75 | 3.75 | 1.40 |

There is a reduction of .95 FTE of an Administrative Assistant position to meet position elimination targets as part of the City's budget-balancing strategies. In addition, the Director of Administrative Services has been reallocated among the department's budgets.

Accounting

Budget Unit 100-41-405

General Fund - Finance - Accounting

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ 2,120,939 |
| Total Expenditures | \$ 1,818,249 |
| Fund Balance | \$ - |
| General Fund Costs | \$ (302,690) |
| % Funded by General Fund | -16.6% |
| Total Staffing | 7.1 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 6, 2023, City Council approved a budget of \$1,818,249 for the Accounting program. This represents an increase of \$72,297 (4.1%) from the FY 2022-23 Adopted Budget.

The increase is primarily due to the reallocation of the Director of Administrative Services to this budget to better reflect actual time spent in this program.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Service | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|--------------------|----------------------------|---------------------------|-----------|--|
| Materials | \$25,942 | \$14,987 | \$10,955 | Reduced conference attendance, trainings and printing costs. |
| Contracts Services | \$378,942 | \$310,620 | \$68,322 | Reduced tax consultant 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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| Revenues | | | | |
| Charges for Services | \$ 2,114,792 | \$ 2,179,273 | \$ 2,105,135 | \$ 2,120,939 |
| Miscellaneous Revenue | \$ 11,553 | \$ 7,702 | \$ - | \$ - |
| Transfers In | \$ - | \$ 150,000 | \$ - | \$ - |
| Total Revenues | \$ 2,126,345 | \$ 2,336,975 | \$ 2,105,135 | \$ 2,120,939 |
| Expenditures | | | | |
| Employee Compensation | \$ 858,215 | \$ 813,499 | \$ 875,847 | \$ 1,017,729 |
| Employee Benefits | \$ 370,373 | \$ 371,524 | \$ 428,205 | \$ 470,843 |
| Materials | \$ 8,487 | \$ 13,248 | \$ 24,009 | \$ 14,987 |
| Contract Services | \$ 248,303 | \$ 337,405 | \$ 333,942 | \$ 310,620 |
| Special Projects | \$ - | \$ - | \$ 75,000 | \$ - |
| Contingencies | \$ - | \$ - | \$ 8,949 | \$ 4,070 |
| Total Expenditures | \$ 1,485,378 | \$ 1,535,676 | \$ 1,745,952 | \$ 1,818,249 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ (640,967) | \$ (801,299) | \$ (359,183) | \$ (302,690) |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|----------------------------|--------------------|--------------------|----------------------------|----------------------------|
| ACCOUNTANT II | 1.00 | 1.90 | 1.90 | 1.90 |
| ACCOUNT CLERK II | 2.00 | 2.00 | 2.00 | 2.00 |
| ACCOUNTING TECHNICIAN | 1.00 | 1.00 | 1.00 | 1.00 |
| DIRECTOR OF ADMIN SERVICES | 0 | 0 | 0 | 0.20 |
| FINANCE MANAGER | 0.95 | 0.95 | 0.95 | 0.95 |
| SENIOR ACCOUNTANT | 1.00 | 1.00 | 1.00 | 1.00 |
| Total | 5.95 | 6.85 | 6.85 | 7.05 |

A portion of the Director of Administrative Services has been allocated to this budget to better reflect actual time spent in this program.

Business Licenses

Budget Unit 100-41-406

General Fund - Finance - Business Licenses

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 423,530 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 423,530 |
| % 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 6, 2023, City Council approved a budget of \$423,530 for the Business Licenses program. This represents a decrease of \$49,915 (-10.5%) from the FY 2022-23 Adopted Budget.

There is an increase in employee compensation and benefits, which reflect the cost-of-living adjustments approved by the City Council in August 2022.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Service | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|----------------------------|---------------------------|-----------|--|
| Contract Services | \$65,000 | \$39,000 | \$26,000 | Reduced bank charges related to business licenses to reflect prior year costs. Funding will be evaluated as part of the fee study. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ 97,527 | \$ 103,915 | \$ 101,611 | \$ 110,981 |
| Employee Benefits | \$ 52,727 | \$ 57,777 | \$ 64,279 | \$ 64,549 |
| Materials | \$ 83 | \$ 173 | \$ - | \$ - |
| Contract Services | \$ 61,787 | \$ 38,832 | \$ 65,000 | \$ 39,000 |
| Cost Allocation | \$ 252,034 | \$ 239,885 | \$ 240,930 | \$ 208,512 |
| Contingencies | \$ - | \$ - | \$ 1,625 | \$ 488 |
| Total Expenditures | \$ 464,158 | \$ 440,582 | \$ 473,445 | \$ 423,530 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 464,157 | \$ 440,581 | \$ 473,445 | \$ 423,530 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|------------------|-------------|-------------|---------------------|---------------------|
| ACCOUNTANT II | 0 | 0.10 | 0.10 | 0.10 |
| ACCOUNT CLERK II | 1.00 | 1.00 | 1.00 | 1.00 |
| Total | 1.00 | 1.10 | 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

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 369,477 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 369,477 |
| % Funded by General Fund | 100.0% |
| Total Staffing | 1.2 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 6, 2023, City Council approved a budget of \$369,477 for the Purchasing program. This represents an increase of \$237 (0.1%) from the FY 2022-23 Adopted Budget.

The increase is primarily due to the reallocation of the Director of Administrative Services to this budget to better reflect actual time spent in this program.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Service | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-----------|----------------------------|---------------------------|-----------|--|
| Materials | \$3,401 | \$1,752 | \$1,649 | Reduced conferences, trainings, and memberships. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------|-------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ - | \$ - | \$ 180,955 | \$ 255,899 |
| Employee Benefits | \$ - | \$ - | \$ 84,996 | \$ 111,804 |
| Materials | \$ - | \$ - | \$ 3,209 | \$ 1,752 |
| Special Projects | \$ - | \$ - | \$ 100,000 | \$ - |
| Contingencies | \$ - | \$ - | \$ 80 | \$ 22 |
| Total Expenditures | \$ - | \$ - | \$ 369,240 | \$ 369,477 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ - | \$ - | \$ 369,240 | \$ 369,477 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|----------------------------|-------------|-------------|---------------------|---------------------|
| DIRECTOR OF ADMIN SERVICES | 0 | 0 | 0 | 0.20 |
| PURCHASING MANAGER | 0 | 0 | 1.00 | 1.00 |
| Total | 0 | 0 | 1.00 | 1.20 |

A portion of the Director of Administrative Services has been allocated to this budget to better reflect actual time spent in this program.

Budget

Budget Unit 100-41-426

General Fund - Finance - Budget

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|----------------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 522,140 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 522,140 |
| % Funded by General Fund | 100.0% |
| Total Staffing | 2.0 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 6, 2023, City Council approved a budget of \$522,140 for the Budget program. This represents an increase of \$181,540 (53.3%) from the FY 2022-23 Adopted Budget.

The increase is primarily due to the reallocation of the Director of Administrative Services to this budget to better reflect actual time spent in this program.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Service | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-----------|----------------------------|---------------------------|-----------|--|
| Materials | \$24,318 | \$14,249 | \$10,069 | Reduced printing costs for the Budget Book and Budget at a Glance. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------|-------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ - | \$ - | \$ 180,955 | \$ 352,271 |
| Employee Benefits | \$ - | \$ - | \$ 84,996 | \$ 152,448 |
| Materials | \$ - | \$ - | \$ 21,091 | \$ 14,249 |
| Contract Services | \$ - | \$ - | \$ 2,957 | \$ 2,957 |
| Special Projects | \$ - | \$ - | \$ 50,000 | \$ - |
| Contingencies | \$ - | \$ - | \$ 601 | \$ 215 |
| Total Expenditures | \$ - | \$ - | \$ 340,600 | \$ 522,140 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ - | \$ - | \$ 340,600 | \$ 522,140 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|----------------------------|--------------------|--------------------|----------------------------|----------------------------|
| BUDGET MANAGER | 0 | 0 | 1.00 | 1.00 |
| DIRECTOR OF ADMIN SERVICES | 0 | 0 | 0 | 0.20 |
| MANAGEMENT ANALYST | 0 | 0 | 0 | 0.75 |
| Total | 0 | 0 | 1.00 | 1.95 |

A portion of the Director of Administrative Services has been allocated to this budget to better reflect actual time spent in this program.

Human Resources

Budget Unit 100-44-412

General Fund - Human Resources - Human Resources

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ 1,884,120 |
| Total Expenditures | \$ 1,395,466 |
| Fund Balance | \$ - |
| General Fund Costs | \$ (488,654) |
| % Funded by General Fund | -35.0% |
| Total Staffing | 4.9 FTE |

Program Overview

The Human Resources Division is responsible for the administration of human resources programs, employee benefits, and labor relation programs including personnel selection, classification, compensation, equal employment opportunity, labor negotiations, employee relations, employee training and development, benefits, HRIS 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 6, 2023, City Council approved a budget of \$1,395,466 for the Human Resources program. This represents a decrease of \$125,075 (-8.2%) from the FY 2022-23 Adopted Budget.

There is an increase in employee compensation and benefits, which reflect the cost-of-living adjustments approved by the City Council in August 2022.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Service | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|-----------------------------------|----------------------------------|------------------|--|
| Materials | \$100,321 | \$60,192 | \$40,129 | Reduced citywide coffee and tea, recruitment advertising, and conference attendance. Combines years of service BBQ and Holiday Party into one event. |
| Contract Services | \$272,493 | \$217,994 | \$54,499 | Reduced citywide training opportunities and reduced base executive recruitment from two annually to one. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| Revenues | | | | |
| Charges for Services | \$ 1,609,812 | \$ 2,122,380 | \$ 1,706,378 | \$ 1,884,120 |
| Miscellaneous Revenue | \$ 22 | \$ - | \$ - | \$ - |
| Transfers In | \$ - | \$ 182,112 | \$ - | \$ - |
| Total Revenues | \$ 1,609,834 | \$ 2,304,492 | \$ 1,706,378 | \$ 1,884,120 |
| Expenditures | | | | |
| Employee Compensation | \$ 635,667 | \$ 709,499 | \$ 711,571 | \$ 777,118 |
| Employee Benefits | \$ 281,792 | \$ 370,729 | \$ 320,794 | \$ 336,685 |
| Materials | \$ 58,330 | \$ 75,295 | \$ 113,063 | \$ 60,192 |
| Contract Services | \$ 568,564 | \$ 360,707 | \$ 260,767 | \$ 217,994 |
| Special Projects | \$ - | \$ - | \$ 105,000 | \$ - |
| Contingencies | \$ - | \$ - | \$ 9,346 | \$ 3,477 |
| Total Expenditures | \$ 1,544,353 | \$ 1,516,230 | \$ 1,520,541 | \$ 1,395,466 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ (65,481) | \$ (788,262) | \$ (185,837) | \$ (488,654) |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|----------------------------|-------------|-------------|---------------------|---------------------|
| DIRECTOR OF ADMIN SERVICES | 0.20 | 0.20 | 0.20 | 0.20 |
| HUMAN RESOURCES ANALYST II | 1.70 | 1.70 | 1.70 | 1.70 |
| HUMAN RESOURCES MANAGER | 1.00 | 1.00 | 1.00 | 1.00 |
| HUMAN RESOURCES TECH | 1.95 | 1.95 | 1.95 | 1.95 |
| Total | 4.85 | 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

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 1,486,988 |
| Fund Balance | \$ (1,486,988) |
| 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 6, 2023, City Council approved a budget of \$1,486,988 for the Retiree Benefits program. This represents an increase of \$98,712 (7.1%) from the FY 2022-23 Adopted Budget.

The increase is primarily due to increased costs based on the actuarial valuation for this benefit. Cost related to retiree benefits also known as Other Post Employment Benefits (OPEB) are being funded by the 115 OPEB Trust instead of a transfer in from the General fund as had been done prior years. This funding change began in Fiscal Year 2022-23.

The budget for this program is exempt from reductions as it provides required services that cannot be reduced.

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-----------------------|---------------------|-----------------------|-----------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Employee Benefits | \$ 1,220,074 | \$ 1,342,158 | \$ 1,373,494 | \$ 1,473,000 |
| Cost Allocation | \$ 10,982 | \$ 14,881 | \$ 14,782 | \$ 13,988 |
| Total Expenditures | \$ 1,231,056 | \$ 1,357,039 | \$ 1,388,276 | \$ 1,486,988 |
| Fund Balance | \$ (1,185,056) | \$ (135,835) | \$ (1,388,276) | \$ (1,486,988) |
| General Fund Costs | \$ 46,000 | \$ 1,221,204 | \$ - | \$ - |

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

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 2,297,437 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 2,297,437 |
| % Funded by General Fund | 100.0% |
| Total Staffing | 0.2 FTE |

Program Overview

The Insurance Administration General Liability and Property programs and Employment Practices Law insurance.

Service Objectives

- Provide the City with General Liability and Property Insurance
- Provide the City with Employment Practices Law Insurance

Adopted Budget

On June 6, 2023, City Council approved a budget of \$2,297,437 for the Insurance Administration program. This represents an increase of \$263,026 (12.9%) from the FY 2022-23 Adopted Budget.

The increase is primarily driven by increases in premiums and claim costs for general liability and property insurance. Providing general liability and property insurance is required and no reductions can be made in this 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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------------|---------------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ 16,053 | \$ 19,680 | \$ 19,953 | \$ 21,793 |
| Employee Benefits | \$ 6,943 | \$ 8,689 | \$ 9,000 | \$ 9,403 |
| Contract Services | \$ 764,636 | \$ 1,101,955 | \$ 1,903,469 | \$ 2,188,193 |
| Cost Allocation | \$ 46,350 | \$ 49,808 | \$ 54,402 | \$ 50,696 |
| Contingencies | \$ - | \$ - | \$ 47,587 | \$ 27,352 |
| Total Expenditures | \$ 833,982 | \$ 1,180,132 | \$ 2,034,411 | \$ 2,297,437 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 833,982 | \$ 1,180,133 | \$ 2,034,411 | \$ 2,297,437 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|----------------------------|-------------|-------------|---------------------|---------------------|
| HUMAN RESOURCES ANALYST II | 0.10 | 0.10 | 0.10 | 0.10 |
| HUMAN RESOURCES TECH | 0.05 | 0.05 | 0.05 | 0.05 |
| 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

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 582,778 |
| Fund Balance | \$ (582,778) |
| 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. Additionally, this program is responsible for the administration of the City's self-insured unemployment insurance benefit account.

Service Objectives

- Manage employee industrial injury and/or illness and provide proactive risk management programs to ensure employee safety in the workplace.
- Monitor costs associated with claims.
- Analyze and implement proactive measures to curtail costs.
- Implement a return to work policy.
- Manage and administer the City's unemployment insurance benefit account with the State of CA.

Adopted Budget

On June 6, 2023, City Council approved a budget of \$582,778 for the Workers Compensation Insurance program. This represents an increase of \$65,832 (12.7%) from the FY 2022-23 Adopted Budget.

The increase is primarily driven by increased workers compensation and excess workers compensation premiums and claims costs. Providing workers' compensation benefits is required and no reductions can be made in this 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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------------|---------------------|---------------------|---------------------|
| Revenues | | | | |
| Other Financing Sources | \$ 246,381 | \$ 356,830 | \$ 436,145 | \$ - |
| Total Revenues | \$ 246,381 | \$ 356,830 | \$ 436,145 | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ 28,358 | \$ 31,069 | \$ 29,045 | \$ 31,723 |
| Employee Benefits | \$ 10,057 | \$ 8,066 | \$ 12,483 | \$ 13,002 |
| Contract Services | \$ 35,105 | \$ 476,344 | \$ 436,145 | \$ 502,477 |
| Cost Allocation | \$ 24,572 | \$ 28,167 | \$ 28,369 | \$ 29,295 |
| Contingencies | \$ - | \$ - | \$ 10,904 | \$ 6,281 |
| Total Expenditures | \$ 98,092 | \$ 543,646 | \$ 516,946 | \$ 582,778 |
| Fund Balance | \$ 148,289 | \$ (186,816) | \$ (80,801) | \$ (582,778) |
| 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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|----------------------------|-------------|-------------|---------------------|---------------------|
| HUMAN RESOURCES ANALYST II | 0.20 | 0.20 | 0.20 | 0.20 |
| Total | 0.20 | 0.20 | 0.20 | 0.20 |

There are no changes to the current level of staffing.

Long Term Disability

Budget Unit 641-44-419

Compensated Absence/LTD - Human Resources - Long Term Disability

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 102,381 |
| Fund Balance | \$ (102,381) |
| General Fund Costs | \$ - |
| % Funded by General Fund | 0.0% |
| Total Staffing | FTE |

Program Overview

This program oversees claims and premiums associated with Long Term Disability.

Service Objectives

- Obtain and manage insurance policies
- Negotiate rates
- Coordinate claims

Adopted Budget

On June 6, 2023, City Council approved a budget of \$102,381 for the Long Term Disability program. This represents an increase of \$3,858 (3.9%) from the FY 2022-23 Adopted Budget.

This budget is relatively unchanged from the prior year. Providing long-term disability benefits is required and no reductions can be made in this 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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|---------------------|--------------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Contract Services | \$ 121,910 | \$ 92,612 | \$ 93,420 | \$ 100,000 |
| Cost Allocation | \$ 2,712 | \$ 3,362 | \$ 2,767 | \$ 2,381 |
| Contingencies | \$ - | \$ - | \$ 2,336 | \$ - |
| Total Expenditures | \$ 124,622 | \$ 95,974 | \$ 98,523 | \$ 102,381 |
| Fund Balance | \$ (124,622) | \$ (95,974) | \$ (98,523) | \$ (102,381) |
| 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

| | 2024 Adopted Budget |
|--------------------------|----------------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 658,090 |
| Fund Balance | \$ (278,090) |
| General Fund Costs | \$ 380,000 |
| % Funded by General Fund | 57.7% |
| 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 6, 2023, City Council approved a budget of \$658,090 for the Compensated Absences program. This represents an increase of \$11,440 (1.8%) from the FY 2022-23 Adopted Budget.

This budget is relatively unchanged from last year. The Compensated Absences program is responsible for paying out earned benefits to employees and cannot be reduced.

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Contract Services | \$ 705,210 | \$ 332,588 | \$ 622,800 | \$ 654,000 |
| Cost Allocation | \$ 5,055 | \$ 5,590 | \$ 8,280 | \$ 4,090 |
| Contingencies | \$ - | \$ - | \$ 15,570 | \$ - |
| Total Expenditures | \$ 710,265 | \$ 338,178 | \$ 646,650 | \$ 658,090 |
| Fund Balance | \$ (517,265) | \$ (316,608) | \$ 235,350 | \$ (278,090) |
| General Fund Costs | \$ 193,000 | \$ 21,570 | \$ 882,000 | \$ 380,000 |

Staffing

There is no staffing associated with this program.

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Parks and Recreation

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Department Overview

Budget Units

| Budget Unit | Program | 2024 Adopted Budget |
|--|-----------------------------|----------------------|
| Parks and Recreation | | \$ 1,527,842 |
| 100-60-601 | Recreation Administration | \$ 1,358,144 |
| 100-60-636 | Library Services | \$ 169,698 |
| Business and Community Services | | \$ 1,414,362 |
| 100-61-602 | Administration | \$ 586,357 |
| 100-61-605 | Cultural Events | \$ 437,794 |
| 100-61-630 | Facilities | \$ 390,211 |
| Recreation and Education | | \$ 3,573,544 |
| 100-62-608 | Administration | \$ 686,262 |
| 580-62-613 | Youth Teen Recreation | \$ 1,703,251 |
| 100-62-623 | Senior Center | \$ 812,264 |
| 100-62-639 | Teen Programs | \$ 278,895 |
| 100-62-640 | Neighborhood Events | \$ 92,872 |
| Sports, Safety and Outdoor Recreation | | \$ 5,839,978 |
| 100-63-612 | Park Facilities | \$ 1,270,364 |
| 100-63-615 | Administration | \$ - |
| 560-63-616 | Blackberry Farm Golf Course | \$ 642,342 |
| 580-63-620 | Outdoor Recreation | \$ 1,086,993 |
| 570-63-621 | Sports Center Operations | \$ 2,840,279 |
| Total | | \$ 12,355,726 |

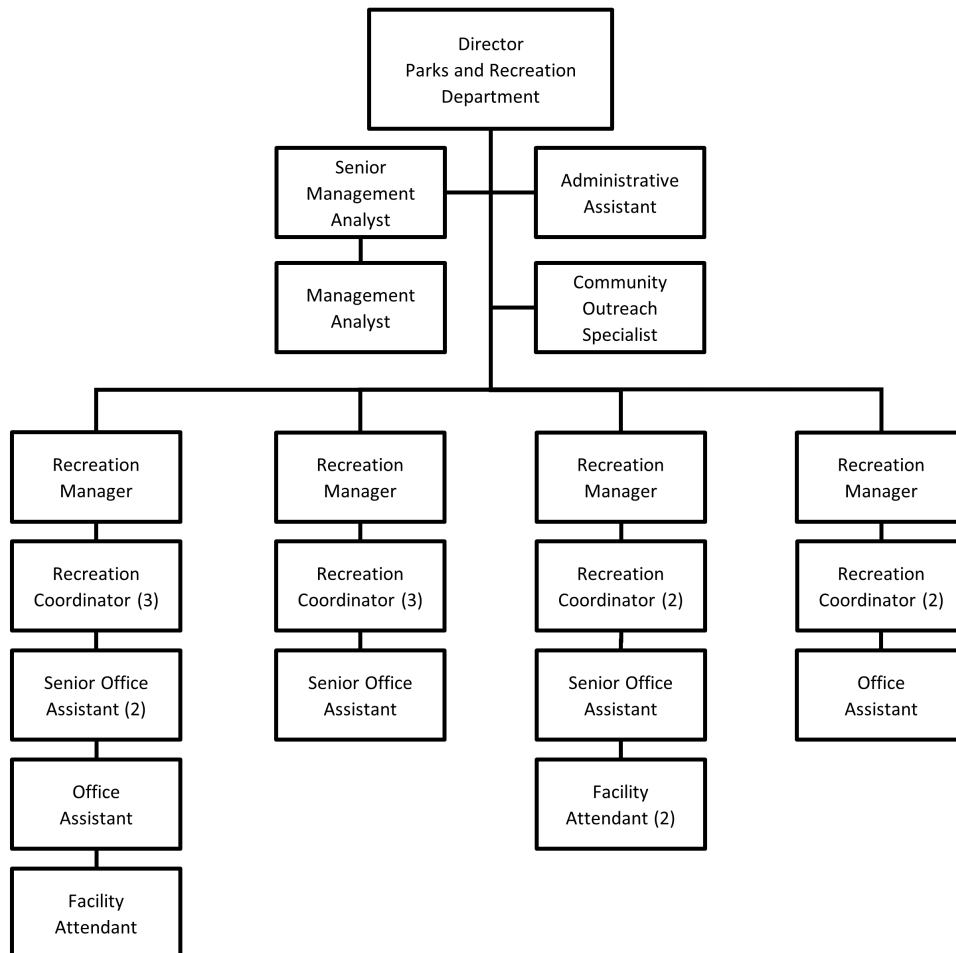
Budget at a Glance

2024 Adopted Budget

| | |
|--------------------------|----------------|
| Total Revenues | \$ 5,718,574 |
| Total Expenditures | \$ 12,355,726 |
| Fund Balance | \$ (1,229,040) |
| General Fund Costs | \$ 5,408,112 |
| % Funded by General Fund | 43.8% |
| Total Staffing | 27.6 FTE |

Organization

Rachelle Sander, Director of Parks and Recreation



As part of an expenditure reduction strategy, the following vacant positions are being removed from the budget:

- Recreation Manager
- Community Outreach Specialist

Three positions are being reclassified based on the current duties assigned to them:

- Two Recreation Supervisors to Recreation Managers
- Management Analyst to Senior Management Analyst

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 2021 July-June | FY 2022 July-June | FY 2023 July-Dec | Ongoing Target |
|--|------------------------------|------------------------------|-----------------------------|---------------------------|
| % of Parks and Recreation Department customers surveyed who rate services as good or excellent | 94% | 95% | 97% | 85% |
| % of programs maintaining minimum registration | 46% | 73% | 80% | 80% |
| % Department's total cost recovery for all (direct and indirect) costs | 39% | 53% | 60% | 40% |
| % change in participants* | -39% | 119% | 37% | +1% |
| # of new programs or events offered | 37 | 9 | 2 | 50 |

*Increase due to more programs offered and partial reopening of services.

Workload Indicators

Business and Community Services Division

| Workload Indicator | FY 2021 July-June | FY 2022 July-June | FY 2023 July-Dec |
|--|----------------------|----------------------|---------------------|
| Number of reservations at Quinlan Center | 8 | 260 | 205 |
| Number of festival applications received | 12 | 9 | 10 |

Recreation and Education Division

| Workload Indicator | FY 2021 July-June | FY 2022 July-June | FY 2023 July-Dec |
|---|----------------------|----------------------|---------------------|
| Number of registrations | 1,194 | 2,736 | 2,507 |
| Number of survey respondents | 171 | 85 | 78 |
| Number of Senior Center classes offered | 100 | 183 | 103 |
| Number of Senior Center trips offered | 0 | 3 | 3 |

Sports, Safety, and Outdoor Recreation Division

| Workload Indicator | FY 2021 July-June | FY 2022 July-June | FY 2023 July-Dec |
|--------------------------------------|----------------------|----------------------|---------------------|
| Number of programs offered | 888 | 1445 | 692 |
| Number of picnic reservations at BBF | 9 | 123 | 94 |
| Rounds of golf at BBF Golf Course | 43,650 | 45,367 | 18,603 |
| Sports Center Memberships | 1,655 | 1,186 | 1,342 |

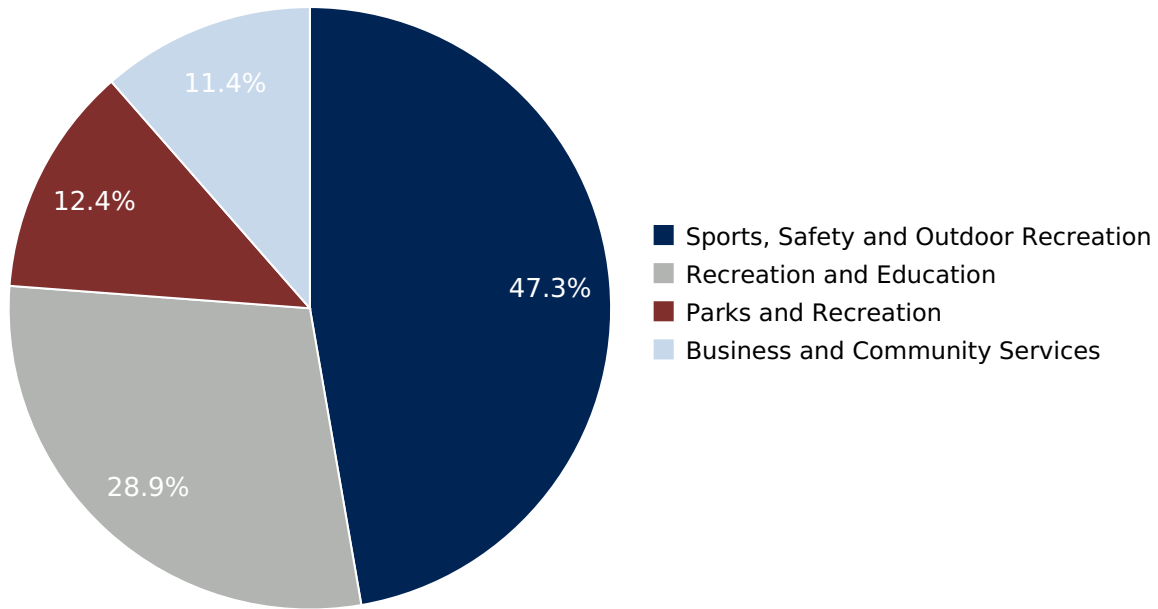
Adopted Budget

On June 6, 2023, City Council approved a budget of \$12,355,726 for the Parks and Recreation department. This represents a decrease of \$1,027,714 (-7.7%) from the FY 2022-23 Adopted Budget.

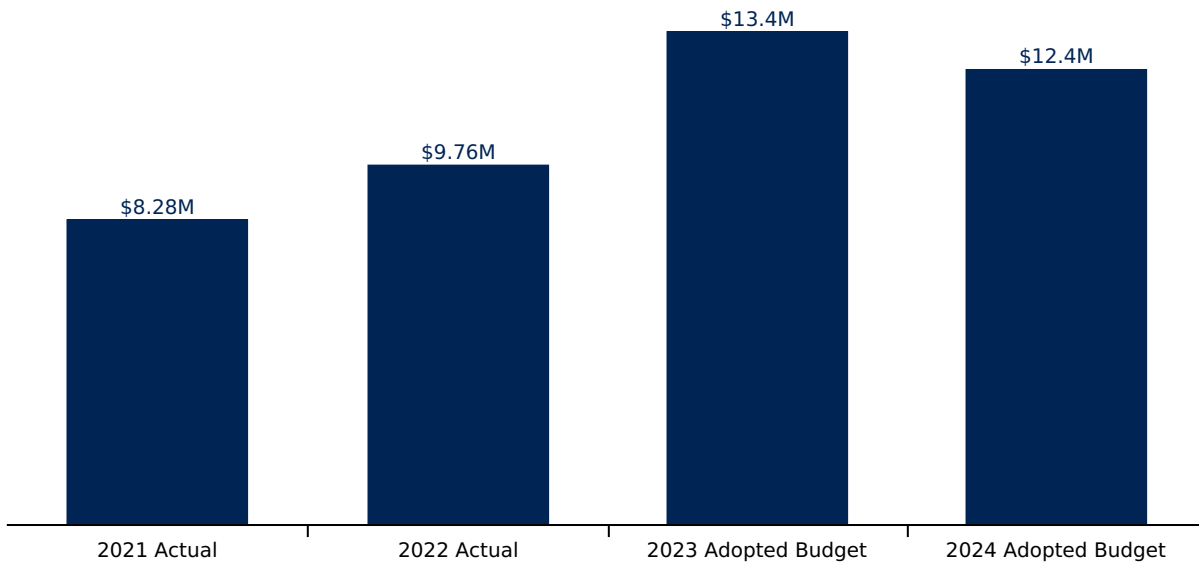
As part of an expenditure reduction strategy, the budget has been reduced as follows:

| Service | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|--------------------------------------|----------------------------|---------------------------|-----------|--|
| Part-Time Staffing - Department Wide | \$1,606,998 | \$1,384,982 | \$222,016 | Reduced PT Staff budgets to minimum levels necessary to operate currently open Recreational facilities and ongoing programs. |
| Materials | \$779,829 | \$465,268 | \$314,561 | Simplification or streamlining of current programs and events and fewer marketing efforts and printed materials thereof. Removed budgets for nonessential trainings and conferences in the Department and additional savings from reduced expenditures for meetings and events for staff. |
| Contract Services | \$4,532,489 | \$4,087,409 | \$445,080 | Reduced expansion of current or new offerings for contracted programs, camps, and classes. Reduction of free events offered. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|---------------------|---------------------|----------------------|-----------------------|
| Revenues | | | | |
| Use of Money and Property | \$ 432,447 | \$ 758,156 | \$ 950,157 | \$ 821,007 |
| Charges for Services | \$ 2,708,714 | \$ 4,405,909 | \$ 4,260,210 | \$ 4,867,067 |
| Miscellaneous Revenue | \$ 1,250 | \$ 2,521 | \$ 31,000 | \$ 30,500 |
| Transfers In | \$ - | \$ 452,304 | \$ - | \$ - |
| Total Revenues | \$ 3,142,411 | \$ 5,618,890 | \$ 5,241,367 | \$ 5,718,574 |
| Expenditures | | | | |
| Employee Compensation | \$ 2,856,246 | \$ 2,818,650 | \$ 4,654,234 | \$ 4,452,134 |
| Employee Benefits | \$ 1,233,077 | \$ 1,043,311 | \$ 1,652,215 | \$ 1,466,688 |
| Materials | \$ 232,871 | \$ 343,553 | \$ 712,625 | \$ 465,268 |
| Contract Services | \$ 1,845,424 | \$ 3,409,853 | \$ 4,504,330 | \$ 4,087,409 |
| Cost Allocation | \$ 1,986,514 | \$ 2,018,870 | \$ 1,559,137 | \$ 1,681,979 |
| Special Projects | \$ 9,432 | \$ 2,947 | \$ 65,000 | \$ 25,000 |
| Other Financing Uses | \$ 116,174 | \$ 124,102 | \$ 116,174 | \$ 124,102 |
| Contingencies | \$ - | \$ - | \$ 119,725 | \$ 53,146 |
| Total Expenditures | \$ 8,279,738 | \$ 9,761,286 | \$ 13,383,440 | \$ 12,355,726 |
| Fund Balance | \$ 1,791,839 | \$ 548,188 | \$ (971,602) | \$ (1,229,040) |
| General Fund Costs | \$ 6,929,168 | \$ 4,690,584 | \$ 7,170,471 | \$ 5,408,112 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|----------------------------------|------------------------|------------------------|--------------------------------|--------------------------------|
| ADMINISTRATIVE ASSISTANT | 0.90 | 0.90 | 0.90 | 0.90 |
| ASST DIR RECREATION COMM SVCS | 0.95 | 0.95 | 0.85 | 0 |
| COMMUNITY OUTREACH SPECIALIST | 0.70 | 0.70 | 2.00 | 1.00 |
| DIRECTOR OF PARKS REC | 0.95 | 0.95 | 0.95 | 1.00 |
| FACILITY ATTENDANT | 3.00 | 3.00 | 3.00 | 3.00 |
| MANAGEMENT ANALYST | 1.00 | 1.00 | 2.00 | 1.00 |
| OFFICE ASSISTANT | 2.00 | 2.00 | 2.00 | 2.00 |
| RECREATION COORDINATOR | 11.43 | 11.43 | 9.88 | 9.88 |
| RECREATION MANAGER | 0 | 0 | 1.90 | 3.85 |
| RECREATION SUPERVISOR | 3.95 | 3.95 | 2.00 | 0 |
| SENIOR MANAGEMENT ANALYST | 0 | 0 | 0 | 1.00 |
| SR OFFICE ASSISTANT | 3.00 | 3.00 | 4.00 | 4.00 |
| Total | 27.88 | 27.88 | 29.48 | 27.63 |

Recreation Administration

Budget Unit 100-60-601

General Fund - Parks and Recreation - Recreation Administration

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|----------------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 1,358,144 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 1,358,144 |
| % Funded by General Fund | 100.0% |
| Total Staffing | 4.9 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 6, 2023, City Council approved a budget of \$1,358,144 for the Recreation Administration program. This represents a decrease of \$411,601 (-23.3%) from the FY 2022-23 Adopted Budget.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|----------------------------|---------------------------|-----------|---|
| Materials | \$237,441 | \$149,173 | \$88,268 | Reduced funds for conferences and travel, materials and supplies, meeting expenses, marketing efforts, and printing services for Summer Camp Guide and Recreation Brochure. |
| Contract Services | \$84,157 | \$72,988 | \$11,169 | Cancelled Commissioner's Dinner event and removed budget for ergonomic evaluations for staff. |

Special Projects

The following table shows the special projects for the fiscal year.

| Special Projects | Appropriation | Revenue | Funding Source | Description | Strategic Goal |
|--------------------------------------|---------------|---------|----------------|--|------------------------------------|
| Senior Services and Youth Engagement | \$20,000 | \$0 | General Fund | City Work Program -Connect seniors with youth and their families with inclusive activities. | Public Engagement and Transparency |
| Dogs Off-Leash Area (DOLA) Programs | \$5,000 | \$0 | General Fund | City Work Program -Transition successful trial DOLA programs to permanent programs with a staff level permitting process house in Parks and Rec. | Quality of Life |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------------|---------------------|---------------------|---------------------|
| Revenues | | | | |
| Transfers In | \$ - | \$ 49,000 | \$ - | \$ - |
| Total Revenues | \$ - | \$ 49,000 | \$ - | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ 559,798 | \$ 648,472 | \$ 972,240 | \$ 793,876 |
| Employee Benefits | \$ 234,509 | \$ 237,781 | \$ 440,265 | \$ 314,330 |
| Materials | \$ 38,274 | \$ 85,470 | \$ 209,269 | \$ 149,173 |
| Contract Services | \$ 40,307 | \$ 46,505 | \$ 75,843 | \$ 72,988 |
| Special Projects | \$ - | \$ 2,947 | \$ 65,000 | \$ 25,000 |
| Contingencies | \$ - | \$ - | \$ 7,128 | \$ 2,777 |
| Total Expenditures | \$ 872,888 | \$ 1,021,175 | \$ 1,769,745 | \$ 1,358,144 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 872,887 | \$ 972,176 | \$ 1,769,745 | \$ 1,358,144 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|-------------------------------|-------------|-------------|---------------------|---------------------|
| ADMINISTRATIVE ASSISTANT | 0.90 | 0.90 | 0.90 | 0.90 |
| ASST DIR RECREATION COMM SVCS | 0.95 | 0.95 | 0.85 | 0 |
| COMMUNITY OUTREACH SPECIALIST | 0.70 | 0.70 | 2.00 | 1.00 |
| DIRECTOR OF PARKS REC | 0.95 | 0.95 | 0.95 | 1.00 |
| MANAGEMENT ANALYST | 1.00 | 1.00 | 2.00 | 1.00 |
| SENIOR MANAGEMENT ANALYST | 0 | 0 | 0 | 1.00 |
| Total | 4.50 | 4.50 | 6.70 | 4.90 |

Staffing has decreased due to the reclassification and reallocation of an Assistant Director position to a Recreation Manager position. A Management Analyst position was reclassified as a Senior Management Analyst based on the duties and tasks assigned to that position.

As part of an expenditure reduction strategy, the following vacant positions are being removed from the budget:

- Recreation Manager
- Community Outreach Specialist

Library Services

Budget Unit 100-60-636

General Fund - Parks and Recreation - Library Services

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 169,698 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 169,698 |
| % 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 6, 2023, City Council approved a budget of \$169,698 for the Library Services program. This represents a decrease of \$430,568 (-71.7%) from the FY 2022-23 Adopted Budget.

The cost for additional operational hours is confirmed from the Santa Clara County Library District and estimated lower due to reimbursements received from the State.

There were no actual expenses in FY 2020-21. The budget was intended to fund the GoGoBiblio Program, which was a two-year commitment approved in 2019. However, the program didn't run due to the pandemic and the Santa Clara County Library District didn't ask for the funds that fiscal year.

There were also no actual expenses in FY 2021-22. The pandemic caused a delay in the completion of the Cupertino Library Expansion project, which delayed the resumption of full operating hours more than halfway through the fiscal year. For this reason, and additional funding available elsewhere, the Santa Clara County Library District also didn't ask for the funds that 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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------------|---------------------|---------------------|---------------------|
| Revenues | | | | |
| Transfers In | \$ - | \$ 403,304 | \$ - | \$ - |
| Total Revenues | \$ - | \$ 403,304 | \$ - | \$ - |
| Expenditures | | | | |
| Contract Services | \$ - | \$ - | \$ 419,452 | \$ - |
| Cost Allocation | \$ 198,415 | \$ 233,790 | \$ 180,814 | \$ 169,698 |
| Total Expenditures | \$ 198,415 | \$ 233,790 | \$ 600,266 | \$ 169,698 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 198,415 | \$ (169,514) | \$ 600,266 | \$ 169,698 |

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

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 586,357 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 586,357 |
| % Funded by General Fund | 100.0% |
| Total Staffing | 3.0 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 front line communication with the public for classes, programs, and facility information. 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.
- Ensure the delivery of clear and up to date communication on current programs and events to community members.
- 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 6, 2023, City Council approved a budget of \$586,357 for the Administration program. This represents a decrease of \$55,711 (-8.7%) from the FY 2022-23 Adopted Budget.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------|----------------------------|---------------------------|-----------|--|
| Materials | \$2,746 | \$1,151 | \$1,595 | Reduced funding for staff memberships, training, and general supplies. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ 308,484 | \$ 239,347 | \$ 280,090 | \$ 259,139 |
| Employee Benefits | \$ 173,798 | \$ 150,189 | \$ 172,255 | \$ 141,508 |
| Materials | \$ 476 | \$ 839 | \$ 2,440 | \$ 1,151 |
| Cost Allocation | \$ 254,093 | \$ 227,216 | \$ 187,222 | \$ 184,545 |
| Contingencies | \$ - | \$ - | \$ 61 | \$ 14 |
| Total Expenditures | \$ 736,851 | \$ 617,591 | \$ 642,068 | \$ 586,357 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 736,851 | \$ 617,592 | \$ 642,068 | \$ 586,357 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|------------------------|-------------|-------------|---------------------|---------------------|
| OFFICE ASSISTANT | 1.00 | 1.00 | 1.00 | 1.00 |
| RECREATION COORDINATOR | 0.35 | 0.35 | 0.35 | 0 |
| RECREATION SUPERVISOR | 0.40 | 0.20 | 0 | 0 |
| SR OFFICE ASSISTANT | 2.00 | 2.00 | 2.00 | 2.00 |
| Total | 3.75 | 3.55 | 3.35 | 3.00 |

Staff time has been 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

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ 30,500 |
| Total Expenditures | \$ 437,794 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 407,294 |
| % Funded by General Fund | 93.0% |
| Total Staffing | 1.0 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, Rotary Fall Festival, Veteran's Day Memorial Ceremony, Diwali Festival, Bhubaneswar Sister City's India Heritage Fair, Dilli Haat, Holi, Relay for Life, Egg Hunt, 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 and Civic Center Plaza.

Adopted Budget

On June 6, 2023, City Council approved a budget of \$437,794 for the Cultural Events program. This represents a decrease of \$55,349 (-11.2%) from the FY 2022-23 Adopted Budget.

There is an increase due to increases in employee compensation and benefits, which reflect the cost-of-living adjustments approved by the City Council in August 2022.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|----------------------------|---------------------------|-----------|--|
| Materials | \$38,222 | \$17,763 | \$20,459 | Reduced funding for 4th of July, Big Bunny 5K, and Tree Lighting events. |
| Contract Services | \$229,856 | \$152,448 | \$77,408 | Removed contract services funds for 4th of July evening fireworks. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| Revenues | | | | |
| Miscellaneous Revenue | \$ - | \$ 1,221 | \$ 31,000 | \$ 30,500 |
| Total Revenues | \$ - | \$ 1,221 | \$ 31,000 | \$ 30,500 |
| Expenditures | | | | |
| Employee Compensation | \$ 47,926 | \$ 60,544 | \$ 130,441 | \$ 135,799 |
| Employee Benefits | \$ 28,554 | \$ 31,004 | \$ 47,977 | \$ 48,499 |
| Materials | \$ 17,436 | \$ 11,501 | \$ 36,058 | \$ 17,763 |
| Contract Services | \$ 8,265 | \$ 147,282 | \$ 217,784 | \$ 152,448 |
| Cost Allocation | \$ 58,947 | \$ 52,995 | \$ 54,537 | \$ 81,970 |
| Contingencies | \$ - | \$ - | \$ 6,346 | \$ 1,315 |
| Total Expenditures | \$ 161,128 | \$ 303,326 | \$ 493,143 | \$ 437,794 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 161,129 | \$ 302,105 | \$ 462,143 | \$ 407,294 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|------------------------|-------------|-------------|---------------------|---------------------|
| RECREATION COORDINATOR | 0.50 | 0.50 | 0.65 | 0.75 |
| RECREATION MANAGER | 0 | 0 | 0.25 | 0.25 |
| Total | 0.50 | 0.50 | 0.90 | 1.00 |

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

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ 190,992 |
| Total Expenditures | \$ 390,211 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 199,219 |
| % Funded by General Fund | 51.1% |
| 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. The Creekside Park building provides community members with facility space which can be used for a variety of activities.

Service Objectives

Quinlan Community Center

- Provide a rental facility for community meetings, business functions, social events, and other similar activities.
- 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.

Community Hall

- 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.

Creekside Park Building:

- Provide a park or picnic facility for nonprofit board meetings, birthday parties, school group picnics, and other similar activities.
- Schedule facility space for contractual and staff-run classes and camps.
- Provide space for a year-round farmers' market.

Adopted Budget

On June 6, 2023, City Council approved a budget of \$390,211 for the Facilities program. This represents a decrease of \$16,795 (-4.1%) from the FY 2022-23 Adopted Budget.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------|----------------------------|---------------------------|-----------|--|
| Materials | \$30,092 | \$20,374 | \$9,718 | Reduced funding for materials, supplies, and meeting expenses. Reduced summer staff event for 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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| Revenues | | | | |
| Use of Money and Property | \$ 12,061 | \$ 149,113 | \$ 145,000 | \$ 151,500 |
| Charges for Services | \$ 37,055 | \$ 54,060 | \$ 58,660 | \$ 39,492 |
| Total Revenues | \$ 49,116 | \$ 203,173 | \$ 203,660 | \$ 190,992 |
| Expenditures | | | | |
| Employee Compensation | \$ 185,667 | \$ 179,174 | \$ 263,790 | \$ 263,714 |
| Employee Benefits | \$ 90,201 | \$ 78,350 | \$ 103,297 | \$ 96,447 |
| Materials | \$ 9,722 | \$ 6,303 | \$ 29,105 | \$ 20,374 |
| Contract Services | \$ 210 | \$ 3,437 | \$ 9,840 | \$ 9,315 |
| Contingencies | \$ - | \$ - | \$ 974 | \$ 361 |
| Total Expenditures | \$ 285,800 | \$ 267,264 | \$ 407,006 | \$ 390,211 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 236,685 | \$ 64,089 | \$ 203,346 | \$ 199,219 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|-----------------------|--------------------|--------------------|----------------------------|----------------------------|
| FACILITY ATTENDANT | 2.00 | 2.00 | 2.00 | 2.00 |
| RECREATION MANAGER | 0 | 0 | 0.25 | 0.25 |
| RECREATION SUPERVISOR | 0.50 | 0.20 | 0 | 0 |
| Total | 2.50 | 2.20 | 2.25 | 2.25 |

There are no changes to the current level of staffing.

Administration

Budget Unit 100-62-608

General Fund - Recreation and Education - Administration

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ 28,000 |
| Total Expenditures | \$ 686,262 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 658,262 |
| % Funded by General Fund | 95.9% |
| Total Staffing | 3.0 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 6, 2023, City Council approved a budget of \$686,262 for the Administration program. This represents a decrease of \$27,571 (-3.9%) from the FY 2022-23 Adopted Budget.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------|----------------------------|---------------------------|-----------|---|
| Materials | \$14,969 | \$12,707 | \$2,262 | Reduced funding for staff expenses, training, and general supplies. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| Revenues | | | | |
| Use of Money and Property | \$ (320) | \$ 3,620 | \$ 12,500 | \$ 28,000 |
| Miscellaneous Revenue | \$ 1,125 | \$ - | \$ - | \$ - |
| Total Revenues | \$ 805 | \$ 3,620 | \$ 12,500 | \$ 28,000 |
| Expenditures | | | | |
| Employee Compensation | \$ 264,940 | \$ 214,498 | \$ 369,426 | \$ 368,351 |
| Employee Benefits | \$ 122,697 | \$ 98,575 | \$ 155,590 | \$ 140,653 |
| Materials | \$ 4,457 | \$ 3,238 | \$ 14,813 | \$ 12,707 |
| Contract Services | \$ 1,074 | \$ 154 | \$ 3,640 | \$ 5,990 |
| Cost Allocation | \$ 240,121 | \$ 192,579 | \$ 169,903 | \$ 158,361 |
| Contingencies | \$ - | \$ - | \$ 461 | \$ 200 |
| Total Expenditures | \$ 633,289 | \$ 509,044 | \$ 713,833 | \$ 686,262 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 632,484 | \$ 505,425 | \$ 701,333 | \$ 658,262 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|------------------------|-------------|-------------|---------------------|---------------------|
| FACILITY ATTENDANT | 1.00 | 1.00 | 1.00 | 1.00 |
| RECREATION COORDINATOR | 0.30 | 0.30 | 0.30 | 0.20 |
| RECREATION MANAGER | 0 | 0 | 0 | 0.75 |
| RECREATION SUPERVISOR | 0.75 | 0.75 | 0.75 | 0 |
| SR OFFICE ASSISTANT | 1.00 | 1.00 | 1.00 | 1.00 |
| Total | 3.05 | 3.05 | 3.05 | 2.95 |

Staff time is being reallocated to better reflect actual time spent in this program and the Recreation Supervisor position was reclassified as a Recreation Manager based on the current duties and tasks assigned to that position.

Youth Teen Recreation

Budget Unit 580-62-613

Recreation Program - Recreation and Education - Youth Teen Recreation

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ 1,258,800 |
| Total Expenditures | \$ 1,703,251 |
| Fund Balance | \$ (444,451) |
| 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.
- 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 6, 2023, City Council approved a budget of \$1,703,251 for the Youth Teen Recreation program. This represents an increase of \$199,042 (13.2%) from the FY 2022-23 Adopted Budget.

This is mainly due to an increase in contract services from the rising need of in-person programs, classes, and camps. Since the reopening of recreational facilities from the pandemic, there's been a steady increase in participation of several current contracted programs. The increase is in response to the current demand.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|----------------------------|---------------------------|-----------|--|
| Materials | \$34,601 | \$25,547 | \$9,054 | Reduced funding for Preschool (i.e. snacks and paid trips), City run summer camps, job fairs, and school events for part-time staff. |
| Contract Services | \$1,068,555 | \$943,555 | \$125,000 | Removed contract services funds for new and prospective youth and teen program instructors. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| Revenues | | | | |
| Charges for Services | \$ 351,184 | \$ 854,411 | \$ 674,550 | \$ 1,258,800 |
| Total Revenues | \$ 351,184 | \$ 854,411 | \$ 674,550 | \$ 1,258,800 |
| Expenditures | | | | |
| Employee Compensation | \$ 131,866 | \$ 228,842 | \$ 394,702 | \$ 400,718 |
| Employee Benefits | \$ 59,981 | \$ 46,063 | \$ 101,525 | \$ 99,475 |
| Materials | \$ 1,252 | \$ 8,431 | \$ 33,396 | \$ 25,547 |
| Contract Services | \$ 172,604 | \$ 504,134 | \$ 790,249 | \$ 943,555 |
| Cost Allocation | \$ 141,704 | \$ 176,360 | \$ 111,417 | \$ 168,316 |
| Other Financing Uses | \$ 52,329 | \$ 53,526 | \$ 52,329 | \$ 53,526 |
| Contingencies | \$ - | \$ - | \$ 20,591 | \$ 12,114 |
| Total Expenditures | \$ 559,736 | \$ 1,017,356 | \$ 1,504,209 | \$ 1,703,251 |
| Fund Balance | \$ (208,552) | \$ (162,944) | \$ (829,659) | \$ (444,451) |
| 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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|------------------------|--------------------|--------------------|----------------------------|----------------------------|
| RECREATION COORDINATOR | 1.35 | 1.35 | 1.50 | 1.50 |
| RECREATION MANAGER | 0 | 0 | 0.20 | 0.20 |
| RECREATION SUPERVISOR | 0.25 | 0.35 | 0 | 0 |
| Total | 1.60 | 1.70 | 1.70 | 1.70 |

There are no changes to the current level of staffing.

Senior Center

Budget Unit 100-62-623

General Fund - Recreation and Education - Senior Center

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ 240,000 |
| Total Expenditures | \$ 812,264 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 572,264 |
| % Funded by General Fund | 70.5% |
| Total Staffing | 2.1 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 event 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 6, 2023, City Council approved a budget of \$812,264 for the Senior Center program. This represents a decrease of \$264,031 (-24.5%) from the FY 2022-23 Adopted Budget.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|----------------------------|---------------------------|-----------|--|
| Materials | \$147,814 | \$97,324 | \$50,490 | Removed funding for the 50+ Scene and Volunteer Fair event and reduced funding for general supplies (i.e. materials for bingo program, volunteer gifts, and friday lunch program). |
| Contract Services | \$168,667 | \$128,190 | \$40,477 | Removed contract services funds for new and prospective senior adult recreation instructors and rentals for the Volunteer Fair. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| Revenues | | | | |
| Charges for Services | \$ 38,081 | \$ 68,829 | \$ 154,500 | \$ 240,000 |
| Miscellaneous Revenue | \$ 125 | \$ 1,300 | \$ - | \$ - |
| Total Revenues | \$ 38,206 | \$ 70,129 | \$ 154,500 | \$ 240,000 |
| Expenditures | | | | |
| Employee Compensation | \$ 332,944 | \$ 127,258 | \$ 414,263 | \$ 302,172 |
| Employee Benefits | \$ 160,139 | \$ 125,249 | \$ 158,309 | \$ 98,029 |
| Materials | \$ 5,718 | \$ 32,840 | \$ 116,673 | \$ 97,324 |
| Contract Services | \$ (86,272) | \$ 27,134 | \$ 151,492 | \$ 128,190 |
| Cost Allocation | \$ 356,195 | \$ 294,244 | \$ 228,854 | \$ 183,730 |
| Contingencies | \$ - | \$ - | \$ 6,704 | \$ 2,819 |
| Total Expenditures | \$ 768,724 | \$ 606,725 | \$ 1,076,295 | \$ 812,264 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 730,517 | \$ 536,596 | \$ 921,795 | \$ 572,264 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|------------------------|--------------------|--------------------|----------------------------|----------------------------|
| RECREATION COORDINATOR | 2.70 | 2.70 | 2.70 | 1.80 |
| RECREATION MANAGER | 0 | 0 | 0 | 0.25 |
| RECREATION SUPERVISOR | 0.25 | 0.25 | 0.25 | 0 |
| Total | 2.95 | 2.95 | 2.95 | 2.05 |

Staffing has decreased due to the reallocation of a Recreation Coordinator position to the Outdoor Recreation program. The Recreation Supervisor position was reclassified as a Recreation Manager based on the current duties and tasks assigned to that position.

Teen Programs

Budget Unit 100-62-639

General Fund - Recreation and Education - Teen Programs

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|----------------------------|
| Total Revenues | \$ 14,000 |
| Total Expenditures | \$ 278,895 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 264,895 |
| % Funded by General Fund | 95.0% |
| 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 support for the Youth Activity Board and the teen summer volunteer program and also produces teen events, such as the Cupertino Café, <hack> Cupertino, and the teen movie nights. This program also oversees the Monta Vista Recreation Center, which provides additional facility space for youth and teen programs and is home to a diverse array of recreation activities including gymnastics classes.

Service Objectives

- Empower youth by creating enriching and stress-free programs that foster physical, mental, and social development.
- Provide 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.
- Provide the opportunity for teens to gain applied skills and develop leadership abilities by participating in the Leader in Training program.
- Create programs that support mental health and wellness in youth and teens.

Monta Vista Recreation Center:

- Provide space to host gymnastics, class, and camps.
- Provide space to host additional youth and teen programs, classes, and camps.
- Make space available for co-sponsored clubs and rentals.

Adopted Budget

On June 6, 2023, City Council approved a budget of \$278,895 for the Teen Programs program. This represents a decrease of \$51,616 (-15.6%) from the FY 2022-23 Adopted Budget.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|----------------------------|---------------------------|-----------|---|
| Materials | \$54,629 | \$16,715 | \$37,914 | Continued closure of the Teen Center and reduced funding for free Youth and Teen events and programs and end of season events for part time staff. Removed conferences and trainings. |
| Contract Services | \$4,000 | \$2,800 | \$1,200 | Removed contract services funds for the Youth Activity Board and Bobateeno event. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| Revenues | | | | |
| Use of Money and Property | \$ - | \$ - | \$ 1,900 | \$ 14,000 |
| Charges for Services | \$ - | \$ - | \$ 1,900 | \$ - |
| Total Revenues | \$ - | \$ - | \$ 3,800 | \$ 14,000 |
| Expenditures | | | | |
| Employee Compensation | \$ 38,112 | \$ 61,336 | \$ 183,394 | \$ 145,290 |
| Employee Benefits | \$ 15,322 | \$ 24,010 | \$ 39,807 | \$ 38,355 |
| Materials | \$ 3,513 | \$ 11,978 | \$ 51,506 | \$ 16,715 |
| Contract Services | \$ 40,841 | \$ - | \$ 7,800 | \$ 2,800 |
| Cost Allocation | \$ 28,397 | \$ 67,715 | \$ 46,734 | \$ 75,491 |
| Contingencies | \$ - | \$ - | \$ 1,270 | \$ 244 |
| Total Expenditures | \$ 126,185 | \$ 165,039 | \$ 330,511 | \$ 278,895 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 126,185 | \$ 165,039 | \$ 326,711 | \$ 264,895 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|------------------------|--------------------|--------------------|----------------------------|----------------------------|
| RECREATION COORDINATOR | 0.35 | 0.35 | 0.50 | 0.50 |
| RECREATION MANAGER | 0 | 0 | 0.25 | 0.25 |
| RECREATION SUPERVISOR | 0.20 | 0.40 | 0 | 0 |
| Total | 0.55 | 0.75 | 0.75 | 0.75 |

There are no changes to the current level of staffing.

Neighborhood Events

Budget Unit 100-62-640

General Fund - Recreation and Education - Neighborhood Events

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ 4,000 |
| Total Expenditures | \$ 92,872 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 88,872 |
| % Funded by General Fund | 95.7% |
| Total Staffing | 0.3 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 6, 2023, City Council approved a budget of \$92,872 for the Neighborhood Events program. This represents a decrease of \$61,435 (-39.8%) from the FY 2022-23 Adopted Budget.

The decrease is due to the cancellation of most summer events including part-time staffing.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|----------------------------|---------------------------|-----------|--|
| Materials | \$17,323 | \$6,377 | \$10,946 | Removed materials and supplies budget for most Summer Events, except for concerts at the parks, Movies in the Park, and the Cupertino Campout. |
| Contract Services | \$62,827 | \$12,237 | \$50,590 | Removed contract services funds for most Summer Events, except for concerts at the parks, Movies in the Park, and the Cupertino Campout. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|------------------|------------------|---------------------|---------------------|
| Revenues | | | | |
| Charges for Services | \$ - | \$ - | \$ - | \$ 4,000 |
| Total Revenues | \$ - | \$ - | \$ - | \$ 4,000 |
| Expenditures | | | | |
| Employee Compensation | \$ 9,544 | \$ - | \$ 60,080 | \$ 46,606 |
| Employee Benefits | \$ 3,967 | \$ 176 | \$ 1,652 | \$ 12,041 |
| Materials | \$ - | \$ 422 | \$ 15,318 | \$ 6,377 |
| Contract Services | \$ 460 | \$ - | \$ 59,800 | \$ 12,237 |
| Cost Allocation | \$ 12,683 | \$ 27,411 | \$ 15,579 | \$ 15,441 |
| Contingencies | \$ - | \$ - | \$ 1,878 | \$ 170 |
| Total Expenditures | \$ 26,654 | \$ 28,009 | \$ 154,307 | \$ 92,872 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 26,654 | \$ 28,009 | \$ 154,307 | \$ 88,872 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|------------------------|--------------------|--------------------|----------------------------|----------------------------|
| RECREATION COORDINATOR | 0 | 0 | 0 | 0.25 |
| RECREATION SUPERVISOR | 0.10 | 0.10 | 0 | 0 |
| Total | 0.10 | 0.10 | 0 | 0.25 |

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

| | 2024 Adopted Budget |
|--------------------------|----------------------------|
| Total Revenues | \$ 167,257 |
| Total Expenditures | \$ 1,270,364 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 1,103,107 |
| % Funded by General Fund | 86.8% |
| 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.

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.
- 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 youth and families.
- Increase volunteer/docent opportunities at McClellan Ranch.
- Continue to develop the community garden programming.

Adopted Budget

On June 6, 2023, City Council approved a budget of \$1,270,364 for the Park Facilities program. This represents an increase of \$51,518 (4.2%) from the FY 2022-23 Adopted Budget.

This increase is due to increases in employee compensation and benefits, which reflect the cost-of-living adjustments approved by the City Council in August 2022.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|----------------------------|---------------------------|-----------|--|
| Materials | \$97,335 | \$46,883 | \$50,452 | Reduced hours and meals at the BBF Café. Reduced funding for general supplies, meeting expenses (i.e. gear and meals), and removed budget for the Harvest Day event. |
| Contract Services | \$104,289 | \$97,669 | \$6,620 | Removed contract services funds for the Corridor Stroll event, Harvest Day event, and nonessential trainings for 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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| Revenues | | | | |
| Use of Money and Property | \$ 19,389 | \$ 66,690 | \$ 90,757 | \$ 51,257 |
| Charges for Services | \$ 23,227 | \$ 128,517 | \$ 175,000 | \$ 116,000 |
| Total Revenues | \$ 42,616 | \$ 195,207 | \$ 265,757 | \$ 167,257 |
| Expenditures | | | | |
| Employee Compensation | \$ 414,084 | \$ 432,890 | \$ 678,976 | \$ 726,452 |
| Employee Benefits | \$ 154,064 | \$ 100,094 | \$ 172,107 | \$ 176,101 |
| Materials | \$ 29,835 | \$ 36,806 | \$ 94,202 | \$ 46,883 |
| Contract Services | \$ 80,076 | \$ 81,244 | \$ 102,503 | \$ 97,669 |
| Cost Allocation | \$ 229,792 | \$ 261,016 | \$ 166,140 | \$ 221,484 |
| Special Projects | \$ 3,218 | \$ - | \$ - | \$ - |
| Contingencies | \$ - | \$ - | \$ 4,918 | \$ 1,775 |
| Total Expenditures | \$ 911,069 | \$ 912,050 | \$ 1,218,846 | \$ 1,270,364 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 868,454 | \$ 716,843 | \$ 953,089 | \$ 1,103,107 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|------------------------|-------------|-------------|---------------------|---------------------|
| RECREATION COORDINATOR | 2.18 | 2.18 | 1.98 | 1.98 |
| RECREATION MANAGER | 0 | 0 | 0.35 | 0.35 |
| RECREATION SUPERVISOR | 0.50 | 0.50 | 0 | 0 |
| SR OFFICE ASSISTANT | 0 | 0 | 0.85 | 0.85 |
| Total | 2.68 | 2.68 | 3.18 | 3.18 |

There are no changes to the current level of staffing.

Administration

Budget Unit 100-63-615

General Fund - Sports, Safety and Outdoor Recreation - Administration

Budget at a Glance

| | 2024 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 2022-2023, this program was divided and absorbed into the Sports, Safety, and Outdoor Recreation - Park Facilities and Outdoor Recreation programs. A complete discussion of the program can be found under Budget Unit 100-63-612 and 580-63-620. 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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|------------------|------------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ 25,152 | \$ 19,660 | \$ 26,058 | \$ - |
| Employee Benefits | \$ 9,821 | \$ 8,547 | \$ 9,665 | \$ - |
| Materials | \$ 145 | \$ 145 | \$ 284 | \$ - |
| Cost Allocation | \$ 31,790 | \$ 37,070 | \$ 23,654 | \$ - |
| Contingencies | \$ - | \$ - | \$ 7 | \$ - |
| Total Expenditures | \$ 66,908 | \$ 65,422 | \$ 59,668 | \$ - |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 66,907 | \$ 65,423 | \$ 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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|-----------------------|-------------|-------------|---------------------|---------------------|
| RECREATION SUPERVISOR | 0.45 | 0.45 | 0 | 0 |
| Total | 0.45 | 0.45 | 0 | 0 |

There is no staffing associated with 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

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ 520,250 |
| Total Expenditures | \$ 642,342 |
| Fund Balance | \$ (122,092) |
| 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 6, 2023, City Council approved a budget of \$642,342 for the Blackberry Farm Golf Course program. This represents a decrease of \$26,104 (-3.9%) from the FY 2022-23 Adopted Budget.

There is an increase in employee compensation and benefits, which reflect the cost-of-living adjustments approved by the City Council in August 2022.

Contract services decreased due to the reallocation of the funds for the golf course maintenance contract from Parks and Recreation to Public Works. The amount can be found in 100-84-811 700-702.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------|----------------------------|---------------------------|-----------|---------------------------------------|
| Materials | \$18,090 | \$17,952 | \$138 | Reduced funding for general supplies. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| Revenues | | | | |
| Use of Money and Property | \$ 46,477 | \$ 47,675 | \$ 33,000 | \$ 51,250 |
| Charges for Services | \$ 564,126 | \$ 555,104 | \$ 400,600 | \$ 469,000 |
| Total Revenues | \$ 610,603 | \$ 602,779 | \$ 433,600 | \$ 520,250 |
| Expenditures | | | | |
| Employee Compensation | \$ 99,697 | \$ 139,339 | \$ 205,806 | \$ 224,345 |
| Employee Benefits | \$ 7,871 | \$ 6,297 | \$ 61,909 | \$ 64,171 |
| Materials | \$ 101,977 | \$ 116,539 | \$ 24,302 | \$ 17,952 |
| Contract Services | \$ 248,691 | \$ 281,992 | \$ 278,428 | \$ 247,111 |
| Cost Allocation | \$ 71,599 | \$ 47,903 | \$ 87,601 | \$ 85,430 |
| Other Financing Uses | \$ 2,832 | \$ 2,832 | \$ 2,832 | \$ 2,832 |
| Contingencies | \$ - | \$ - | \$ 7,568 | \$ 501 |
| Total Expenditures | \$ 532,667 | \$ 594,902 | \$ 668,446 | \$ 642,342 |
| Fund Balance | \$ 527,935 | \$ 87,870 | \$ (234,846) | \$ (122,092) |
| General Fund Costs | \$ 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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|------------------------|-------------|-------------|---------------------|---------------------|
| RECREATION COORDINATOR | 1.00 | 1.00 | 0.65 | 0.65 |
| RECREATION MANAGER | 0 | 0 | 0.30 | 0.30 |
| RECREATION SUPERVISOR | 0.15 | 0.15 | 0 | 0 |
| SR OFFICE ASSISTANT | 0 | 0 | 0.15 | 0.15 |
| Total | 1.15 | 1.15 | 1.10 | 1.10 |

There are no changes to the current level of staffing.

Outdoor Recreation

Budget Unit 580-63-620

Recreation Program - Sports, Safety and Outdoor Recreation - Outdoor Recreation

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ 639,775 |
| Total Expenditures | \$ 1,086,993 |
| Fund Balance | \$ (447,218) |
| General Fund Costs | \$ - |
| % Funded by General Fund | 0.0% |
| Total Staffing | 2.1 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.
- Increase adult sports league programming.
- 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 6, 2023, City Council approved a budget of \$1,086,993 for the Outdoor Recreation program. This represents an increase of \$217,978 (25.1%) from the FY 2022-23 Adopted Budget.

This increase is due to increases in employee compensation and benefits, which reflect the cost-of-living adjustments approved by the City Council in August 2022.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|----------------------------|---------------------------|-----------|---|
| Materials | \$21,788 | \$15,158 | \$6,630 | Reduced funding for general supplies and meeting expenses. Removed paid trips for summer camps and end of summer events for part-time staff. Cancellation of FitFest program. |
| Contract Services | \$535,239 | \$375,123 | \$160,116 | Reduced contract services funds for new and prospective outdoor recreation instructors and nonessential trainings for 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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|---------------------|-------------------|---------------------|---------------------|
| Revenues | | | | |
| Use of Money and Property | \$ 82,033 | \$ 145,878 | \$ 317,000 | \$ 150,000 |
| Charges for Services | \$ 157,654 | \$ 293,839 | \$ 545,000 | \$ 489,775 |
| Total Revenues | \$ 239,687 | \$ 439,717 | \$ 862,000 | \$ 639,775 |
| Expenditures | | | | |
| Employee Compensation | \$ 180,493 | \$ 195,015 | \$ 254,081 | \$ 381,115 |
| Employee Benefits | \$ 89,657 | \$ 70,281 | \$ 61,291 | \$ 112,225 |
| Materials | \$ 3,573 | \$ 4,746 | \$ 22,172 | \$ 15,158 |
| Contract Services | \$ 50,436 | \$ 123,485 | \$ 354,179 | \$ 375,123 |
| Cost Allocation | \$ 172,743 | \$ 170,677 | \$ 115,554 | \$ 144,967 |
| Special Projects | \$ 6,214 | \$ - | \$ - | \$ - |
| Other Financing Uses | \$ 52,329 | \$ 53,526 | \$ 52,329 | \$ 53,526 |
| Contingencies | \$ - | \$ - | \$ 9,409 | \$ 4,879 |
| Total Expenditures | \$ 555,445 | \$ 617,730 | \$ 869,015 | \$ 1,086,993 |
| Fund Balance | \$ 846,242 | \$ 628,795 | \$ 368,985 | \$ (447,218) |
| General Fund Costs | \$ 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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|------------------------|-------------|-------------|---------------------|---------------------|
| RECREATION COORDINATOR | 1.70 | 1.70 | 0.45 | 1.40 |
| RECREATION MANAGER | 0 | 0 | 0.30 | 0.70 |
| RECREATION SUPERVISOR | 0.15 | 0.15 | 0.30 | 0 |
| Total | 1.85 | 1.85 | 1.05 | 2.10 |

Staffing has increased due to the reallocation of a Recreation Coordinator position from the Senior Center program. The Recreation Supervisor position was reclassified as a Recreation Manager based on the current duties and tasks assigned to that position.

Sports Center Operations

Budget Unit 570-63-621

Sports Center - Sports, Safety and Outdoor Recreation - Sports Center Operations

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ 2,625,000 |
| Total Expenditures | \$ 2,840,279 |
| Fund Balance | \$ (215,279) |
| General Fund Costs | \$ - |
| % Funded by General Fund | 0.0% |
| Total Staffing | 2.4 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 6, 2023, City Council approved a budget of \$2,840,279 for the Sports Center Operations program. This represents a decrease of \$35,803 (-1.2%) from the FY 2022-23 Adopted Budget.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|----------------------------|---------------------------|-----------|---|
| Materials | \$64,779 | \$38,144 | \$26,635 | Reduced funding for new fitness equipment, general supplies, marketing, and meeting expenses. |
| Contract Services | \$2,078,983 | \$2,039,983 | \$39,000 | Reduced contract services funds for new and prospective sports instructors. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| Revenues | | | | |
| Use of Money and Property | \$ 272,807 | \$ 345,180 | \$ 350,000 | \$ 375,000 |
| Charges for Services | \$ 1,537,387 | \$ 2,451,149 | \$ 2,250,000 | \$ 2,250,000 |
| Total Revenues | \$ 1,810,194 | \$ 2,796,329 | \$ 2,600,000 | \$ 2,625,000 |
| Expenditures | | | | |
| Employee Compensation | \$ 257,539 | \$ 272,275 | \$ 420,887 | \$ 404,557 |
| Employee Benefits | \$ 82,496 | \$ 66,695 | \$ 126,566 | \$ 124,854 |
| Materials | \$ 16,493 | \$ 24,295 | \$ 63,087 | \$ 38,144 |
| Contract Services | \$ 1,288,732 | \$ 2,194,486 | \$ 2,033,320 | \$ 2,039,983 |
| Cost Allocation | \$ 190,035 | \$ 229,894 | \$ 171,128 | \$ 192,546 |
| Other Financing Uses | \$ 8,684 | \$ 14,218 | \$ 8,684 | \$ 14,218 |
| Contingencies | \$ - | \$ - | \$ 52,410 | \$ 25,977 |
| Total Expenditures | \$ 1,843,979 | \$ 2,801,863 | \$ 2,876,082 | \$ 2,840,279 |
| Fund Balance | \$ 626,214 | \$ (5,533) | \$ (276,082) | \$ (215,279) |
| 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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|------------------------|--------------------|--------------------|----------------------------|----------------------------|
| OFFICE ASSISTANT | 1.00 | 1.00 | 1.00 | 1.00 |
| RECREATION COORDINATOR | 1.00 | 1.00 | 0.80 | 0.85 |
| RECREATION MANAGER | 0 | 0 | 0 | 0.55 |
| RECREATION SUPERVISOR | 0.25 | 0.45 | 0.70 | 0 |
| Total | 2.25 | 2.45 | 2.50 | 2.40 |

Staff time is being reallocated to better reflect actual time spent in this program. The Recreation Supervisor position was reclassified as a Recreation Manager based on the current duties and tasks assigned to that position.

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Community Development

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Department Overview

Budget Units

| Budget Unit | Program | 2024 Adopted Budget |
|------------------------------|--------------------------------------|----------------------|
| Community Development | | \$ 570,884 |
| 100-70-700 | Community Development Administration | \$ 570,884 |
| Planning | | \$ 4,636,652 |
| 100-71-701 | Current Planning | \$ 3,406,046 |
| 100-71-702 | Mid and Long Term Planning | \$ 1,230,606 |
| 100-71-704 | Annexations | \$ - |
| Housing Services | | \$ 1,812,928 |
| 260-72-707 | CDBG General Admin | \$ 132,070 |
| 260-72-709 | CDBG Capital/Housing Projects | \$ 460,487 |
| 260-72-710 | CDBG Public Service Grants | \$ 55,028 |
| 265-72-711 | BMR Affordable Housing Fund | \$ 985,203 |
| 100-72-712 | Human Service Grants | \$ 180,140 |
| Building | | \$ 4,850,320 |
| 100-73-713 | General Building | \$ 945,333 |
| 100-73-714 | Building Plan Review | \$ 2,297,027 |
| 100-73-715 | Building Code Enforcement | \$ 1,519,349 |
| 100-73-718 | Muni Code Enforcement | \$ 88,611 |
| Code Enforcement | | \$ 1,399,853 |
| 100-74-202 | Code Enforcement | \$ 1,399,853 |
| Total | | \$ 13,270,637 |

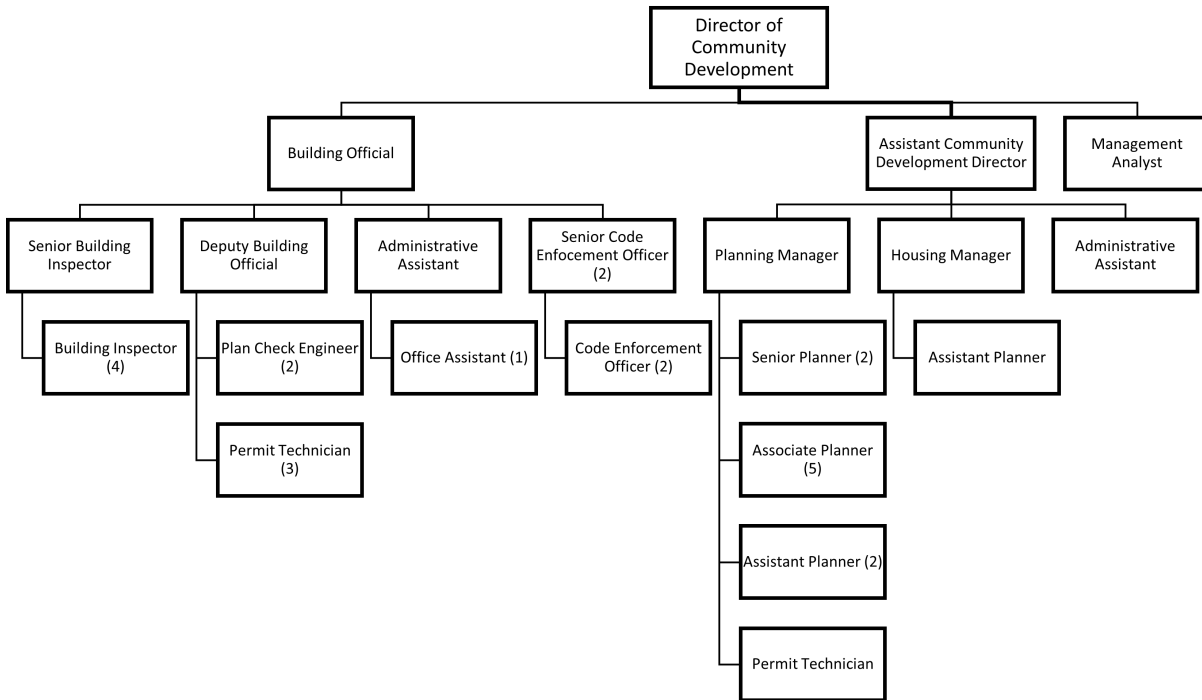
Budget at a Glance

2024 Adopted Budget

| | |
|--------------------------|---------------|
| Total Revenues | \$ 10,992,162 |
| Total Expenditures | \$ 13,270,637 |
| Fund Balance | \$ 3,492,324 |
| General Fund Costs | \$ 5,770,799 |
| % Funded by General Fund | 43.5% |
| Total Staffing | 34.4 FTE |

Organization

Benjamin Fu, Director of Community Development



As part of an expenditure reduction strategy, the following vacant positions are being removed from the budget:

- Office Assistant
- Senior Housing Planner
- Permit Center Manager

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 2021 July-June | FY 2022 July-June | FY 2023 July-Dec | Ongoing Target |
|--|------------------------------|------------------------------|-----------------------------|--|
| Building permit applications shall be plan reviewed within 15 business days. | 93% | 87% | 86% | 80% |
| Customer/Applicants visiting the Building Permit Counter shall be assisted within 15 minutes | * | 83% | 85% | 80% |
| Applicants visiting the Planning Counter shall be assisted within 15 minutes | * | 87% | 85% | 50% |
| Building permit applications reviewed/issued over-the-counter (OTC) | * | 60% | 56% | 75% |
| Below market-rate rental and purchase vacancies filled | 14 | 24 | 11 | 15 per year |
| Housing resources and referrals provided | 129 | 117 | 55 | 100 per year |
| Complimentary/courtesy prelim app reviews completed within 4 weeks | 79% | 68% | 34% | 80% |
| Average number of days to initiate investigation of code complaints | 0.077 | 0.19 | 0.444 | < 7 |
| Code enforcement cases resolved without issuance of citations | 98% | 91% | 91% | 80% |
| Landlord-tenant counseling and dispute resolution cases provided | 46 | 57 | 25 | 100 per year |
| Public Outreach Events | * | 2 | 3 | 12 per year |
| Funds received from Community Block Grant (CDBG) federal entitlement program | \$389,249 | \$412,800 | \$388,459*** | Comply with HUD's annual timeliness test |

* 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 and reopened April 2022.

***Dollar amount from HUD is for the whole fiscal year.

Workload Indicators

Planning Division

| Workload Indicator | FY 2021 July-June | FY 2022 July-June | FY 2023 July-Dec |
|--|------------------------------|------------------------------|-----------------------------|
| Number of preliminary reviews | 162 | 142 | 90 |
| Number of planning applications received | 237 | 301 | 202 |
| Number of planning counter inquiries | * | 217** | 535 |

Housing Services Division

| Workload Indicator | FY 2021 July-June | FY 2022 July-June | FY 2023 July-Dec |
|---|------------------------------|------------------------------|-----------------------------|
| Number of housing resources and referrals | 129 | 150 | 75 |
| Number of BMR rental and ownership vacancies filled | 14 | 24 | 11 |
| Number of landlord tenant counseling and dispute cases received | 46 | 57 | 25 |
| Number of annual HUD documents (CAPER, Action Plan, Consolidated Plan, Affirmatively Furthering Fair Housing) completed | 2 | 2 | 0 |
| Housing and Human Services Grant Funds inquiries | 9 | 9 | 4 |

Building Division

| Workload Indicator | FY 2021 July-June | FY 2022 July-June | FY 2023 July-Dec |
|--------------------------------------|------------------------------|------------------------------|-----------------------------|
| Number of permits received | 2,364 | 2,380 | 1,230 |
| Number of inspections requested | 13,374 | 11,906 | 5,820 |
| Number of building counter inquiries | * | 406** | 946 |

* 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

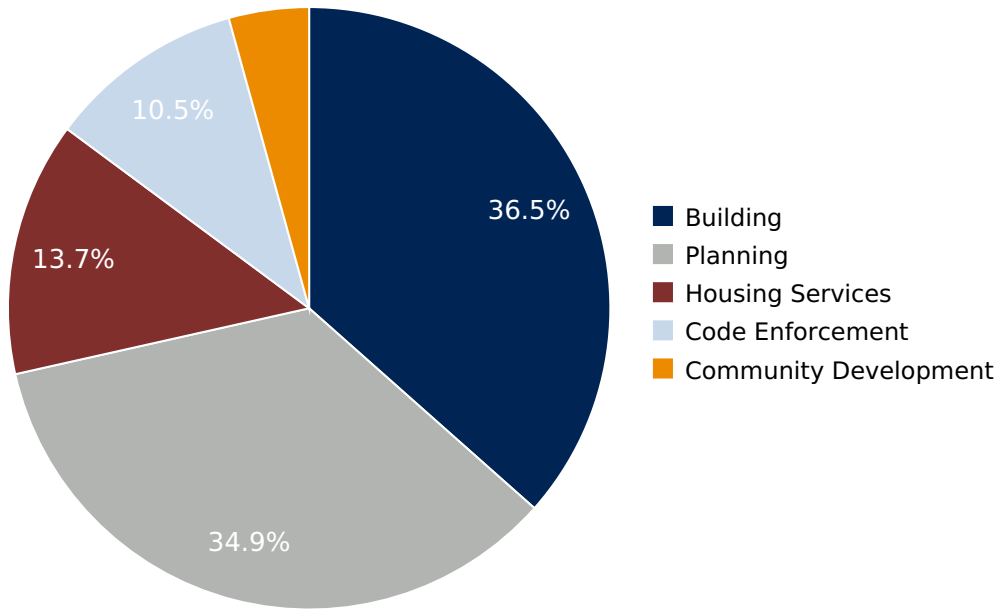
On June 6, 2023, City Council approved a budget of \$13,270,637 for the Community Development department. This represents an increase of \$144,413 (1.1%) from the FY 2022-23 Adopted Budget.

This budget is relatively unchanged from last fiscal year.

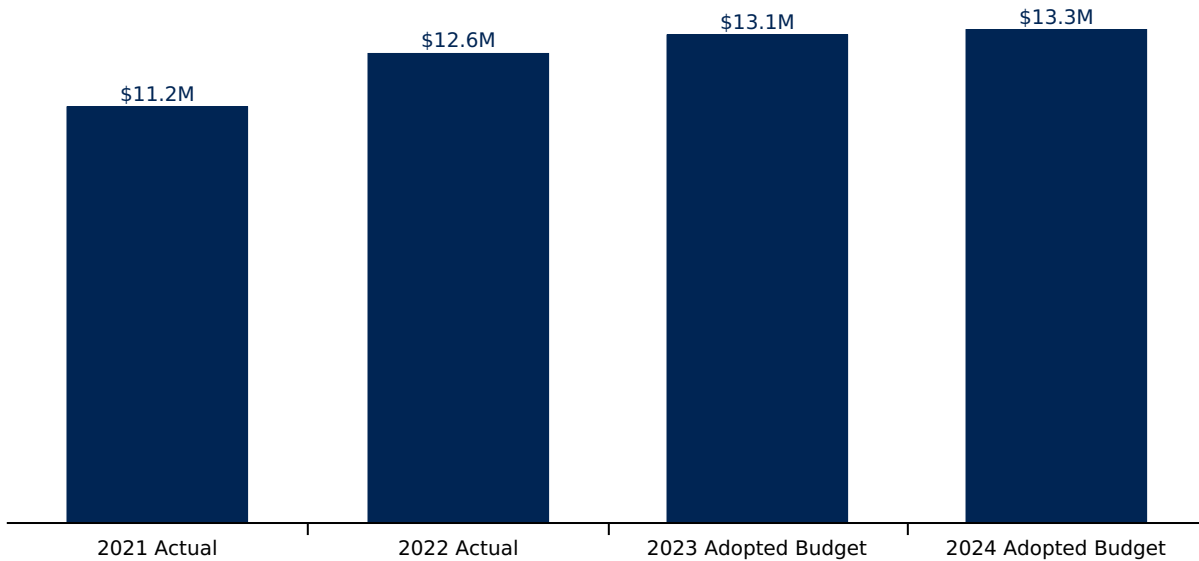
The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Service | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|-----------------------------------|----------------------------------|------------------|--|
| Materials | \$1,186,321 | \$1,121,866 | \$64,455 | Reduced conference attendance, professional development opportunities, and materials and supplies. |
| Contract Services | \$655,080 | \$565,580 | \$89,500 | Termination of on-call contracts and negotiation of new contracts will reduce service level and response time. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|----------------------|----------------------|----------------------|----------------------|
| Revenues | | | | |
| Other Taxes | \$ 197,661 | \$ 36,000 | \$ 8,002,202 | \$ 4,532,926 |
| Licenses and Permits | \$ 4,034,545 | \$ 4,111,278 | \$ 3,515,000 | \$ 4,235,000 |
| Use of Money and Property | \$ 2,333 | \$ 2,162 | \$ 3,300 | \$ 3,300 |
| Intergovernmental Revenue | \$ 559,010 | \$ 787,172 | \$ 492,181 | \$ 638,886 |
| Charges for Services | \$ 1,140,108 | \$ 1,302,314 | \$ 860,000 | \$ 935,000 |
| Fines and Forfeitures | \$ 26,998 | \$ 182,106 | \$ 225,000 | \$ 225,000 |
| Miscellaneous Revenue | \$ 86,184 | \$ 49,185 | \$ 41,250 | \$ 55,050 |
| Other Financing Sources | \$ 537,125 | \$ 293,116 | \$ 275,000 | \$ 367,000 |
| Transfers In | \$ - | \$ 790,000 | \$ - | \$ - |
| Total Revenues | \$ 6,583,964 | \$ 7,553,333 | \$ 13,413,933 | \$ 10,992,162 |
| Expenditures | | | | |
| Employee Compensation | \$ 3,727,517 | \$ 4,101,091 | \$ 4,911,221 | \$ 5,123,548 |
| Employee Benefits | \$ 1,609,662 | \$ 1,810,405 | \$ 2,410,242 | \$ 2,317,637 |
| Materials | \$ 1,195,991 | \$ 982,281 | \$ 1,015,670 | \$ 1,121,866 |
| Contract Services | \$ 669,350 | \$ 472,194 | \$ 654,665 | \$ 565,580 |
| Cost Allocation | \$ 3,067,760 | \$ 3,655,807 | \$ 3,196,843 | \$ 3,111,654 |
| Special Projects | \$ 602,168 | \$ 1,031,548 | \$ 225,000 | \$ 100,000 |
| Other Financing Uses | \$ 319,444 | \$ 569,977 | \$ 695,000 | \$ 925,000 |
| Contingencies | \$ 293 | \$ 4,990 | \$ 17,583 | \$ 5,352 |
| Total Expenditures | \$ 11,192,185 | \$ 12,628,293 | \$ 13,126,224 | \$ 13,270,637 |
| Fund Balance | \$ (532,235) | \$ (610,957) | \$ 6,745,286 | \$ 3,492,324 |
| General Fund Costs | \$ 4,075,983 | \$ 4,464,007 | \$ 6,457,577 | \$ 5,770,799 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------------|------------------------|------------------------|--------------------------------|--------------------------------|
| ADMINISTRATIVE ASSISTANT | 1.75 | 1.75 | 1.75 | 1.75 |
| ASSISTANT PLANNER | 2.00 | 2.00 | 2.00 | 3.00 |
| ASSIST DIR OF COMMUNITY DEV | 1.00 | 1.00 | 1.00 | 1.00 |
| ASSOCIATE PLANNER | 3.00 | 3.00 | 5.00 | 5.00 |
| BUILDING INSPECTOR | 3.92 | 3.92 | 3.92 | 3.92 |
| BUILDING OFFICIAL | 0 | 0 | 0 | 1.00 |
| CODE ENFORCEMENT OFFICER | 1.00 | 1.00 | 2.00 | 2.00 |
| DEPUTY BUILDING OFFICIAL | 1.00 | 1.00 | 1.00 | 1.00 |
| DIRECTOR OF COMM DEVELOPMENT | 0.94 | 0.94 | 0.94 | 0.94 |
| MANAGEMENT ANALYST | 1.00 | 1.00 | 1.00 | 1.00 |
| OFFICE ASSISTANT | 1.00 | 1.00 | 2.00 | 1.00 |
| PERMIT CENTER MANAGER | 1.00 | 1.00 | 1.00 | 0 |
| PERMIT TECHNICIAN | 3.00 | 4.00 | 4.00 | 4.00 |
| PLAN CHECK ENGINEER | 1.00 | 2.00 | 2.00 | 2.00 |
| PLANNING MANAGER | 1.90 | 1.90 | 1.90 | 1.90 |
| SENIOR PLANNER | 3.00 | 4.00 | 5.00 | 1.90 |
| SR BUILDING INSPECTOR | 0.98 | 0.98 | 0.98 | 0.98 |
| SR CODE ENFORCEMENT OFFICER | 2.00 | 2.00 | 2.00 | 2.00 |
| Total | 29.49 | 32.49 | 37.49 | 34.39 |

Community Development Administration

Budget Unit 100-70-700

General Fund - Community Development - Community Development Administration

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 570,884 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 570,884 |
| % 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 6, 2023, City Council approved a budget of \$570,884 for the Community Development Administration program. This represents a decrease of \$483,960 (-45.9%) from the FY 2022-23 Adopted Budget.

The decrease is due to decrease in Communications cost allocation charges.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Service | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|----------------------------|---------------------------|-----------|---|
| Materials | \$26,106 | \$12,786 | \$13,320 | Reduced conference attendance, trainings, meeting expenses, and general and office supplies. Thus, result in reduction of staffing, service level, and response time. |
| Contract Services | \$115,000 | \$57,500 | \$57,500 | Termination of contracts and exclusion of fees will reduce service level. Decrease bank charge contract 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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------------|---------------------|---------------------|---------------------|
| Revenues | | | | |
| Transfers In | \$ - | \$ 200,000 | \$ - | \$ - |
| Total Revenues | \$ - | \$ 200,000 | \$ - | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ 89,672 | \$ 101,293 | \$ 106,672 | \$ 116,408 |
| Employee Benefits | \$ 34,440 | \$ 39,247 | \$ 40,237 | \$ 49,197 |
| Materials | \$ 1,198 | \$ 1,662 | \$ 24,629 | \$ 12,786 |
| Contract Services | \$ 119,268 | \$ 158,670 | \$ 107,308 | \$ 57,500 |
| Cost Allocation | \$ 449,941 | \$ 652,087 | \$ 572,700 | \$ 334,114 |
| Special Projects | \$ - | \$ 97,016 | \$ 200,000 | \$ - |
| Contingencies | \$ - | \$ - | \$ 3,298 | \$ 879 |
| Total Expenditures | \$ 694,519 | \$ 1,049,975 | \$ 1,054,844 | \$ 570,884 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 694,519 | \$ 849,975 | \$ 1,054,844 | \$ 570,884 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 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

| | 2024 Adopted Budget |
|--------------------------|----------------------------|
| Total Revenues | \$ 1,218,300 |
| Total Expenditures | \$ 3,406,046 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 2,187,746 |
| % Funded by General Fund | 64.2% |
| Total Staffing | 9.5 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 6, 2023, City Council approved a budget of \$3,406,046 for the Current Planning program. This represents an increase of \$273,052 (8.7%) from the FY 2022-23 Adopted Budget.

This increase partially due to an increase of on call contract services. On call contracts are cost recoverable.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Service | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-----------|----------------------------|---------------------------|-----------|---|
| Materials | \$34,010 | \$17,164 | \$16,846 | Reduced conference attendance, trainings, meeting expenses, and general and office supplies. Thus, result in reduction of staffing, service level, and response time. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| Revenues | | | | |
| Charges for Services | \$ 1,125,619 | \$ 1,281,589 | \$ 750,000 | \$ 825,000 |
| Miscellaneous Revenue | \$ 65,774 | \$ 43,924 | \$ 37,500 | \$ 51,300 |
| Other Financing Sources | \$ 439,639 | \$ 292,516 | \$ 250,000 | \$ 342,000 |
| Total Revenues | \$ 1,631,032 | \$ 1,618,029 | \$ 1,037,500 | \$ 1,218,300 |
| Expenditures | | | | |
| Employee Compensation | \$ 945,545 | \$ 967,537 | \$ 1,302,876 | \$ 1,361,035 |
| Employee Benefits | \$ 370,481 | \$ 394,579 | \$ 617,475 | \$ 595,831 |
| Materials | \$ 4,848 | \$ 6,123 | \$ 32,086 | \$ 17,164 |
| Contract Services | \$ 16,063 | \$ 212 | \$ 1,464 | \$ 2,000 |
| Cost Allocation | \$ 952,671 | \$ 1,072,790 | \$ 858,254 | \$ 879,776 |
| Special Projects | \$ 402,872 | \$ 371,437 | \$ - | \$ - |
| Other Financing Uses | \$ 186,359 | \$ 301,508 | \$ 320,000 | \$ 550,000 |
| Contingencies | \$ - | \$ 200 | \$ 839 | \$ 240 |
| Total Expenditures | \$ 2,878,839 | \$ 3,114,386 | \$ 3,132,994 | \$ 3,406,046 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 1,247,807 | \$ 1,496,358 | \$ 2,095,494 | \$ 2,187,746 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------------|------------------------|------------------------|--------------------------------|--------------------------------|
| ADMINISTRATIVE ASSISTANT | 0.60 | 0.60 | 0.60 | 0.60 |
| ASSISTANT PLANNER | 2.00 | 2.00 | 2.00 | 2.10 |
| ASSOCIATE PLANNER | 2.40 | 2.40 | 3.25 | 3.25 |
| 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 | 0.50 | 0 |
| PERMIT TECHNICIAN | 0 | 1.00 | 1.00 | 1.00 |
| PLANNING MANAGER | 0.50 | 0.50 | 0.50 | 0.50 |
| SENIOR PLANNER | 1.40 | 1.40 | 1.65 | 1.35 |
| Total | 7.58 | 8.58 | 10.18 | 9.48 |

As part of an expenditure reduction strategy, the Office Assistant position is being removed from the budget.

Mid and Long Term Planning

Budget Unit 100-71-702

General Fund - Planning - Mid and Long Term Planning

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ 138,750 |
| Total Expenditures | \$ 1,230,606 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 1,091,856 |
| % Funded by General Fund | 88.7% |
| Total Staffing | 3.5 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 6, 2023, City Council approved a budget of \$1,230,606 for the Mid and Long Term Planning program. This represents an increase of \$9,118 (0.7%) from the FY 2022-23 Adopted Budget.

This budget is relatively unchanged from last fiscal year.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Service | FY2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-----------|---------------------------|---------------------------|-----------|--|
| Materials | \$15,691 | \$12,587 | \$3,104 | Reduced conference attendance, trainings, meeting expenses, and general and office supplies. |

Special Projects

The following table shows the special projects for the fiscal year.

| Project | Appropriation | Revenue | Funding Source | Description | Strategic Goal |
|-----------|---------------|----------|----------------|--|------------------------------------|
| Tree List | \$50,000 | \$50,000 | General Fund | City Work Program: Review and revise development tree list (per Ch.14.18: Protected Trees) with an emphasis on appropriate trees and native species. | Sustainability and Fiscal Strategy |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------------|---------------------|---------------------|---------------------|
| Revenues | | | | |
| Charges for Services | \$ 2,451 | \$ 9,387 | \$ 110,000 | \$ 110,000 |
| Miscellaneous Revenue | \$ 12,691 | \$ - | \$ 3,750 | \$ 3,750 |
| Other Financing Sources | \$ 86,023 | \$ - | \$ 25,000 | \$ 25,000 |
| Transfers In | \$ - | \$ 590,000 | \$ - | \$ - |
| Total Revenues | \$ 101,165 | \$ 599,387 | \$ 138,750 | \$ 138,750 |
| Expenditures | | | | |
| Employee Compensation | \$ 384,105 | \$ 455,871 | \$ 608,025 | \$ 564,634 |
| Employee Benefits | \$ 145,049 | \$ 182,470 | \$ 274,043 | \$ 245,448 |
| Materials | \$ 11,201 | \$ 3,834 | \$ 14,802 | \$ 12,587 |
| Contract Services | \$ 1,339 | \$ - | \$ 7,500 | \$ 7,500 |
| Cost Allocation | \$ 264,123 | \$ 317,062 | \$ 316,560 | \$ 350,186 |
| Special Projects | \$ 90,191 | \$ 299,121 | \$ - | \$ 50,000 |
| Contingencies | \$ 293 | \$ - | \$ 558 | \$ 251 |
| Total Expenditures | \$ 896,301 | \$ 1,258,358 | \$ 1,221,488 | \$ 1,230,606 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 795,136 | \$ 658,972 | \$ 1,082,738 | \$ 1,091,856 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|------------------------------|-------------|-------------|---------------------|---------------------|
| ADMINISTRATIVE ASSISTANT | 0.15 | 0.15 | 0.15 | 0.15 |
| ASSOCIATE PLANNER | 0.60 | 0.60 | 1.75 | 1.75 |
| 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 | 0.70 | 1.70 | 1.55 | 0.55 |
| Total | 2.49 | 3.49 | 4.49 | 3.49 |

A Senior Planner position is being removed from the budget.

Annexations

Budget Unit 100-71-704

General Fund - Planning - Annexations

Budget at a Glance

| | 2024 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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 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.

CDBG General Admin

Budget Unit 260-72-707

CDBG - Housing Services - CDBG General Admin

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ 73,371 |
| Total Expenditures | \$ 132,070 |
| Fund Balance | \$ (58,699) |
| General Fund Costs | \$ - |
| % Funded by General Fund | 0.0% |
| Total Staffing | 0.5 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 6, 2023, City Council approved a budget of \$132,070 for the CDBG General Admin program. This represents a decrease of \$23,519 (-15.1%) from the FY 2022-23 Adopted Budget.

The decrease is primarily in reduction in salary and benefits due to the elimination of a Senior Planner. CDBG Administration funds represents 20% of the entitlement amount plus program income.

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|---------------------|-------------------|---------------------|---------------------|
| Revenues | | | | |
| Intergovernmental Revenue | \$ 270,062 | \$ 414,065 | \$ 88,356 | \$ 73,371 |
| Total Revenues | \$ 270,062 | \$ 414,065 | \$ 88,356 | \$ 73,371 |
| Expenditures | | | | |
| Employee Compensation | \$ 70,332 | \$ 148,863 | \$ 104,594 | \$ 91,674 |
| Employee Benefits | \$ 33,073 | \$ 38,568 | \$ 50,995 | \$ 40,396 |
| Materials | \$ 440,223 | \$ 124,306 | \$ - | \$ - |
| Total Expenditures | \$ 543,628 | \$ 311,737 | \$ 155,589 | \$ 132,070 |
| Fund Balance | \$ (273,566) | \$ 102,328 | \$ (67,233) | \$ (58,699) |
| 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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|-------------------|-------------|-------------|---------------------|---------------------|
| ASSISTANT PLANNER | 0 | 0 | 0 | 0.10 |
| PLANNING MANAGER | 0.39 | 0.39 | 0.39 | 0.39 |
| SENIOR PLANNER | 0.10 | 0.10 | 0.20 | 0 |
| Total | 0.49 | 0.49 | 0.59 | 0.49 |

1. As part of an expenditure reduction strategy, a Senior Planner position is being removed from the budget.

CDBG Capital/Housing Projects

Budget Unit 260-72-709

CDBG - Housing Services - CDBG Capital/Housing Projects

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ 463,787 |
| Total Expenditures | \$ 460,487 |
| 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 6, 2023, City Council approved a budget of \$460,487 for the CDBG Capital/Housing Projects program. This represents an increase of \$122,929 (36.4%) from the FY 2022-23 Adopted Budget.

The increase is mainly due to the HUD CDBG entitlement change each year. CDBG Capital Housing Project funds represents 65% fo the entitlement amount plus program income.

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| Revenues | | | | |
| Use of Money and Property | \$ 2,333 | \$ 2,162 | \$ 3,300 | \$ 3,300 |
| Intergovernmental Revenue | \$ 229,369 | \$ 309,995 | \$ 337,558 | \$ 460,487 |
| Total Revenues | \$ 231,702 | \$ 312,157 | \$ 340,858 | \$ 463,787 |
| Expenditures | | | | |
| Materials | \$ 229,369 | \$ 309,995 | \$ 337,558 | \$ 460,487 |
| Total Expenditures | \$ 229,369 | \$ 309,995 | \$ 337,558 | \$ 460,487 |
| Fund Balance | \$ 2,333 | \$ 2,162 | \$ 3,300 | \$ 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

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ 55,028 |
| Total Expenditures | \$ 55,028 |
| Fund Balance | \$ - |
| 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 6, 2023, City Council approved a budget of \$55,028 for the CDBG Public Service Grants program. This represents a decrease of \$6,824 (-11.0%) from the FY 2022-23 Adopted Budget.

The decrease is mainly due to the fact that HUD CDBG entitlements change each year and 15% of the total CDBG entitlement and program income can be used for public service 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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|------------------|------------------|---------------------|---------------------|
| Revenues | | | | |
| Intergovernmental Revenue | \$ 59,579 | \$ 63,112 | \$ 66,267 | \$ 55,028 |
| Total Revenues | \$ 59,579 | \$ 63,112 | \$ 66,267 | \$ 55,028 |
| Expenditures | | | | |
| Materials | \$ 59,613 | \$ 63,078 | \$ 61,852 | \$ 55,028 |
| Total Expenditures | \$ 59,613 | \$ 63,078 | \$ 61,852 | \$ 55,028 |
| Fund Balance | \$ (34) | \$ 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

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ 4,532,926 |
| Total Expenditures | \$ 985,203 |
| Fund Balance | \$ 3,547,723 |
| General Fund Costs | \$ - |
| % Funded by General Fund | 0.0% |
| Total Staffing | 1.2 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 6, 2023, City Council approved a budget of \$985,203 for the BMR Affordable Housing Fund program. This represents a decrease of \$237,195 (-19.4%) from the FY 2022-23 Adopted Budget.

The decrease is due to the elimination of the Office Assistant and Senior Planner decreasing employee benefits and compensation.

Special Projects

The following table shows the special projects for the fiscal year.

| Project | Appropriation | Revenue | Funding Source | Description | Strategic Goal |
|--------------------------|---------------|----------|----------------|--|----------------|
| Support for the Unhoused | \$50,000 | \$50,000 | General Fund | City Work Program: Collaborate and fund jointly with West Valley efforts to address regional needs and find workable support for the Unhoused. | Housing |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| Revenues | | | | |
| Other Taxes | \$ 197,661 | \$ 36,000 | \$ 8,002,202 | \$ 4,532,926 |
| Charges for Services | \$ 7,270 | \$ 3,040 | \$ - | \$ - |
| Miscellaneous Revenue | \$ - | \$ 171 | \$ - | \$ - |
| Total Revenues | \$ 204,931 | \$ 39,211 | \$ 8,002,202 | \$ 4,532,926 |
| Expenditures | | | | |
| Employee Compensation | \$ 108,157 | \$ 150,537 | \$ 320,797 | \$ 187,923 |
| Employee Benefits | \$ 48,043 | \$ 72,585 | \$ 164,609 | \$ 82,517 |
| Materials | \$ 310,416 | \$ 315,309 | \$ 341,026 | \$ 341,655 |
| Contract Services | \$ 69,130 | \$ 29,367 | \$ 226,600 | \$ 227,200 |
| Cost Allocation | \$ 48,843 | \$ 100,482 | \$ 144,366 | \$ 95,908 |
| Special Projects | \$ 81,311 | \$ 86,412 | \$ 25,000 | \$ 50,000 |
| Total Expenditures | \$ 665,900 | \$ 754,692 | \$ 1,222,398 | \$ 985,203 |
| Fund Balance | \$ (260,968) | \$ (715,481) | \$ 6,804,804 | \$ 3,547,723 |
| 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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|-----------------------|--------------------|--------------------|----------------------------|----------------------------|
| ASSISTANT PLANNER | 0 | 0 | 0 | 0.80 |
| OFFICE ASSISTANT | 0 | 0 | 0.50 | 0 |
| PLANNING MANAGER | 0.41 | 0.41 | 0.41 | 0.41 |
| SENIOR PLANNER | 0.80 | 0.80 | 1.60 | 0 |
| Total | 1.21 | 1.21 | 2.51 | 1.21 |

As part of an expenditure reduction strategy, the Office Assistant and Senior Planner are being removed from the budget.

Human Service Grants

Budget Unit 100-72-712

General Fund - Housing Services - Human Service Grants

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ 50,000 |
| Total Expenditures | \$ 180,140 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 130,140 |
| % Funded by General Fund | 72.2% |
| 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 6, 2023, City Council approved a budget of \$180,140 for the Human Service Grants program. This represents an increase of \$56,175 (45.3%) from the FY 2022-23 Adopted Budget.

The increase is primarily due to an increase in materials with an offsetting \$50,000 grant received in support of several assistance programs for the unhoused residents.

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| Revenues | | | | |
| Intergovernmental Revenue | \$ - | \$ - | \$ - | \$ 50,000 |
| Total Revenues | \$ - | \$ - | \$ - | \$ 50,000 |
| Expenditures | | | | |
| Materials | \$ 113,112 | \$ 115,741 | \$ 115,780 | \$ 175,000 |
| Cost Allocation | \$ 4,431 | \$ 5,387 | \$ 5,290 | \$ 5,140 |
| Contingencies | \$ - | \$ - | \$ 2,895 | \$ - |
| Total Expenditures | \$ 117,543 | \$ 121,128 | \$ 123,965 | \$ 180,140 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 117,543 | \$ 121,128 | \$ 123,965 | \$ 130,140 |

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

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ 315,000 |
| Total Expenditures | \$ 945,333 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 630,333 |
| % Funded by General Fund | 66.7% |
| 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 6, 2023, City Council approved a budget of \$945,333 for the General Building program. This represents an increase of \$10,139 (1.1%) from the FY 2022-23 Adopted Budget.

This budget is relatively unchanged from the prior year.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Service | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-----------|----------------------------|---------------------------|-----------|---|
| Materials | \$19,370 | \$11,587 | \$7,783 | Reduced conference attendance, trainings, meeting expenses, and general and office supplies. Thus, result in reduction of staffing, service level, and response time. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| Revenues | | | | |
| Licenses and Permits | \$ 308,976 | \$ 295,341 | \$ 315,000 | \$ 315,000 |
| Total Revenues | \$ 308,976 | \$ 295,341 | \$ 315,000 | \$ 315,000 |
| Expenditures | | | | |
| Employee Compensation | \$ 452,234 | \$ 462,806 | \$ 429,712 | \$ 458,679 |
| Employee Benefits | \$ 187,633 | \$ 200,639 | \$ 212,488 | \$ 205,826 |
| Materials | \$ 3,196 | \$ 7,426 | \$ 18,273 | \$ 11,587 |
| Contract Services | \$ - | \$ 384 | \$ - | \$ - |
| Cost Allocation | \$ 290,487 | \$ 326,332 | \$ 274,264 | \$ 269,096 |
| Contingencies | \$ - | \$ 462 | \$ 457 | \$ 145 |
| Total Expenditures | \$ 933,550 | \$ 998,049 | \$ 935,194 | \$ 945,333 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 624,574 | \$ 702,709 | \$ 620,194 | \$ 630,333 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------------|------------------------|------------------------|--------------------------------|--------------------------------|
| ADMINISTRATIVE ASSISTANT | 0.50 | 0.50 | 0.50 | 0.50 |
| ASSIST DIR OF COMMITY DEV | 0.60 | 0.60 | 0.60 | 0.60 |
| BUILDING OFFICIAL | 0 | 0 | 0 | 0.20 |
| 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 |
| 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

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ 1,800,000 |
| Total Expenditures | \$ 2,297,027 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 497,027 |
| % Funded by General Fund | 21.6% |
| 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 6, 2023, City Council approved a budget of \$2,297,027 for the Building Plan Review program. This represents an increase of \$180,612 (8.5%) from the FY 2022-23 Adopted Budget.

This increase is due to increases in employee compensation and benefits, which reflect the cost-of-living adjustments approved by the City Council in August 2022. There is also an increase in cost allocation primarily attributed to higher human resources costs resulting from recent recruitments.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Service | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-----------|----------------------------|---------------------------|-----------|---|
| Materials | \$19,543 | \$11,660 | \$7,883 | Reduced conference attendance, trainings, meeting expenses, and general and office supplies. Thus, result in reduction of staffing, service level, and response time. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| Revenues | | | | |
| Licenses and Permits | \$ 1,528,688 | \$ 1,645,117 | \$ 1,500,000 | \$ 1,800,000 |
| Miscellaneous Revenue | \$ 7,719 | \$ 5,090 | \$ - | \$ - |
| Other Financing Sources | \$ 11,463 | \$ 600 | \$ - | \$ - |
| Total Revenues | \$ 1,547,870 | \$ 1,650,807 | \$ 1,500,000 | \$ 1,800,000 |
| Expenditures | | | | |
| Employee Compensation | \$ 716,267 | \$ 778,747 | \$ 892,976 | \$ 1,029,511 |
| Employee Benefits | \$ 343,121 | \$ 381,057 | \$ 461,112 | \$ 483,572 |
| Materials | \$ 2,968 | \$ 9,455 | \$ 26,896 | \$ 11,660 |
| Contract Services | \$ 179,510 | \$ - | \$ - | \$ - |
| Cost Allocation | \$ 351,221 | \$ 434,911 | \$ 384,759 | \$ 422,138 |
| Special Projects | \$ 25,700 | \$ 177,562 | \$ - | \$ - |
| Other Financing Uses | \$ 131,545 | \$ 268,469 | \$ 350,000 | \$ 350,000 |
| Contingencies | \$ - | \$ 436 | \$ 672 | \$ 146 |
| Total Expenditures | \$ 1,750,332 | \$ 2,050,637 | \$ 2,116,415 | \$ 2,297,027 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 202,461 | \$ 399,830 | \$ 616,415 | \$ 497,027 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 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 |
| BUILDING OFFICIAL | 0 | 0 | 0 | 0.80 |
| 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 |
| PERMIT TECHNICIAN | 2.40 | 2.40 | 2.40 | 2.40 |
| PLAN CHECK ENGINEER | 1.00 | 2.00 | 2.00 | 2.00 |
| Total | 5.70 | 6.70 | 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

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ 2,120,000 |
| Total Expenditures | \$ 1,519,349 |
| Fund Balance | \$ - |
| General Fund Costs | \$ (600,651) |
| % Funded by General Fund | -39.5% |
| 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 6, 2023, City Council approved a budget of \$1,519,349 for the Building Code Enforcement program. This represents an increase of \$86,847 (6.1%) from the FY 2022-23 Adopted Budget.

This increase is due to increases in employee compensation and benefits, which reflect the cost-of-living adjustments approved by the City Council in August 2022. There is also an increase in cost allocation primarily attributed to higher human resources costs resulting from recent recruitments.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Service | FY 2023-24 Original Budget | FY2023-24 Adopted Budget | Reduction | Service Impact |
|-----------|----------------------------|--------------------------|-----------|---|
| Materials | \$20,283 | \$11,862 | \$8,421 | Reduced conference attendance, trainings, meeting expenses, and general and office supplies. Thus, result in reduction of staffing, service level, and response time. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| Revenues | | | | |
| Licenses and Permits | \$ 2,196,881 | \$ 2,170,820 | \$ 1,700,000 | \$ 2,120,000 |
| Total Revenues | \$ 2,196,881 | \$ 2,170,820 | \$ 1,700,000 | \$ 2,120,000 |
| Expenditures | | | | |
| Employee Compensation | \$ 577,025 | \$ 645,793 | \$ 673,616 | \$ 737,452 |
| Employee Benefits | \$ 272,936 | \$ 316,975 | \$ 341,524 | \$ 343,298 |
| Materials | \$ 13,423 | \$ 15,292 | \$ 23,682 | \$ 11,862 |
| Cost Allocation | \$ 394,429 | \$ 430,997 | \$ 368,088 | \$ 401,589 |
| Special Projects | \$ 2,094 | \$ - | \$ - | \$ - |
| Other Financing Uses | \$ 1,540 | \$ - | \$ 25,000 | \$ 25,000 |
| Contingencies | \$ - | \$ 534 | \$ 592 | \$ 148 |
| Total Expenditures | \$ 1,261,447 | \$ 1,409,591 | \$ 1,432,502 | \$ 1,519,349 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ (935,435) | \$ (761,229) | \$ (267,498) | \$ (600,651) |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 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

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 88,611 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 88,611 |
| % 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 6, 2023, City Council approved a budget of \$88,611 for the Muni Code Enforcement program. This represents an increase of \$4,157 (4.9%) from the FY 2022-23 Adopted Budget.

This increase is due to increases in employee compensation and benefits, which reflect the cost-of-living adjustments approved by the City Council in August 2022.

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|------------------|------------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ 27,958 | \$ 31,750 | \$ 33,129 | \$ 36,225 |
| Employee Benefits | \$ 13,182 | \$ 15,396 | \$ 16,438 | \$ 16,965 |
| Materials | \$ (34) | \$ - | \$ 80 | \$ - |
| Cost Allocation | \$ 36,878 | \$ 37,973 | \$ 34,805 | \$ 35,421 |
| Contingencies | \$ - | \$ - | \$ 2 | \$ - |
| Total Expenditures | \$ 77,984 | \$ 85,119 | \$ 84,454 | \$ 88,611 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 77,984 | \$ 85,120 | \$ 84,454 | \$ 88,611 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 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

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ 225,000 |
| Total Expenditures | \$ 1,399,853 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 1,174,853 |
| % Funded by General Fund | 83.9% |
| 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 6, 2023, City Council approved a budget of \$1,399,853 for the Code Enforcement program. This represents an increase of \$152,882 (12.3%) from the FY 2022-23 Adopted Budget.

This increase is due to increases in employee compensation and benefits, which reflect the cost-of-living adjustments approved by the City Council in August 2022 and cost allocation. There is also an increase in cost allocation primarily attributed to higher human resources costs resulting from recent recruitments.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Service | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-----------|----------------------------|---------------------------|-----------|---|
| Materials | \$20,148 | \$12,050 | \$8,098 | Reduced conference attendance, trainings, meeting expenses, and general and office supplies. Thus, result in reduction of staffing, service level, and response time. |
| Contracts | \$303,380 | \$271,380 | \$32,000 | Termination of on-call contracts will reduce service level and response time from code enforcement. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| Revenues | | | | |
| Charges for Services | \$ 4,768 | \$ 8,298 | \$ - | \$ - |
| Fines and Forfeitures | \$ 26,998 | \$ 182,106 | \$ 225,000 | \$ 225,000 |
| Total Revenues | \$ 31,766 | \$ 190,404 | \$ 225,000 | \$ 225,000 |
| Expenditures | | | | |
| Employee Compensation | \$ 356,222 | \$ 357,894 | \$ 438,824 | \$ 540,007 |
| Employee Benefits | \$ 161,704 | \$ 168,889 | \$ 231,321 | \$ 254,587 |
| Materials | \$ 6,458 | \$ 10,060 | \$ 19,006 | \$ 12,050 |
| Contract Services | \$ 284,040 | \$ 283,561 | \$ 311,793 | \$ 271,380 |
| Cost Allocation | \$ 274,009 | \$ 277,786 | \$ 237,757 | \$ 318,286 |
| Contingencies | \$ - | \$ 3,358 | \$ 8,270 | \$ 3,543 |
| Total Expenditures | \$ 1,082,433 | \$ 1,101,548 | \$ 1,246,971 | \$ 1,399,853 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 1,050,667 | \$ 911,144 | \$ 1,021,971 | \$ 1,174,853 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|-----------------------------|--------------------|--------------------|----------------------------|----------------------------|
| CODE ENFORCEMENT OFFICER | 1.00 | 1.00 | 2.00 | 2.00 |
| SR CODE ENFORCEMENT OFFICER | 2.00 | 2.00 | 2.00 | 2.00 |
| Total | 3.00 | 3.00 | 4.00 | 4.00 |

There are no changes to the current level of staffing.

Public Works

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Department Overview

Budget Units

| Budget Unit | Program | 2024 Adopted Budget |
|------------------------------------|----------------------------------|----------------------|
| Public Works Administration | | \$ 1,043,142 |
| 100-80-800 | Public Works Administration | \$ 1,043,142 |
| Environmental Programs | | \$ 4,869,932 |
| 520-81-801 | Resource Recovery | \$ 2,636,342 |
| 230-81-802 | Non-Point Source | \$ 1,177,495 |
| 230-81-853 | Storm Drain Fee | \$ 25,924 |
| 230-81-854 | General Fund Subsidy | \$ 23,164 |
| 230-81-855 | Storm Drain Maintenance | \$ 1,007,007 |
| Developmental Services | | \$ 2,917,333 |
| 100-82-804 | Plan Review | \$ 1,431,296 |
| 100-82-806 | CIP Administration | \$ 1,486,037 |
| Service Center | | \$ 1,102,041 |
| 100-83-807 | Service Center Administration | \$ 1,102,041 |
| Grounds | | \$ 6,461,565 |
| 100-84-808 | McClellan Ranch Park | \$ 176,317 |
| 100-84-809 | Memorial Park | \$ 819,001 |
| 100-84-811 | BBF Ground Maintenance | \$ 367,451 |
| 100-84-812 | School Site Maintenance | \$ 1,383,586 |
| 100-84-813 | Neighborhood Parks | \$ 2,593,101 |
| 100-84-814 | Sport Fields Jollyman, Creekside | \$ 939,889 |
| 100-84-815 | Civic Center Maintenance | \$ 182,220 |
| Streets | | \$ 9,251,615 |
| 100-85-818 | Storm Drain Maintenance | \$ - |
| 270-85-820 | Sidewalk Curb and Gutter | \$ 1,795,414 |
| 270-85-821 | Street Pavement Maintenance | \$ 3,945,450 |
| 270-85-822 | Street Sign Marking | \$ 778,930 |
| 100-85-848 | Street Lighting | \$ 1,011,921 |
| 630-85-849 | Equipment Maintenance | \$ 1,501,047 |
| 100-85-850 | Environmental Materials | \$ 218,853 |
| Total | | \$ 38,420,178 |

| Budget Unit | Program | 2024 Adopted Budget |
|-------------------------------|--|----------------------------|
| Trees and Right of Way | | \$ 4,251,223 |
| 100-86-261 | Trail Maintenance | \$ 199,458 |
| 100-86-824 | Overpasses and Medians | \$ 1,670,592 |
| 100-86-825 | Street Tree Maintenance | \$ 1,788,822 |
| 100-86-826 | Sheriff Work Program | \$ 592,351 |
| Facilities and Fleet | | \$ 5,263,081 |
| 560-87-260 | BBF Golf Maintenance | \$ 103,244 |
| 100-87-827 | City Hall Maintenance | \$ 500,689 |
| 100-87-828 | Library Maintenance | \$ 1,007,493 |
| 100-87-829 | Service Center Maintenance | \$ 310,886 |
| 100-87-830 | Quinlan Community Center Maintenance | \$ 574,659 |
| 100-87-831 | Senior Center Maintenance | \$ 324,289 |
| 100-87-832 | McClellan Ranch Maintenance | \$ 293,750 |
| 100-87-833 | Monta Vista Community Center Maintenance | \$ 186,417 |
| 100-87-834 | Wilson Park Maintenance | \$ 95,722 |
| 100-87-835 | Portal Park Maintenance | \$ 46,228 |
| 570-87-836 | Sports Center Maintenance | \$ 659,124 |
| 100-87-837 | Creekside Park Maintenance | \$ 136,076 |
| 100-87-838 | Community Hall Maintenance | \$ 225,544 |
| 100-87-839 | Teen Center Maintenance | \$ 52,889 |
| 100-87-840 | Park Bathrooms Maintenance | \$ 180,280 |
| 100-87-841 | Blackberry Farm Maintenance | \$ 525,642 |
| 100-87-852 | Franco Traffic Operations Center | \$ 15,257 |
| 100-87-857 | City Hall Annex | \$ 24,892 |
| Transportation | | \$ 2,792,378 |
| 100-88-265 | Community Shuttle | \$ - |
| 100-88-844 | Traffic Engineering | \$ 1,240,071 |
| 100-88-845 | Traffic Signal Maintenance | \$ 820,029 |
| 100-88-846 | Safe Routes 2 School | \$ 732,278 |
| Non-Departmental | | \$ 467,868 |
| 630-90-985 | Fixed Assets Acquisition | \$ 467,868 |
| Total | | \$ 38,420,178 |

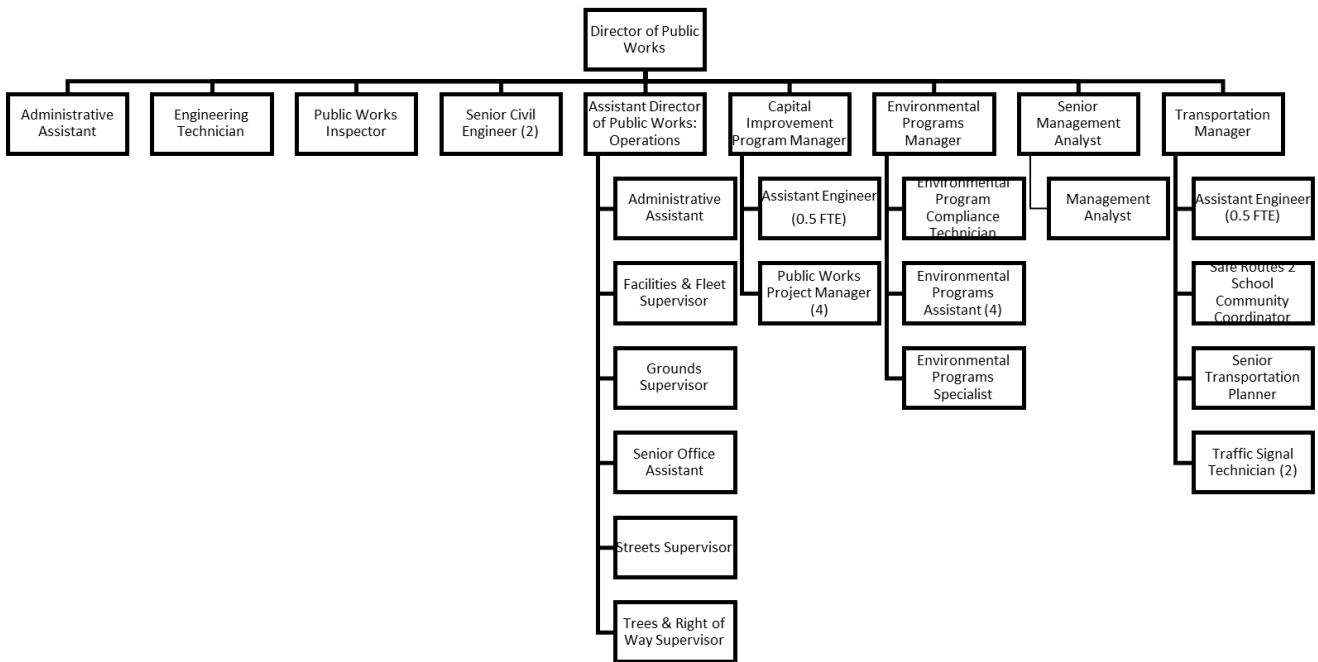
Budget at a Glance

2024 Adopted Budget

| | |
|--------------------------|----------------|
| Total Revenues | \$ 10,021,194 |
| Total Expenditures | \$ 38,420,178 |
| Fund Balance | \$ (7,622,699) |
| General Fund Costs | \$ 20,776,285 |
| % Funded by General Fund | 54.1% |
| Total Staffing | 88.1 FTE |

Organization

Chad Mosley, 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 2021 July-June | FY 2022 July-June | FY 2023 July-Dec | Ongoing Target |
|---|------------------------------|------------------------------|-----------------------------|---------------------------|
| Percentage of projects completed on budget | 90% | 90% | 100% | 90% |
| Percentage of construction projects completed on time | 90% | 90% | 100% | 85% |

Environment

Goal: Protect our natural environment for current and future generations.

Benefit: Current and future residents enjoy a healthy, sustainable environment.

| Performance Measure | FY 2021 July-June | FY 2022 July-June | FY 2023 July-Dec | Ongoing Target |
|--|------------------------------|------------------------------|-----------------------------|---------------------------|
| Percent of businesses in compliance during annual proactive stormwater pollution prevention inspections | 96% | 88% | N/A | 75% |
| Percent of non-exempt businesses and multi-family accounts separating organics | 79%** | 86% | 94% | 100% by 7/1/2022 (SB1383) |
| Percent trash/litter reduction achieved to meet Stormwater Permit requirements | 88% | 95% | N/A | 100% by 7/1/2022 |
| Diversion rate from all single-family, multi-family, and commercial accounts as reported by Recology tonnage reports | 53% | 53% | 53% | 55% |
| Respond to reports of actual or potential discharge the same business day | 89% | 93% | 90% | 95% |
| % of plan reviews completed in required number of days | 90% | 93% | 92% | 100% |
| Cubic yards of compost distributed via compost site | 1,165 CY | 440 CY | 160 CY | 1,000 CY |
| % of vegetation obstructions resolved within 25 business days from time of report* | 31% | 32% | 36% | 90% |
| *Inspections occur in the spring only | | | | |
| **as of 12/31/2020 | | | | |

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 2021 July-June | FY 2022 July-June | FY 2023 July-Dec | Ongoing Target |
|--|------------------------------|------------------------------|-----------------------------|---------------------------|
| Respond to complete plan submittals or applications within two (2) weeks | 93% | 94% | 96% | 80% |
| Respond to complete encroachment permit applications within two (2) weeks | 92% | 93% | 94% | 80% |
| Respond to public inquiries at the Public Works counter in City Hall within 15 minutes | * | 91% | 97% | 85% |

*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 2021 July-June | FY 2022 July-June | FY 2023 July-Dec | Ongoing Target |
|---|------------------------------|------------------------------|-----------------------------|---------------------------|
| Percentage of 311 requests that are responded to and closed within 3 business days | 74% | 82% | 63% | 80% |
| Percentage of the 988 park inspections, including play grounds, performed once a week | 100% | 79% | 41% | 100% |
| Percentage of Backflow Prevention Devices inspected, tested and repaired annually | 100% | 100% | 100% | 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 2021 July-June | FY 2022 July-June | FY 2023 July-Dec | Ongoing Target |
|--|------------------------------|------------------------------|-----------------------------|---------------------------|
| Pavement condition index (PCI) > or equal to 72 | 85 | 83 | 82 | 72 |
| Percent of the 2199 storm drain inlets inspected and cleaned in fiscal year | 95% | 80% | 19% | 100% |
| Percent of Inlets with Trash Capture Screens inspected and cleaned twice yearly | 100% | 100% | 100% | 100% |
| Percentage of roadway regulatory & street name signs repaired or replaced | 5.5% | 3.5% | 1.1% | 5% |
| Percentage of trip and fall complaints investigated and mitigated within 2 business days | 100% | 72% | 61% | 95% |
| Percentage of reported streetlight outages investigated and repaired in 10 business days | 90% | 90% | 84% | 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 2021 July-June | FY 2022 July-June | FY 2023 July-Dec | Ongoing Target |
|--|------------------------------|------------------------------|-----------------------------|---------------------------|
| Percentage of 311 requests that are responded to and closed within 3 business days | 95% | 95% | 95% | 95% |
| Percentage of trees inspected and maintained in the yearly maintenance zone (8 year maintenance cycle) | 97% | 100% | 36% | 100% |
| Plant more trees than removed # planted/# removed | No 187/202 | Yes 211/187 | Yes 60/55 | Yes |

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 2021 July-June | FY 2022 July-June | FY 2023 July-Dec | Ongoing Target |
|--|------------------------------|------------------------------|-----------------------------|---------------------------|
| Percentage of preventative maintenance work orders completed for Fleet assets within 20 business days of the due date. | 83% | 87% | 49% | 85% |
| Percentage of facilities maintenance requests closed within 40 business days. | 89% | 69% | 65% | 85% |

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 2021 July-June | FY 2022 July-June | FY 2023 July-Dec | Ongoing Target |
|---|------------------------------|------------------------------|-----------------------------|---------------------------|
| Percentage of non-emergency traffic signal requests addressed within 72 hours. | 90% | 90% | 95% | 100% |
| Percentage of emergency traffic signal requests addressed within 2 hours. | 100% | 100% | 100% | 100% |
| Percentage of traffic engineering requests responded to within 5 business days. | 95% | 95% | 95% | 90% |
| Annual mileage increase of separated bicycle lanes and pedestrian paths. | 1.30 | 2.20 | 0.15 | 1/4 mile (average) |

Workload Indicators

Capital Improvement Program

| Workload Indicator | FY 2021 July-June | FY 2022 July-June | FY 2023 July-Dec |
|---|----------------------|----------------------|---------------------|
| Number of projects started in the first year funded | 9/9 | 14/15 | 2/4 |
| Number of active projects vs total number of projects | 58/71 | 50/52 | 25/34 |

Environmental Programs Division

| Workload Indicator | FY 2021 July-June | FY 2022 July-June | FY 2023 July-Dec |
|---|--------------------------|--------------------------|---------------------------|
| Number of actual versus potential discharges | 71 actual 6 potential | 91 actual 7 potential | 31 actual 17 potential |
| Number of stormwater pollution prevention industrial commercial inspections | 135 | 109 | N/A* |
| Number of building and demolition permits reviewed | 679 | 693 | 356 |
| Number of non-exempt businesses and multi-family accounts required to separate organics | 289** | 382 | 446** |
| Tons of waste entering landfill from single-family, multi-family, and commercial accounts as reported by Recology | 18,224 | 11,980.24 | 4,855.57*** |
| Number of visitors to compost site | 2,489 | 1,230 | 527 |
| Number of vegetation obstructions reported | 87 | 101 | 58 |

*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 2021 July-June | FY 2022 July-June | FY 2023 July-Dec |
|---|------------------------------|------------------------------|-----------------------------|
| Number of development permit applications received | 127 | 128 | 67 |
| Number of encroachment permit applications received | 577 | 426 | 184 |
| Number of customers service visits | 0* | 76 | 166 |

*Permit Center closed Mar 2020-Mar 2022, Customers assisted by phone

Grounds Division

| Workload Indicator | FY 2021 July-June | FY 2022 July-June | FY 2023 July-Dec |
|--|------------------------------|------------------------------|-----------------------------|
| Maintain city grounds (#) with total acreage (SF) | 29 sites/149 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 | 43 | 55 | 19 |
| Total number of play grounds maintained | 37 | 37 | 37 |
| Total number of irrigation controllers maintained | 74 | 74 | 74 |
| Total number of park trees maintained | 4,098 | 4,179 | 4,179 |
| 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 2021 July-June | FY 2022 July-June | FY 2023 July-Dec |
|---|------------------------------|------------------------------|-----------------------------|
| Total roadway miles | 138 | 138 | 138 |
| Total concrete sidewalk miles | 196 | 196 | 196 |
| Total number of unique sidewalk repair sites addressed | 697 | 936 | 512 |
| Total square footage of sidewalk, curb and gutter repaired/replaced | 37,574 | 44,816 | N/A |
| Total number of storm drain inlets | 2,087 | 2,087 | 2,087 |
| Total number of drain inlets with trash capture devices | 174 | 175 | 175 |
| Total number of streetlights | 3,287 | 3,408 | 3,408 |
| Total number of roadway signs | 10,054 | 10,186 | 10,318 |
| Total miles of storm drain pipe maintained | 104.7 | 104.7 | 104.7 |
| Total number of crosswalks maintained | 728 | 723 | 723 |
| Total miles of pavement striping maintained | 162 | 162 | 162 |
| Total number of street miles swept monthly | 696 | 696 | 696 |

Trees and Right of Way Division

| Workload Indicator | FY 2021 July-June | FY 2022 July-June | FY 2023 July-Dec |
|--|------------------------------|------------------------------|-----------------------------|
| Total number of street trees maintained | 3,789 Trees maintained | 4,344 Trees maintained | 900 Trees Maintained |
| Total acreage of medians maintained | 40 AC | 40 AC | 40 AC |
| Total number of 311 Request work orders completed for Overpasses & Medians | 286 | 185 | 73 |
| Total number of street trees removed | | | |
| Total number of street trees planted | | | |
| Total number of 311 Requests for tree maintenance | 634 | 465 | 212 |
| Miles of pedestrian and bicycle trails maintained | 0.85 | 0.85 | 0.85 |

Facilities and Fleet Division

| Workload Indicator | FY 2021 July-June | FY 2022 July-June | FY 2023 July-Dec |
|---|-------------------------------|-------------------------------|-----------------------------|
| Total number of city facilities maintained | 51/221,500 SF | 51/221,500 SF | 51/221,500 SF |
| Total number of Fleet vehicles maintained | 104 | 105 | 105 |
| Total number of special equipment maintained (tractors, trailers, chippers, riding mowers, club car, forklift, generator) | 317 | 329 | 329 |
| Total number of small equipment maintained | 356 | 292 | 292 |
| Total number of work orders completed | 1,426 Facilities 769 Fleet | 1,966 Facilities 835 Fleet | 958 Facilities 268 Fleet |
| Fleet vehicles replaced with hybrid and/or electric models | 18 | 0 | 0 |
| Annual number of site visits to ensure janitorial compliance | 2,829 | 1,628 | 814 |

Transportation

| Workload Indicator | FY 2021 July-June | FY 2022 July-June | FY 2023 July-Dec |
|------------------------------------|------------------------------|------------------------------|-----------------------------|
| Number of signalized intersections | 60 | 60 | 60 |

Adopted Budget

On June 6, 2023, City Council approved a budget of \$38,420,178 for the Public Works department. This represents a decrease of \$1,501,817 (-3.8%) from the FY 2022-23 Adopted Budget.

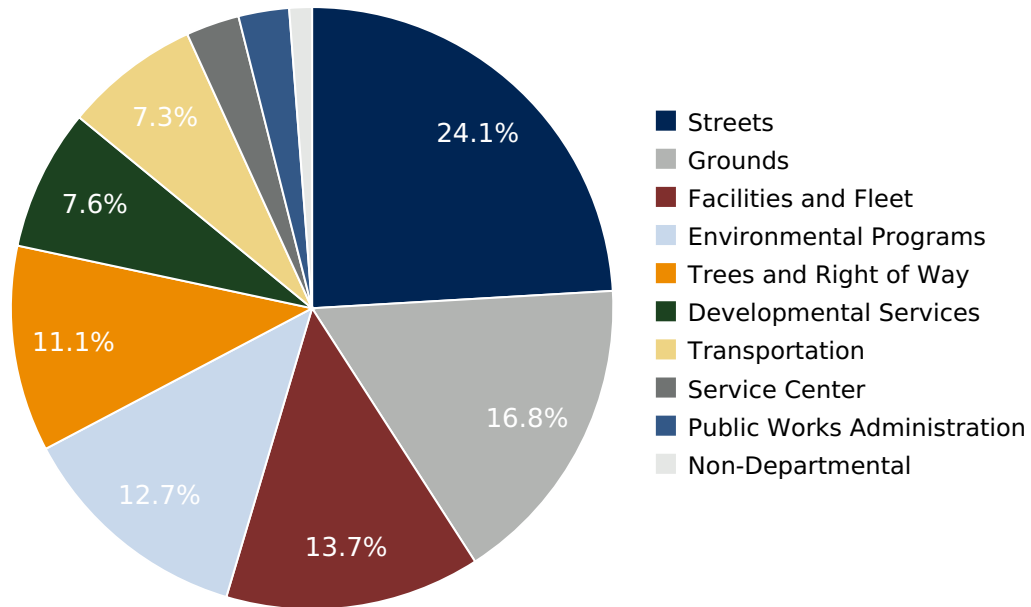
The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|----------------------------|---------------------------|-----------|--|
| Materials | \$5,439,339 | \$4,852,658 | \$586,681 | Reduced or eliminated office and general supplies; meetings, conference and trainings; memberships; safety equipment not covered under the MOU; small tools and equipment; and printing and advertising. |
| Contract Services | \$5,460,208 | \$4,781,474 | \$678,734 | Delayed services and response to work requests; deferred maintenance at City parks, facilities, streets and trees. |
| Special Projects | \$5,290,259 | \$4,496,264 | \$793,995 | Delayed or deferred sidewalk repairs and pavement maintenance. |
| Capital Outlays | \$1,100,280 | \$880,224 | \$220,056 | Delayed or deferred pavement maintenance, which will lower the City's Pavement Condition Index (PCI) rating. |

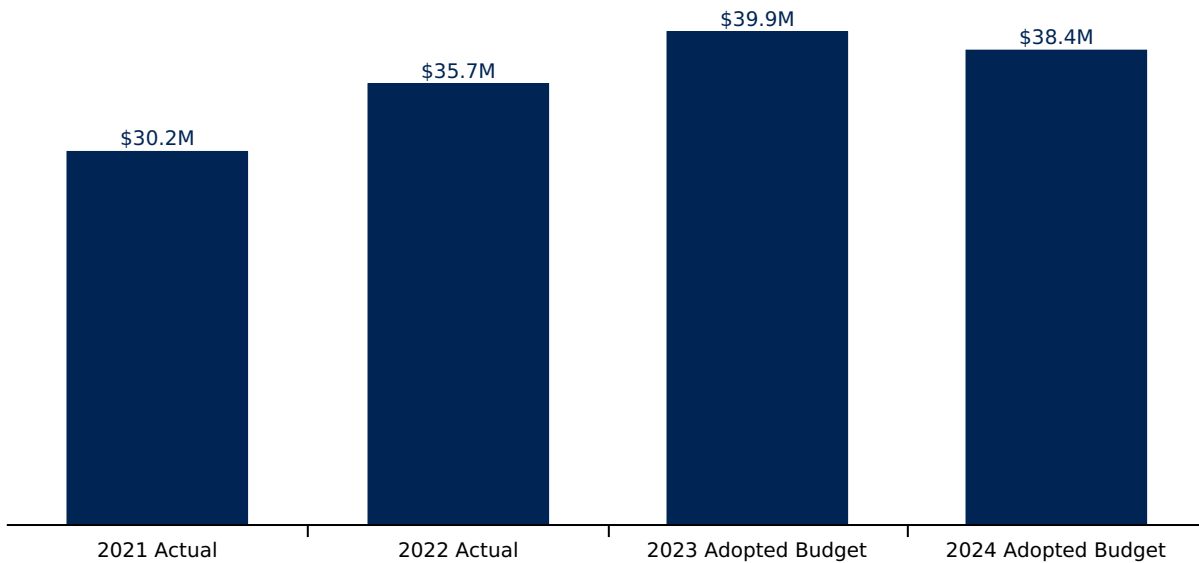
As part of an expenditure reduction strategy, the following vacant positions are being removed from the budget:

- Maintenance Worker I
- Maintenance Worker I
- Maintenance Worker I
- Public Works Project Manager
- Limited Term Public Works Project Manager
- Assistant Director of Public Works/City Engineer

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Revenues | | | | |
| Use of Money and Property | \$ 231,504 | \$ 417,793 | \$ 226,856 | \$ 457,579 |
| Intergovernmental Revenue | \$ 2,331,864 | \$ 1,870,797 | \$ 1,885,852 | \$ 2,174,842 |
| Charges for Services | \$ 7,040,041 | \$ 8,043,886 | \$ 6,787,667 | \$ 7,319,476 |
| Fines and Forfeitures | \$ 5,065 | \$ 3,563 | \$ 68,669 | \$ 3,563 |
| Miscellaneous Revenue | \$ 614,192 | \$ 29,297 | \$ 149,466 | \$ 50,734 |
| Transfers In | \$ 15,000 | \$ 275,000 | \$ 61,140 | \$ 15,000 |
| Total Revenues | \$ 10,237,666 | \$ 10,640,336 | \$ 9,179,650 | \$ 10,021,194 |
| Expenditures | | | | |
| Employee Compensation | \$ 8,925,718 | \$ 9,591,985 | \$ 10,804,062 | \$ 10,905,416 |
| Employee Benefits | \$ 4,258,223 | \$ 4,662,698 | \$ 5,519,037 | \$ 5,209,222 |
| Materials | \$ 3,325,834 | \$ 3,776,852 | \$ 4,936,170 | \$ 4,852,658 |
| Contract Services | \$ 3,139,677 | \$ 3,745,851 | \$ 4,943,009 | \$ 4,781,474 |
| Cost Allocation | \$ 6,211,776 | \$ 7,396,343 | \$ 6,429,988 | \$ 6,436,300 |
| Capital Outlays | \$ 63,826 | \$ 1,817,829 | \$ 1,038,000 | \$ 880,224 |
| Special Projects | \$ 3,568,809 | \$ 3,980,418 | \$ 5,274,271 | \$ 4,496,264 |
| Other Financing Uses | \$ 730,478 | \$ 738,957 | \$ 730,478 | \$ 738,957 |
| Contingencies | \$ - | \$ - | \$ 246,980 | \$ 119,663 |
| Total Expenditures | \$ 30,224,341 | \$ 35,710,933 | \$ 39,921,995 | \$ 38,420,178 |
| Fund Balance | \$ (2,173,218) | \$ (5,116,866) | \$ (8,046,480) | \$ (7,622,699) |
| General Fund Costs | \$ 17,813,454 | \$ 19,953,734 | \$ 22,695,865 | \$ 20,776,285 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------|-------------|---------------------|---------------------|
| ADMINISTRATIVE ASSISTANT | 1.95 | 1.95 | 1.95 | 1.95 |
| ASSISTANT ENGINEER | 2.00 | 2.00 | 2.00 | 2.00 |
| ASSIST DIR OF PW ENGINEER | 1.00 | 1.00 | 1.00 | 0 |

| Position Title | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|-------------------------------------|------------------------|------------------------|--------------------------------|--------------------------------|
| ASSIST DIR PUBLIC WORKS OPS | 1.00 | 1.00 | 1.00 | 1.00 |
| 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 | 2.65 | 3.65 | 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 | 43.00 |
| MAINTENANCE WORKER III | 7.00 | 7.00 | 8.00 | 7.00 |
| MANAGEMENT ANALYST | 0.20 | 0.20 | 1.20 | 1.20 |
| PUBLIC WORKS INSPECTOR | 2.00 | 2.00 | 2.00 | 2.00 |
| PUBLIC WORKS PROJECT MANAGER | 4.00 | 5.00 | 6.00 | 4.00 |
| PUBLIC WORKS PROJECT MANAGER LT | 2.00 | 2.00 | 1.00 | 0 |
| PUBLIC WORKS SUPERVISOR | 4.00 | 4.00 | 4.00 | 4.00 |
| RECREATION COORDINATOR | 0.12 | 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 |
| SR BUILDING INSPECTOR | 0.02 | 0.02 | 0.02 | 0.02 |
| SR OFFICE ASSISTANT | 1.00 | 1.00 | 1.00 | 1.00 |
| SR. PUBLIC WORKS PROJECT MANAGER | 0 | 0 | 0 | 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 | 2.00 | 2.00 |
| TRAFFIC SIGTECH APRNTICE | 1.00 | 1.00 | 0 | 0 |
| TRANSIT & TRANSPORTATION PLANNER | 1.00 | 1.00 | 1.00 | 1.00 |
| TRANSPORTATION MANAGER | 0.90 | 0.90 | 0.90 | 0.90 |

| Position Title | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|-----------------------|------------------------|------------------------|--------------------------------|--------------------------------|
| Total | 90.12 | 92.12 | 94.12 | 88.12 |

Public Works Administration

Budget Unit 100-80-800

General Fund - Public Works Administration - Public Works Administration

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ 54,375 |
| Total Expenditures | \$ 1,043,142 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 988,767 |
| % Funded by General Fund | 94.8% |
| Total Staffing | 4.0 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 2 business days 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 6, 2023, City Council approved a budget of \$1,043,142 for the Public Works Administration program. This represents a decrease of \$114,993 (-9.9%) from the FY 2022-23 Adopted Budget.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------|----------------------------|---------------------------|-----------|--|
| Materials | \$21,426 | \$11,461 | \$9,965 | Reduced or eliminated office and general supplies; meetings, conference and trainings; memberships; safety equipment not covered under the MOU; small tools and equipment; and printing and advertising. |

The following project/s have been identified as unfunded needs, which refer to priority projects that lack sufficient funding to be implemented at this time.

| Service | Description | Estimated Cost | Funding Status |
|-----------------------------|----------------------------------|----------------|---|
| Public Works Administration | Public Works Outreach and Events | \$17,400 | Unfunded: Ribbon Cutting Ceremonies for newly completed projects; Public Works Week Demonstrations and Open House |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| Revenues | | | | |
| Use of Money and Property | \$ 18,959 | \$ 54,375 | \$ - | \$ 54,375 |
| Transfers In | \$ - | \$ 10,000 | \$ - | \$ - |
| Total Revenues | \$ 18,959 | \$ 64,375 | \$ - | \$ 54,375 |
| Expenditures | | | | |
| Employee Compensation | \$ 588,300 | \$ 513,911 | \$ 814,290 | \$ 741,466 |
| Employee Benefits | \$ 218,709 | \$ 208,886 | \$ 323,926 | \$ 289,786 |
| Materials | \$ 5,697 | \$ 9,268 | \$ 19,167 | \$ 11,461 |
| Contract Services | \$ - | \$ 24,540 | \$ 266 | \$ 282 |
| Special Projects | \$ 21,068 | \$ 130,564 | \$ - | \$ - |
| Contingencies | \$ - | \$ - | \$ 486 | \$ 147 |
| Total Expenditures | \$ 833,774 | \$ 887,169 | \$ 1,158,135 | \$ 1,043,142 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 814,816 | \$ 822,794 | \$ 1,158,135 | \$ 988,767 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------|-------------|---------------------|---------------------|
| ADMINISTRATIVE ASSISTANT | 0.95 | 0.95 | 0.95 | 0.95 |
| ASSIST DIR OF PW ENGINEER | 0.10 | 0.10 | 0.50 | 0 |
| DIRECTOR OF PUBLIC WORKS | 1.00 | 1.00 | 1.00 | 1.00 |
| MANAGEMENT ANALYST | 0 | 0 | 1.00 | 1.00 |
| SENIOR MANAGEMENT ANALYST | 1.00 | 1.00 | 1.00 | 1.00 |
| Total | 3.05 | 3.05 | 4.45 | 3.95 |

As part of an expenditure reduction strategy, 0.5 FTE is being removed from the budget.

Resource Recovery

Budget Unit 520-81-801

Resource Recovery - Environmental Programs - Resource Recovery

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ 1,617,964 |
| Total Expenditures | \$ 2,636,342 |
| Fund Balance | \$ (1,018,378) |
| General Fund Costs | \$ - |
| % Funded by General Fund | 0.0% |
| Total Staffing | 3.6 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; manages the City's garbage disposal contract; 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, garbage disposal, 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 6, 2023, City Council approved a budget of \$2,636,342 for the Resource Recovery program. This represents an increase of \$351,252 (15.4%) from the FY 2022-23 Adopted Budget.

This increase is due to increases in employee compensation and benefits, which reflect the cost-of-living adjustments approved by the City Council in August 2022. This budget increase is also due to a slight increase in materials and contract services. This program is 100% cost-recovered.

Special Projects

The following table shows the special projects for the fiscal year.

| Special Projects | Appropriation | Revenue | Funding Source | Description |
|---|---------------|-----------|-------------------|---|
| County Household Hazardous Waste Program/Hazardous Waste Response | \$115,000 | \$155,000 | Resource Recovery | County Household Hazardous Waste Program/Hazardous Waste Response |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|---------------------|---------------------|-----------------------|-----------------------|
| Revenues | | | | |
| Use of Money and Property | \$ 90,675 | \$ 70,995 | \$ - | \$ 74,000 |
| Intergovernmental Revenue | \$ 14,916 | \$ 14,812 | \$ 14,000 | \$ 14,812 |
| Charges for Services | \$ 1,804,946 | \$ 1,530,871 | \$ 1,188,642 | \$ 1,529,152 |
| Miscellaneous Revenue | \$ - | \$ - | \$ 10,000 | \$ - |
| Total Revenues | \$ 1,910,537 | \$ 1,616,678 | \$ 1,212,642 | \$ 1,617,964 |
| Expenditures | | | | |
| Employee Compensation | \$ 220,054 | \$ 376,254 | \$ 438,802 | \$ 528,715 |
| Employee Benefits | \$ 124,195 | \$ 110,806 | \$ 212,572 | \$ 226,866 |
| Materials | \$ 28,695 | \$ 40,337 | \$ 75,166 | \$ 87,305 |
| Contract Services | \$ 800,387 | \$ 939,153 | \$ 1,175,402 | \$ 1,388,927 |
| Cost Allocation | \$ 272,539 | \$ 334,160 | \$ 231,017 | \$ 267,029 |
| Special Projects | \$ 221,078 | \$ 33,755 | \$ 117,553 | \$ 115,733 |
| Other Financing Uses | \$ 3,314 | \$ 3,314 | \$ 3,314 | \$ 3,314 |
| Contingencies | \$ - | \$ - | \$ 31,264 | \$ 18,453 |
| Total Expenditures | \$ 1,670,262 | \$ 1,837,779 | \$ 2,285,090 | \$ 2,636,342 |
| Fund Balance | \$ 240,275 | \$ (221,101) | \$ (1,072,448) | \$ (1,018,378) |
| 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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|-------------------------------------|------------------------|------------------------|--------------------------------|--------------------------------|
| ENVIRONMENTAL PROGRAM MGR | 0.50 | 0.50 | 0.50 | 0.50 |
| ENVIRONMENTAL PROGRAMS ASSISTANT | 1.30 | 2.30 | 2.30 | 2.30 |
| ENV. PROG. COMPLIANCE TECHNICIAN | 0.05 | 0.05 | 0.05 | 0.05 |
| ENV. PROGRAMS SPECIALIST | 0.40 | 0.40 | 0.40 | 0.40 |
| MANAGEMENT ANALYST | 0.05 | 0.05 | 0.05 | 0.15 |
| SUSTAINABILITY MANAGER | 0.20 | 0.20 | 0.20 | 0.20 |
| Total | 2.50 | 3.50 | 3.50 | 3.60 |

Staff time is being reallocated to better reflect actual time spent in this program.

Non-Point Source

Budget Unit 230-81-802

Env Mgmt Cln Creek Storm Drain - Environmental Programs - Non-Point Source

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ 1,501,764 |
| Total Expenditures | \$ 1,177,495 |
| Fund Balance | \$ 324,269 |
| General Fund Costs | \$ - |
| % Funded by General Fund | 0.0% |
| Total Staffing | 2.7 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 6, 2023, City Council approved a budget of \$1,177,495 for the Non-Point Source program. This represents a decrease of \$49,159 (-4.0%) from the FY 2022-23 Adopted Budget.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|----------------------------|---------------------------|-----------|--|
| Materials | \$40,296 | \$38,784 | \$2,448 | Reduced or eliminated office and general supplies; meetings, conference and trainings; memberships; safety equipment not covered under the MOU; small tools and equipment; and printing and advertising. |
| Contract Services | \$385,506 | \$370,570 | \$14,936 | CUSD third grade creek education program busing eliminated. |

The following project/s have been identified as unfunded needs, which refer to priority projects that lack sufficient funding to be implemented at this time.

| Service | Description | Estimated Cost | Funding Status |
|------------------|---|----------------|---|
| Non-Point Source | Stevens Creek Water Quality Monitoring & Pollution Prevention | \$26,460 | Unfunded Service Impact: Creek monitoring is an educational opportunity that produces data that is helpful to the Environmental Team, but not required as a permit condition. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| Revenues | | | | |
| Use of Money and Property | \$ 1,878 | \$ 938 | \$ - | \$ - |
| Charges for Services | \$ 1,475,810 | \$ 1,477,784 | \$ 1,510,555 | \$ 1,498,201 |
| Fines and Forfeitures | \$ 5,065 | \$ 3,563 | \$ 68,669 | \$ 3,563 |
| Total Revenues | \$ 1,482,753 | \$ 1,482,285 | \$ 1,579,224 | \$ 1,501,764 |
| Expenditures | | | | |
| Employee Compensation | \$ 339,790 | \$ 355,712 | \$ 383,780 | \$ 383,161 |
| Employee Benefits | \$ 153,940 | \$ 170,372 | \$ 182,630 | \$ 181,026 |
| Materials | \$ 26,359 | \$ 33,321 | \$ 40,296 | \$ 38,784 |
| Contract Services | \$ 244,962 | \$ 292,621 | \$ 394,170 | \$ 370,570 |
| Cost Allocation | \$ 136,205 | \$ 255,923 | \$ 195,816 | \$ 200,578 |
| Special Projects | \$ - | \$ - | \$ 19,100 | \$ - |
| Contingencies | \$ - | \$ - | \$ 10,862 | \$ 3,376 |
| Total Expenditures | \$ 901,256 | \$ 1,107,949 | \$ 1,226,654 | \$ 1,177,495 |
| Fund Balance | \$ 581,497 | \$ 374,335 | \$ 352,570 | \$ 324,269 |
| 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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|----------------------------------|-------------|-------------|---------------------|---------------------|
| BUILDING INSPECTOR | 0.08 | 0.08 | 0.08 | 0.08 |
| ENVIRONMENTAL PROGRAM MGR | 0.50 | 0.50 | 0.50 | 0.50 |
| ENVIRONMENTAL PROGRAMS ASSISTANT | 0.35 | 0.35 | 0.35 | 0.35 |
| ENV. PROG. COMPLIANCE TECHNICIAN | 0.95 | 0.95 | 0.95 | 0.95 |
| ENV. PROGRAMS SPECIALIST | 0.60 | 0.60 | 0.60 | 0.60 |
| MAINTENANCE WORKER III | 0.10 | 0.10 | 0.10 | 0 |
| PUBLIC WORKS INSPECTOR | 0.10 | 0.10 | 0.10 | 0.10 |
| RECREATION COORDINATOR | 0.12 | 0.12 | 0.12 | 0.12 |
| SR BUILDING INSPECTOR | 0.02 | 0.02 | 0.02 | 0.02 |
| Total | 2.82 | 2.82 | 2.82 | 2.72 |

Staff time is being reallocated to better reflect actual time spent in this program.

Storm Drain Fee

Budget Unit 230-81-853

Env Mgmt Cln Creek Storm Drain - Environmental Programs - Storm Drain Fee

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 25,924 |
| Fund Balance | \$ (25,924) |
| General Fund Costs | \$ - |
| % Funded by General Fund | 0.0% |
| Total Staffing | FTE |

Program Overview

A portion of the collected Clean Water and Storm Protection Fee is allocated for rebates on activities that reduce stormwater runoff and pollution. Currently, these are split between offering matching Valley Water rebates on rainwater gardens, rainwater collection, and turf replacement installations and offering City-managed rebates for residential pervious pavement installations.

Adopted Budget

On June 6, 2023, City Council approved a budget of \$25,924 for the Storm Drain Fee program. This represents an increase of \$396 (1.6%) from the FY 2022-23 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 |
|-----------------------------------|---------------|----------|--------------------------------------|--|
| 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. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Cost Allocation | \$ - | \$ 196 | \$ 528 | \$ 924 |
| Special Projects | \$ 1,105 | \$ 3,540 | \$ 25,000 | \$ 25,000 |
| Total Expenditures | \$ 1,105 | \$ 3,736 | \$ 25,528 | \$ 25,924 |
| Fund Balance | \$ (1,105) | \$ (3,736) | \$ (25,528) | \$ (25,924) |
| 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

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 23,164 |
| Fund Balance | \$ (23,164) |
| 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 6, 2023, City Council approved a budget of \$23,164 for the General Fund Subsidy program. This represents a decrease of \$7,051 (-23.3%) from the FY 2022-23 Adopted Budget.

The budget decrease is to better reflect the actual expenses in this program.

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 | \$8,706 | \$8,706 | General Fund | Clean Water and Storm Protection Fee cost-share program for Cupertino Union School District. |
| Clean Water Cost-share Program | \$13,162 | \$13,162 | General Fund | Clean Water and Storm Protection Fee 20% cost-share program for low-income residents. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------------|--------------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Cost Allocation | \$ - | \$ 401 | \$ 347 | \$ 1,296 |
| Special Projects | \$ 8,724 | \$ 9,833 | \$ 29,868 | \$ 21,868 |
| Total Expenditures | \$ 8,724 | \$ 10,234 | \$ 30,215 | \$ 23,164 |
| Fund Balance | \$ (8,724) | \$ (10,234) | \$ (30,215) | \$ (23,164) |
| 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

| | 2024 Adopted Budget |
|--------------------------|----------------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 1,007,007 |
| Fund Balance | \$ (1,007,007) |
| General Fund Costs | \$ - |
| % Funded by General Fund | 0.0% |
| Total Staffing | 2.2 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) 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 6, 2023, City Council approved a budget of \$1,007,007 for the Storm Drain Maintenance program. This represents an increase of \$222,005 (28.3%) from the FY 2022-23 Adopted Budget.

The increase in budget is due mainly to a special project request. This increase is also due to increases in employee compensation and benefits, which reflect the cost-of-living adjustments approved by the City Council in August 2022.

Special Projects

The following table shows the special projects for the fiscal year.

| Project | Appropriation | Revenue | Funding Source | Description |
|--|---------------|-----------|---|---|
| Envirosight ROVER X Remote Control Camera System | \$131,000 | \$131,000 | Clean Water & Storm Protection Fee / Vehicle/Equipment Depreciation | Equipment for staff to conduct storm drain inspections in place of allocating budget for contract 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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|---------------------|---------------------|---------------------|-----------------------|
| Revenues | | | | |
| Charges for Services | \$ 172 | \$ - | \$ - | \$ - |
| Total Revenues | \$ 172 | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ 206,433 | \$ 217,280 | \$ 235,636 | \$ 263,453 |
| Employee Benefits | \$ 94,211 | \$ 100,968 | \$ 111,422 | \$ 116,544 |
| Materials | \$ 14,927 | \$ 28,471 | \$ 24,219 | \$ 34,962 |
| Contract Services | \$ 55,671 | \$ 27,541 | \$ 270,192 | \$ 313,350 |
| Cost Allocation | \$ 92,340 | \$ 149,749 | \$ 136,173 | \$ 143,344 |
| Special Projects | \$ - | \$ 2,600 | \$ - | \$ 131,000 |
| Contingencies | \$ - | \$ - | \$ 7,360 | \$ 4,354 |
| Total Expenditures | \$ 463,582 | \$ 526,609 | \$ 785,002 | \$ 1,007,007 |
| Fund Balance | \$ (463,409) | \$ (526,609) | \$ (785,002) | \$ (1,007,007) |
| 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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|-------------------------|-------------|-------------|---------------------|---------------------|
| MAINTENANCE WORKER I/II | 1.75 | 1.75 | 1.80 | 1.75 |
| MAINTENANCE WORKER III | 0.20 | 0.20 | 0.20 | 0.20 |
| PUBLIC WORKS SUPERVISOR | 0.25 | 0.25 | 0.25 | 0.25 |
| Total | 2.20 | 2.20 | 2.25 | 2.20 |

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

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ 1,374,278 |
| Total Expenditures | \$ 1,431,296 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 57,018 |
| % Funded by General Fund | 4.0% |
| Total Staffing | 3.9 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 6, 2023, City Council approved a budget of \$1,431,296 for the Plan Review program. This represents a decrease of \$40,700 (-2.8%) from the FY 2022-23 Adopted Budget.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|----------------------------|---------------------------|-----------|--|
| Materials | \$14,538 | \$9,506 | \$5,032 | Reduced or eliminated office and general supplies; meetings, conference and trainings; memberships; safety equipment not covered under the MOU; small tools and equipment; and printing and advertising. |
| Contract Services | \$129,731 | \$81,019 | \$48,712 | Professional Consulting agreements reduced. City staff will assess the need for additional services and request budget if needed. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| Revenues | | | | |
| Use of Money and Property | \$ 68,394 | \$ 232,373 | \$ 121,928 | \$ 232,374 |
| Charges for Services | \$ 1,353,508 | \$ 1,140,550 | \$ 1,285,510 | \$ 1,140,550 |
| Miscellaneous Revenue | \$ 2,838 | \$ 1,354 | \$ 910 | \$ 1,354 |
| Transfers In | \$ - | \$ 250,000 | \$ - | \$ - |
| Total Revenues | \$ 1,424,740 | \$ 1,624,277 | \$ 1,408,348 | \$ 1,374,278 |
| Expenditures | | | | |
| Employee Compensation | \$ 863,846 | \$ 788,217 | \$ 718,055 | \$ 735,052 |
| Employee Benefits | \$ 342,003 | \$ 347,199 | \$ 334,194 | \$ 329,943 |
| Materials | \$ 4,178 | \$ 6,494 | \$ 10,008 | \$ 9,506 |
| Contract Services | \$ 38,721 | \$ 31,917 | \$ 121,746 | \$ 81,019 |
| Cost Allocation | \$ 323,847 | \$ 398,005 | \$ 278,699 | \$ 274,644 |
| Special Projects | \$ 61,350 | \$ 74,840 | \$ 6,000 | \$ - |
| Contingencies | \$ - | \$ - | \$ 3,294 | \$ 1,132 |
| Total Expenditures | \$ 1,633,945 | \$ 1,646,672 | \$ 1,471,996 | \$ 1,431,296 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 209,206 | \$ 22,396 | \$ 63,648 | \$ 57,018 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|------------------------------|-------------|-------------|---------------------|---------------------|
| ASSISTANT ENGINEER | 0.50 | 0 | 0 | 0 |
| ASSIST DIR OF PW ENGINEER | 0.35 | 0.35 | 0.20 | 0 |
| ENGINEERING TECHNICIAN | 1.00 | 1.00 | 1.00 | 1.00 |
| PUBLIC WORKS INSPECTOR | 0.90 | 0.90 | 0.90 | 0.90 |
| PUBLIC WORKS PROJECT MANAGER | 0.25 | 0 | 0 | 0 |
| SENIOR CIVIL ENGINEER | 2.00 | 2.00 | 2.00 | 2.00 |
| Total | 5.00 | 4.25 | 4.10 | 3.90 |

As part of an expenditure reduction strategy, 0.2 FTE is being removed from the budget.

CIP Administration

Budget Unit 100-82-806

General Fund - Developmental Services - CIP Administration

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|----------------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 1,486,037 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 1,486,037 |
| % Funded by General Fund | 100.0% |
| Total Staffing | 5.8 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 6, 2023, City Council approved a budget of \$1,486,037 for the CIP Administration program. This represents a decrease of \$318,368 (-17.6%) from the FY 2022-23 Adopted Budget.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------|----------------------------|---------------------------|-----------|--|
| Materials | \$26,132 | \$16,826 | \$9,306 | Reduced or eliminated office and general supplies; meetings, conference and trainings; memberships; safety equipment not covered under the MOU; small tools and equipment; and printing and advertising. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------------|---------------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ 530,440 | \$ 1,036,970 | \$ 1,202,186 | \$ 1,020,704 |
| Employee Benefits | \$ 234,724 | \$ 460,163 | \$ 581,245 | \$ 448,297 |
| Materials | \$ 8,042 | \$ 17,990 | \$ 20,462 | \$ 16,826 |
| Contract Services | \$ - | \$ 437 | \$ - | \$ - |
| Contingencies | \$ - | \$ - | \$ 512 | \$ 210 |
| Total Expenditures | \$ 773,206 | \$ 1,515,560 | \$ 1,804,405 | \$ 1,486,037 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 773,206 | \$ 1,515,560 | \$ 1,804,405 | \$ 1,486,037 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|-------------------------------------|------------------------|------------------------|--------------------------------|--------------------------------|
| ASSISTANT ENGINEER | 0 | 0.50 | 0.50 | 0.50 |
| ASSIST DIR OF PW ENGINEER | 0.20 | 0.20 | 0.20 | 0 |
| CIP MANAGER | 1.00 | 1.00 | 1.00 | 1.00 |
| PUBLIC WORKS PROJECT MANAGER | 3.00 | 4.25 | 5.25 | 3.25 |
| PUBLIC WORKS PROJECT MANAGER LT | 1.50 | 1.50 | 0.50 | 0 |
| SR. PUBLIC WORKS PROJECT MANAGER | 0 | 0 | 0 | 1.00 |
| Total | 5.70 | 7.45 | 7.45 | 5.75 |

As part of an expenditure reduction strategy, 1.7 FTE is being removed from the budget.

Service Center Administration

Budget Unit 100-83-807

General Fund - Service Center - Service Center Administration

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ 71,867 |
| Total Expenditures | \$ 1,102,041 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 1,030,174 |
| % Funded by General Fund | 93.5% |
| Total Staffing | 3.1 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 6, 2023, City Council approved a budget of \$1,102,041 for the Service Center Administration program. This represents a decrease of \$188,721 (-14.6%) from the FY 2022-23 Adopted Budget.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|----------------------------|---------------------------|-----------|--|
| Materials | \$209,469 | \$160,591 | \$48,878 | Reduced or eliminated office and general supplies; meetings, conference and trainings; memberships; safety equipment not covered under the MOU; small tools and equipment; and printing and advertising. |
| Contract Services | \$95,532 | \$17,682 | \$77,850 | Office reconfiguration contract services have been reduced resulting in deferred upgrades, remodeling and repairs throughout all City offices. |

The following project/s have been identified as unfunded needs, which refer to priority projects that lack sufficient funding to be implemented at this time.

| Service | Description | Estimated Cost | Funding Status |
|---------------------|---|----------------|--|
| Pre-filled sandbags | Purchase of pre-filled sandbags for residents during storm events | \$11,100 | Unfunded: This work will be performed by City staff. |

Special Projects

The following table shows the special projects for the fiscal year.

| Special Projects | Appropriation | Revenue | Funding Source | Description |
|------------------------|---------------|----------|----------------|---------------------------------|
| Office Reconfiguration | \$17,682 | \$17,682 | General Fund | Citywide office reconfiguration |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| Revenues | | | | |
| Use of Money and Property | \$ 33,968 | \$ 35,326 | \$ 78,924 | \$ 71,359 |
| Miscellaneous Revenue | \$ 12,759 | \$ 508 | \$ 137,665 | \$ 508 |
| Total Revenues | \$ 46,727 | \$ 35,834 | \$ 216,589 | \$ 71,867 |
| Expenditures | | | | |
| Employee Compensation | \$ 421,356 | \$ 513,485 | \$ 469,248 | \$ 451,585 |
| Employee Benefits | \$ 187,706 | \$ 243,689 | \$ 238,582 | \$ 222,997 |
| Materials | \$ 129,129 | \$ 263,361 | \$ 186,561 | \$ 160,591 |
| Contract Services | \$ 14,939 | \$ 8,745 | \$ 18,656 | \$ 17,682 |
| Cost Allocation | \$ 331,330 | \$ 328,477 | \$ 294,735 | \$ 229,276 |
| Special Projects | \$ 7,519 | \$ - | \$ 77,850 | \$ 17,682 |
| Contingencies | \$ - | \$ - | \$ 5,130 | \$ 2,228 |
| Total Expenditures | \$ 1,091,979 | \$ 1,357,757 | \$ 1,290,762 | \$ 1,102,041 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 1,045,252 | \$ 1,321,923 | \$ 1,074,173 | \$ 1,030,174 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|-----------------------------|-------------|-------------|---------------------|---------------------|
| ADMINISTRATIVE ASSISTANT | 1.00 | 1.00 | 1.00 | 1.00 |
| ASSIST DIR OF PW ENGINEER | 0.35 | 0.35 | 0.10 | 0 |
| ASSIST DIR PUBLIC WORKS OPS | 1.00 | 1.00 | 1.00 | 1.00 |
| MANAGEMENT ANALYST | 0.15 | 0.15 | 0.15 | 0.05 |
| SR OFFICE ASSISTANT | 1.00 | 1.00 | 1.00 | 1.00 |
| Total | 3.50 | 3.50 | 3.25 | 3.05 |

As part of an expenditure reduction strategy, 0.2 FTE is being removed from the budget.

McClellan Ranch Park

Budget Unit 100-84-808

General Fund - Grounds - McClellan Ranch Park

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 176,317 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 176,317 |
| % 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 6, 2023, City Council approved a budget of \$176,317 for the McClellan Ranch Park program. This represents a decrease of \$58,877 (-25.0%) from the FY 2022-23 Adopted Budget.

There is an increase in employee compensation and benefits, which reflect the cost-of-living adjustments approved by the City Council in August 2022

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|----------------------------|---------------------------|-----------|--|
| Contract Services | \$20,744 | \$11,811 | \$8,933 | Plant replacement contract service has been reduced resulting in deferred planting. Mowing contract services have been eliminated resulting in delayed frequency; city staff will complete work in-house. Bee removal contract services have been reduced resulting in delayed response; city staff will assess beehives when encountered. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ 38,567 | \$ 39,251 | \$ 41,547 | \$ 47,334 |
| Employee Benefits | \$ 19,812 | \$ 21,340 | \$ 23,502 | \$ 23,757 |
| Materials | \$ 19,879 | \$ 20,341 | \$ 21,638 | \$ 39,050 |
| Contract Services | \$ 16,872 | \$ 11,731 | \$ 16,860 | \$ 11,811 |
| Cost Allocation | \$ 42,081 | \$ 55,724 | \$ 60,685 | \$ 53,729 |
| Special Projects | \$ - | \$ - | \$ 70,000 | \$ - |
| Contingencies | \$ - | \$ - | \$ 962 | \$ 636 |
| Total Expenditures | \$ 137,211 | \$ 148,387 | \$ 235,194 | \$ 176,317 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 137,211 | \$ 148,387 | \$ 235,194 | \$ 176,317 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|-------------------------|--------------------|--------------------|----------------------------|----------------------------|
| MAINTENANCE WORKER I/II | 0.20 | 0.20 | 0.20 | 0.20 |
| MAINTENANCE WORKER III | 0.10 | 0.10 | 0.10 | 0.10 |
| 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 the current level of staffing.

Memorial Park

Budget Unit 100-84-809

General Fund - Grounds - Memorial Park

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 819,001 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 819,001 |
| % Funded by General Fund | 100.0% |
| Total Staffing | 1.5 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 6, 2023, City Council approved a budget of \$819,001 for the Memorial Park program. This represents a decrease of \$52,976 (-6.1%) from the FY 2022-23 Adopted Budget.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|----------------------------|---------------------------|-----------|---|
| Materials | \$352,646 | \$328,717 | \$23,929 | Reduced budget for office and general supplies, meeting, conference and training, memberships, safety equipment not covered under the MOU, small tools and equipment, printing and advertising. |
| Contract Services | \$59,669 | \$28,986 | \$30,683 | Goose removal contract service has been eliminated resulting in delayed response. Bee removal contract services have been reduced resulting in delayed response ; city staff will assess beehives when encountered. Tree maintenance contract services have been reduced resulting in deferred trimming/upkeep. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ 193,675 | \$ 215,005 | \$ 214,050 | \$ 166,719 |
| Employee Benefits | \$ 106,269 | \$ 120,367 | \$ 124,783 | \$ 84,473 |
| Materials | \$ 153,017 | \$ 139,529 | \$ 223,959 | \$ 328,717 |
| Contract Services | \$ 40,885 | \$ 99,340 | \$ 39,616 | \$ 28,986 |
| Cost Allocation | \$ 258,949 | \$ 293,608 | \$ 247,980 | \$ 205,635 |
| Capital Outlays | \$ - | \$ 31,950 | \$ - | \$ - |
| Special Projects | \$ - | \$ - | \$ 15,000 | \$ - |
| Contingencies | \$ - | \$ - | \$ 6,589 | \$ 4,471 |
| Total Expenditures | \$ 752,795 | \$ 899,799 | \$ 871,977 | \$ 819,001 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 752,795 | \$ 899,799 | \$ 871,977 | \$ 819,001 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|-------------------------|-------------|-------------|---------------------|---------------------|
| MAINTENANCE WORKER I/II | 2.20 | 2.20 | 2.20 | 1.20 |
| MAINTENANCE WORKER III | 0.20 | 0.20 | 0.20 | 0.20 |
| PUBLIC WORKS SUPERVISOR | 0.10 | 0.10 | 0.10 | 0.10 |
| Total | 2.50 | 2.50 | 2.50 | 1.50 |

As part of an expenditure reduction strategy, 1.0 FTE is being removed from the budget.

BBF Ground Maintenance

Budget Unit 100-84-811

General Fund - Grounds - BBF Ground Maintenance

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 367,451 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 367,451 |
| % 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 6, 2023, City Council approved a budget of \$367,451 for the BBF Ground Maintenance program. This represents an increase of \$68,917 (23.1%) from the FY 2022-23 Adopted Budget.

This increase is due to increases in employee compensation and benefits, which reflect the cost-of-living adjustments approved by the City Council in August 2022.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|----------------------------|---------------------------|-----------|--|
| Materials | \$21,174 | \$18,944 | \$2,230 | Reduced budget for office and general supplies, meeting, conference and training, memberships, safety equipment not covered under the MOU, small tools and equipment, printing and advertising |
| Contract Services | \$177,663 | \$163,517 | \$14,146 | Bee removal contract services have been reduced resulting in delayed response; city staff will assess beehives when encountered. Tree maintenance contract services have been reduced resulting in deferred trimming/upkeep annually. Pathway and fencing contract services have been reduced resulting in delayed repairs; city staff will assess the need for the services and request budget for repairs as needed. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ 86,310 | \$ 79,844 | \$ 94,256 | \$ 138,741 |
| Employee Benefits | \$ 46,099 | \$ 48,016 | \$ 55,953 | \$ 57,274 |
| Materials | \$ 6,698 | \$ 5,126 | \$ 5,020 | \$ 18,944 |
| Contract Services | \$ 44,098 | \$ 40,506 | \$ 45,740 | \$ 85,167 |
| Cost Allocation | \$ - | \$ 46,025 | \$ 66,296 | \$ 65,044 |
| Special Projects | \$ - | \$ 12,960 | \$ 30,000 | \$ - |
| Contingencies | \$ - | \$ - | \$ 1,269 | \$ 2,281 |
| Total Expenditures | \$ 183,205 | \$ 232,477 | \$ 298,534 | \$ 367,451 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 183,204 | \$ 232,477 | \$ 298,534 | \$ 367,451 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|-------------------------|-------------|-------------|---------------------|---------------------|
| MAINTENANCE WORKER I/II | 0.80 | 0.80 | 0.80 | 0.80 |
| MAINTENANCE WORKER III | 0.10 | 0.10 | 0.10 | 0.10 |
| PUBLIC WORKS SUPERVISOR | 0.10 | 0.10 | 0.10 | 0.10 |
| Total | 1.00 | 1.00 | 1.00 | 1.00 |

There are no changes to the current level of staffing.

School Site Maintenance

Budget Unit 100-84-812

General Fund - Grounds - School Site Maintenance

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ 145,823 |
| Total Expenditures | \$ 1,383,586 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 1,237,763 |
| % Funded by General Fund | 89.5% |
| 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 6, 2023, City Council approved a budget of \$1,383,586 for the School Site Maintenance program. This represents a decrease of \$246,432 (-15.1%) from the FY 2022-23 Adopted Budget.

There is an increase in employee compensation and benefits, which reflect the cost-of-living adjustments approved by the City Council in August 2022.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|----------------------------|---------------------------|-----------|---|
| Materials | \$331,276 | \$304,115 | \$27,161 | Reduced budget for office and general supplies, meeting, conference and training, memberships, safety equipment not covered under the MOU, small tools and equipment, printing and advertising. |
| Contract Services | \$52,137 | \$26,302 | \$25,835 | Pest abatement contract service has been eliminated resulting in increased pests and delayed control. Tree maintenance contract services have been reduced resulting in deferred trimming/upkeep. |

The following project/s have been identified as unfunded needs, which refer to priority projects that lack sufficient funding to be implemented at this time.

| Service | Description | Estimated Cost | Funding Status |
|---------------------------------|---|----------------|--|
| Grounds School Site Maintenance | Garden Gate Elementary School City Access Gate Relocation | \$25,000 | Unfunded: Deferred maintenance may negatively impact health of adjacent oak tree and will limit access of service vehicles |
| Grounds School Site Maintenance | Faria Elementary School Baseball Field Dugout Roof Replacements | \$25,000 | Unfunded: Deferred building maintenance will result in deterioration of building assets |

Special Projects

The following table shows the special projects for the fiscal year.

| Special Projects | Appropriation | Revenue | Funding Source | Description |
|---------------------------------|---------------|----------|----------------|--|
| Grounds School Site Maintenance | \$20,000 | \$20,000 | General Fund | Kennedy Middle School Baseball Field Dugout Roof Replacement |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| Revenues | | | | |
| Intergovernmental Revenue | \$ 141,505 | \$ 145,823 | \$ 144,000 | \$ 145,823 |
| Total Revenues | \$ 141,505 | \$ 145,823 | \$ 144,000 | \$ 145,823 |
| Expenditures | | | | |
| Employee Compensation | \$ 309,602 | \$ 349,033 | \$ 364,719 | \$ 405,493 |
| Employee Benefits | \$ 177,360 | \$ 205,892 | \$ 226,260 | \$ 228,901 |
| Materials | \$ 353,253 | \$ 331,997 | \$ 602,397 | \$ 304,115 |
| Contract Services | \$ 34,081 | \$ 14,587 | \$ 30,413 | \$ 26,302 |
| Cost Allocation | \$ 346,606 | \$ 421,419 | \$ 390,409 | \$ 394,645 |
| Special Projects | \$ 33,787 | \$ 28,970 | \$ - | \$ 20,000 |
| Contingencies | \$ - | \$ - | \$ 15,820 | \$ 4,130 |
| Total Expenditures | \$ 1,254,689 | \$ 1,351,898 | \$ 1,630,018 | \$ 1,383,586 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 1,113,184 | \$ 1,206,075 | \$ 1,486,018 | \$ 1,237,763 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|-------------------------|-------------|-------------|---------------------|---------------------|
| MAINTENANCE WORKER I/II | 3.40 | 3.40 | 3.40 | 3.40 |
| MAINTENANCE WORKER III | 0.60 | 0.60 | 0.60 | 0.60 |
| PUBLIC WORKS SUPERVISOR | 0.20 | 0.20 | 0.20 | 0.20 |
| Total | 4.20 | 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

| | 2024 Adopted Budget |
|--------------------------|----------------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 2,593,101 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 2,593,101 |
| % 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 6, 2023, City Council approved a budget of \$2,593,101 for the Neighborhood Parks program. This represents a decrease of \$94,095 (-3.5%) from the FY 2022-23 Adopted Budget.

This increase is due to increases in employee compensation and benefits, which reflect the cost-of-living adjustments approved by the City Council in August 2022.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|----------------------------|---------------------------|-----------|---|
| Materials | \$655,011 | \$591,618 | \$63,393 | Reduced budget for office and general supplies, meeting, conference and training, memberships, safety equipment not covered under the MOU, small tools and equipment, printing and advertising. |
| Contract Services | \$152,004 | \$119,038 | \$32,966 | Pest abatement contract service has been eliminated resulting in increased pests and delayed control. Tree maintenance contract services have been reduced resulting in deferred trimming/upkeep. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ 590,759 | \$ 674,039 | \$ 719,004 | \$ 775,220 |
| Employee Benefits | \$ 320,203 | \$ 363,812 | \$ 397,232 | \$ 402,682 |
| Materials | \$ 396,948 | \$ 320,555 | \$ 591,855 | \$ 591,618 |
| Contract Services | \$ 155,209 | \$ 144,049 | \$ 159,918 | \$ 119,038 |
| Cost Allocation | \$ 619,768 | \$ 820,200 | \$ 687,393 | \$ 695,660 |
| Special Projects | \$ - | \$ 45,917 | \$ 113,000 | \$ - |
| Contingencies | \$ - | \$ - | \$ 18,794 | \$ 8,883 |
| Total Expenditures | \$ 2,082,887 | \$ 2,368,572 | \$ 2,687,196 | \$ 2,593,101 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 2,082,887 | \$ 2,368,573 | \$ 2,687,196 | \$ 2,593,101 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|-------------------------|-------------|-------------|---------------------|---------------------|
| MAINTENANCE WORKER I/II | 7.80 | 7.80 | 7.80 | 7.80 |
| MAINTENANCE WORKER III | 0.60 | 0.60 | 0.60 | 0.60 |
| PUBLIC WORKS SUPERVISOR | 0.20 | 0.20 | 0.20 | 0.20 |
| Total | 8.60 | 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

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 939,889 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 939,889 |
| % 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 6, 2023, City Council approved a budget of \$939,889 for the Sport Fields Jollyman, Creekside program. This represents an increase of \$58,285 (6.6%) from the FY 2022-23 Adopted Budget.

This increase is due to increases in employee compensation and benefits, which reflect the cost-of-living adjustments approved by the City Council in August 2022.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|----------------------------|---------------------------|-----------|--|
| Materials | \$342,746 | \$314,346 | \$28,400 | Reduced budget for office and general supplies, meeting, conference and training, memberships, safety equipment not covered under the MOU, small tools and equipment, printing and advertising. |
| Contract Services | \$37,279 | \$29,824 | \$7,455 | Fencing contract services have been reduced resulting in delayed repairs; city staff will assess the need for the services and request budget for repairs. Tree maintenance contract services have been reduced resulting in deferred trimming/upkeep. Bee removal contract services have been reduced resulting in delayed response; city staff will assess beehives when encountered. Equipment rental contract services have been reduced resulting in deferred repairs. |

The following project/s have been identified as unfunded needs, which refer to priority projects that lack sufficient funding to be implemented at this time.

| Service | Description | Estimated Cost | Funding Status |
|---------------|----------------------------------|----------------|---|
| Sports Fields | Jollyman Dugout Roof Replacement | \$10,000 | Unfunded: Deferred building maintenance will result in deterioration of building assets |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ 193,998 | \$ 188,041 | \$ 204,306 | \$ 234,037 |
| Employee Benefits | \$ 98,195 | \$ 101,602 | \$ 114,587 | \$ 118,099 |
| Materials | \$ 178,657 | \$ 179,437 | \$ 304,683 | \$ 314,346 |
| Contract Services | \$ 21,828 | \$ 225 | \$ 16,996 | \$ 29,824 |
| Cost Allocation | \$ 238,074 | \$ 295,678 | \$ 232,990 | \$ 239,281 |
| Contingencies | \$ - | \$ - | \$ 8,042 | \$ 4,302 |
| Total Expenditures | \$ 730,752 | \$ 764,983 | \$ 881,604 | \$ 939,889 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 730,752 | \$ 764,982 | \$ 881,604 | \$ 939,889 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|-------------------------|-------------|-------------|---------------------|---------------------|
| MAINTENANCE WORKER I/II | 2.00 | 2.00 | 2.00 | 2.00 |
| MAINTENANCE WORKER III | 0.30 | 0.30 | 0.30 | 0.30 |
| PUBLIC WORKS SUPERVISOR | 0.20 | 0.20 | 0.20 | 0.20 |
| Total | 2.50 | 2.50 | 2.50 | 2.50 |

There are no changes to the current level of staffing.

Civic Center Maintenance

Budget Unit 100-84-815

General Fund - Grounds - Civic Center Maintenance

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ 220,710 |
| Total Expenditures | \$ 182,220 |
| Fund Balance | \$ - |
| General Fund Costs | \$ (38,490) |
| % Funded by General Fund | -21.1% |
| 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 6, 2023, City Council approved a budget of \$182,220 for the Civic Center Maintenance program. This represents an increase of \$1,805 (1.0%) from the FY 2022-23 Adopted Budget.

This increase is due to increases in employee compensation and benefits, which reflect the cost-of-living adjustments approved by the City Council in August 2022.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------|-------------------------------|------------------------------|-----------|---|
| Materials | \$52,756 | \$48,994 | \$3,762 | Reduced budget for office and general supplies, meeting, conference and training, memberships, safety equipment not covered under the MOU, small tools and equipment, printing and advertising. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|--------------------|---------------------|---------------------|---------------------|
| Revenues | | | | |
| Charges for Services | \$ 250,996 | \$ 297,077 | \$ 241,589 | \$ 220,710 |
| Total Revenues | \$ 250,996 | \$ 297,077 | \$ 241,589 | \$ 220,710 |
| Expenditures | | | | |
| Employee Compensation | \$ 73,323 | \$ 79,707 | \$ 76,795 | \$ 84,246 |
| Employee Benefits | \$ 40,756 | \$ 44,008 | \$ 47,947 | \$ 48,368 |
| Materials | \$ 67,892 | \$ 43,488 | \$ 54,315 | \$ 48,994 |
| Contract Services | \$ 6,080 | \$ - | \$ - | \$ - |
| Contingencies | \$ - | \$ - | \$ 1,358 | \$ 612 |
| Total Expenditures | \$ 188,051 | \$ 167,203 | \$ 180,415 | \$ 182,220 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ (62,946) | \$ (129,875) | \$ (61,174) | \$ (38,490) |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|-------------------------|-------------|-------------|---------------------|---------------------|
| MAINTENANCE WORKER I/II | 0.60 | 0.60 | 0.60 | 0.60 |
| 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 | 0.80 |

There are no changes to the current level of staffing.

Storm Drain Maintenance

Budget Unit 100-85-818

General Fund - Streets - Storm Drain Maintenance

Budget at a Glance

| | 2024 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 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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------|-------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ 342 | \$ - | \$ - | \$ - |
| Employee Benefits | \$ 1,791 | \$ - | \$ - | \$ - |
| Materials | \$ 3,364 | \$ - | \$ - | \$ - |
| Total Expenditures | \$ 5,497 | \$ - | \$ - | \$ - |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 5,496 | \$ - | \$ - | \$ - |

Staffing

There is no staffing associated with this program.

Sidewalk Curb and Gutter

Budget Unit 270-85-820

Transportation Fund - Streets - Sidewalk Curb and Gutter

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|----------------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 1,795,414 |
| Fund Balance | \$ (1,795,414) |
| General Fund Costs | \$ - |
| % Funded by General Fund | 0.0% |
| Total Staffing | 1.9 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 6, 2023, City Council approved a budget of \$1,795,414 for the Sidewalk Curb and Gutter program. This represents a decrease of \$186,792 (-9.4%) from the FY 2022-23 Adopted Budget.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Service | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|----------------------------|---------------------------|-----------|--|
| Materials | \$17,211 | \$10,019 | \$7,192 | Reduced or eliminated office and general supplies; meetings, conference and trainings; memberships; safety equipment not covered under the MOU; small tools and equipment; and printing and advertising. |
| Contract Services | \$33,998 | \$27,198 | \$6,800 | Reduced contract services for sidewalk inspections will delay or defer sidewalk repairs. |

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 | \$1,144,291 | \$1,144,291 | Transportation Fund/General Fund | Annual Sidewalk, Curb and Gutter Project. The original budget request was \$1,430,364, which was reduced by \$286,073. Service impacts will be delayed or deferred sidewalk repairs. |
| Annual Sidewalk Grinding Project | \$88,022 | \$88,022 | Transportation Fund/General Fund | Annual Sidewalk Grinding Project. The original budget request was \$110,028, which was reduced by \$22,006. Service impacts will be delayed or deferred sidewalk lift repairs. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Revenues | | | | |
| Charges for Services | \$ 8,970 | \$ 23,710 | \$ - | \$ - |
| Total Revenues | \$ 8,970 | \$ 23,710 | \$ - | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ 160,174 | \$ 169,564 | \$ 211,093 | \$ 219,175 |
| Employee Benefits | \$ 77,481 | \$ 82,438 | \$ 112,768 | \$ 105,692 |
| Materials | \$ 12,919 | \$ 14,186 | \$ 16,941 | \$ 10,019 |
| Contract Services | \$ 60,900 | \$ - | \$ 32,074 | \$ 27,198 |
| Cost Allocation | \$ 141,232 | \$ 159,648 | \$ 154,905 | \$ 200,552 |
| Special Projects | \$ 899,796 | \$ 1,314,836 | \$ 1,453,200 | \$ 1,232,313 |
| Contingencies | \$ - | \$ - | \$ 1,225 | \$ 465 |
| Total Expenditures | \$ 1,352,502 | \$ 1,740,672 | \$ 1,982,206 | \$ 1,795,414 |
| Fund Balance | \$ (1,343,532) | \$ (1,716,962) | \$ (1,982,206) | \$ (1,795,414) |
| 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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|-------------------------|-------------|-------------|---------------------|---------------------|
| MAINTENANCE WORKER I/II | 0.30 | 0.30 | 0.70 | 0.75 |
| PUBLIC WORKS INSPECTOR | 1.00 | 1.00 | 1.00 | 1.00 |
| PUBLIC WORKS SUPERVISOR | 0.10 | 0.10 | 0.10 | 0.15 |
| Total | 1.40 | 1.40 | 1.80 | 1.90 |

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

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ 1,855,516 |
| Total Expenditures | \$ 3,945,450 |
| Fund Balance | \$ (2,089,934) |
| General Fund Costs | \$ - |
| % Funded by General Fund | 0.0% |
| Total Staffing | 3.6 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 6, 2023, City Council approved a budget of \$3,945,450 for the Street Pavement Maintenance program. This represents a decrease of \$641,763 (-14.0%) from the FY 2022-23 Adopted Budget.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|----------------------------|---------------------------|-----------|---|
| Materials | \$38,200 | \$22,737 | \$15,463 | Reduced or eliminated office and general supplies; meetings, conference and trainings; memberships; safety equipment not covered under the MOU; small tools and equipment; and printing and advertising. |
| Contract Services | \$101,920 | \$81,536 | \$20,384 | Reduced contract services will increase asphalt-related failures and pavement deterioration, which will result in poor street conditions and lowering the City's overall Pavement Condition Index (PCI) rating. |

Special Projects

The following table shows the special projects for the fiscal year.

| Special Projects | Appropriation | Revenue | Funding Source | Description |
|---|---------------|-------------|--------------------------------------|---|
| Annual Asphalt Project (Special Projects) | \$1,943,668 | \$1,943,668 | Transportation Fund/General Fund/SB1 | Annual Asphalt Project. The original budget request was \$3,529,864, which was reduced by \$705,972. Service impacts will be delayed or deferred pavement maintenance and repairs, which will lower the City's Pavement Condition Index (PCI) rating. |
| Annual Asphalt Project (Capital Outlays) | \$880,224 | \$880,224 | | |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|---------------------|-----------------------|-----------------------|-----------------------|
| Revenues | | | | |
| Intergovernmental Revenue | \$ 2,155,612 | \$ 1,631,881 | \$ 1,719,146 | \$ 1,855,516 |
| Charges for Services | \$ - | \$ 827 | \$ 1,654 | \$ - |
| Miscellaneous Revenue | \$ 563,864 | \$ 126 | \$ - | \$ - |
| Total Revenues | \$ 2,719,476 | \$ 1,632,834 | \$ 1,720,800 | \$ 1,855,516 |
| Expenditures | | | | |
| Employee Compensation | \$ 403,281 | \$ 402,327 | \$ 506,887 | \$ 448,174 |
| Employee Benefits | \$ 192,104 | \$ 188,278 | \$ 258,935 | \$ 206,622 |
| Materials | \$ 19,001 | \$ 38,240 | \$ 37,981 | \$ 22,737 |
| Contract Services | \$ - | \$ - | \$ 208,411 | \$ 81,536 |
| Cost Allocation | \$ 347,464 | \$ 417,002 | \$ 351,039 | \$ 361,186 |
| Capital Outlays | \$ - | \$ 1,773,050 | \$ 1,038,000 | \$ 880,224 |
| Special Projects | \$ 1,877,852 | \$ 1,089,622 | \$ 2,179,800 | \$ 1,943,668 |
| Contingencies | \$ - | \$ - | \$ 6,160 | \$ 1,303 |
| Total Expenditures | \$ 2,839,702 | \$ 3,908,519 | \$ 4,587,213 | \$ 3,945,450 |
| Fund Balance | \$ (120,227) | \$ (2,275,686) | \$ (2,866,413) | \$ (2,089,934) |
| 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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|------------------------------|-------------|-------------|---------------------|---------------------|
| MAINTENANCE WORKER I/II | 2.65 | 2.65 | 2.40 | 2.35 |
| MAINTENANCE WORKER III | 0.25 | 0.25 | 1.25 | 0.25 |
| PUBLIC WORKS PROJECT MANAGER | 0.75 | 0.75 | 0.75 | 0.75 |
| PUBLIC WORKS SUPERVISOR | 0.30 | 0.30 | 0.30 | 0.25 |
| Total | 3.95 | 3.95 | 4.70 | 3.60 |

As part of an expenditure reduction strategy, 1.1 FTE is being removed from the budget.

Street Sign Marking

Budget Unit 270-85-822

Transportation Fund - Streets - Street Sign Marking

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 778,930 |
| Fund Balance | \$ (778,930) |
| General Fund Costs | \$ - |
| % Funded by General Fund | 0.0% |
| Total Staffing | 3.1 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 6, 2023, City Council approved a budget of \$778,930 for the Street Sign Marking program. This represents a decrease of \$50,964 (-6.1%) from the FY 2022-23 Adopted Budget.

There is an increase due to increases in employee compensation and benefits, which reflect the cost-of-living adjustments approved by the City Council in August 2022.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|----------------------------|---------------------------|-----------|--|
| Materials | \$151,098 | \$76,491 | \$74,607 | Reduced or eliminated office and general supplies; meetings, conference and trainings; memberships; safety equipment not covered under the MOU; small tools and equipment; and printing and advertising. |
| Contract Services | \$22,491 | \$17,993 | \$4,498 | Reduced contract services will result in delayed maintenance of roadway restriping, legends, curb painting and replacement of street signs. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| Revenues | | | | |
| Charges for Services | \$ - | \$ 673 | \$ - | \$ - |
| Miscellaneous Revenue | \$ 805 | \$ 3,119 | \$ - | \$ - |
| Total Revenues | \$ 805 | \$ 3,792 | \$ - | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ 286,237 | \$ 272,394 | \$ 287,785 | \$ 308,235 |
| Employee Benefits | \$ 157,983 | \$ 143,453 | \$ 156,401 | \$ 158,204 |
| Materials | \$ 122,402 | \$ 121,779 | \$ 141,723 | \$ 76,491 |
| Contract Services | \$ - | \$ - | \$ 21,218 | \$ 17,993 |
| Cost Allocation | \$ 206,819 | \$ 242,544 | \$ 208,393 | \$ 216,826 |
| Special Projects | \$ 12,513 | \$ - | \$ 10,300 | \$ - |
| Contingencies | \$ - | \$ - | \$ 4,074 | \$ 1,181 |
| Total Expenditures | \$ 785,954 | \$ 780,170 | \$ 829,894 | \$ 778,930 |
| Fund Balance | \$ (785,150) | \$ (776,378) | \$ (829,894) | \$ (778,930) |
| 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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|-------------------------|--------------------|--------------------|----------------------------|----------------------------|
| MAINTENANCE WORKER I/II | 3.00 | 3.00 | 2.75 | 2.50 |
| MAINTENANCE WORKER III | 0.20 | 0.20 | 0.20 | 0.35 |
| PUBLIC WORKS SUPERVISOR | 0.20 | 0.20 | 0.20 | 0.20 |
| Total | 3.40 | 3.40 | 3.15 | 3.05 |

As part of an expenditure reduction strategy, 0.1 FTE is being removed from the budget.

Street Lighting

Budget Unit 100-85-848

General Fund - Streets - Street Lighting

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 1,011,921 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 1,011,921 |
| % Funded by General Fund | 100.0% |
| Total Staffing | 1.3 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 6, 2023, City Council approved a budget of \$1,011,921 for the Street Lighting program. This represents a decrease of \$12,920 (-1.3%) from the FY 2022-23 Adopted Budget.

There is an increase in employee compensation and benefits, which reflect the cost-of-living adjustments approved by the City Council in August 2022.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|----------------------------|---------------------------|-----------|--|
| Materials | \$386,991 | \$359,665 | \$27,326 | Reduced or eliminated office and general supplies; meetings, conference and trainings; memberships; safety equipment not covered under the MOU; small tools and equipment; and printing and advertising. |
| Contract Services | \$68,232 | \$49,152 | \$19,080 | Reduced contract services will delay or defer street light infrastructure repair. |

Special Projects

The following table shows the special projects for the fiscal year.

| Project | Appropriation | Revenue | Funding Source | Description |
|--------------------------------------|---------------|-----------|----------------|---------------------------------|
| Fluted Street Light Pole Replacement | \$230,000 | \$230,000 | General Fund | Last year of multi-year project |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------------|---------------------|---------------------|---------------------|
| Revenues | | | | |
| Miscellaneous Revenue | \$ 23,262 | \$ 4,410 | \$ - | \$ - |
| Total Revenues | \$ 23,262 | \$ 4,410 | \$ - | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ 101,322 | \$ 121,274 | \$ 126,377 | \$ 162,947 |
| Employee Benefits | \$ 48,833 | \$ 58,566 | \$ 63,279 | \$ 73,586 |
| Materials | \$ 314,562 | \$ 347,699 | \$ 356,776 | \$ 359,665 |
| Contract Services | \$ 80,595 | \$ 43,232 | \$ 64,120 | \$ 49,152 |
| Cost Allocation | \$ 127,431 | \$ 136,287 | \$ 182,467 | \$ 131,461 |
| Special Projects | \$ 151,413 | \$ 304,059 | \$ 221,300 | \$ 230,000 |
| Contingencies | \$ - | \$ - | \$ 10,522 | \$ 5,110 |
| Total Expenditures | \$ 824,156 | \$ 1,011,117 | \$ 1,024,841 | \$ 1,011,921 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 800,894 | \$ 1,006,708 | \$ 1,024,841 | \$ 1,011,921 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|-------------------------|-------------|-------------|---------------------|---------------------|
| MAINTENANCE WORKER I/II | 0 | 0 | 0 | 0.10 |
| MAINTENANCE WORKER III | 0 | 0 | 0 | 0.05 |
| PUBLIC WORKS SUPERVISOR | 0.05 | 0.05 | 0.05 | 0.10 |
| STREET LIGHTING WORKER | 1.00 | 1.00 | 1.00 | 1.00 |
| Total | 1.05 | 1.05 | 1.05 | 1.25 |

Staff time is being reallocated to better reflect actual time spent in this program.

Equipment Maintenance

Budget Unit 630-85-849

Vehicle/Equip Replacement - Streets - Equipment Maintenance

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ 1,523,066 |
| Total Expenditures | \$ 1,501,047 |
| Fund Balance | \$ 22,019 |
| 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 6, 2023, City Council approved a budget of \$1,501,047 for the Equipment Maintenance program. This represents a decrease of \$101,147 (-6.3%) from the FY 2022-23 Adopted Budget.

There is an increase in employee compensation and benefits, which reflect the cost-of-living adjustments approved by the City Council in August 2022

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|----------------------------|---------------------------|-----------|---|
| Materials | \$333,907 | \$253,684 | \$80,223 | Reduced budget for office and general supplies, meeting, conference and training, memberships, safety equipment not covered under the MOU, small tools and equipment, printing and advertising. |
| Contract Services | \$128,239 | \$102,591 | \$25,648 | Equipment rental contract services have been reduced resulting in deferred repairs. Equipment maintenance contract services have been reduced resulting in deferred repairs. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| Revenues | | | | |
| Charges for Services | \$ 1,633,518 | \$ 1,718,598 | \$ 1,568,633 | \$ 1,523,066 |
| Miscellaneous Revenue | \$ 9,799 | \$ 2,818 | \$ - | \$ - |
| Total Revenues | \$ 1,643,317 | \$ 1,721,416 | \$ 1,568,633 | \$ 1,523,066 |
| Expenditures | | | | |
| Employee Compensation | \$ 302,043 | \$ 284,430 | \$ 309,791 | \$ 332,325 |
| Employee Benefits | \$ 128,657 | \$ 103,761 | \$ 166,150 | \$ 167,502 |
| Materials | \$ 288,859 | \$ 334,113 | \$ 317,706 | \$ 253,684 |
| Contract Services | \$ 75,743 | \$ 52,177 | \$ 120,697 | \$ 102,591 |
| Cost Allocation | \$ - | \$ - | \$ 7,844 | \$ - |
| Other Financing Uses | \$ 669,046 | \$ 640,492 | \$ 669,046 | \$ 640,492 |
| Contingencies | \$ - | \$ - | \$ 10,960 | \$ 4,453 |
| Total Expenditures | \$ 1,464,348 | \$ 1,414,973 | \$ 1,602,194 | \$ 1,501,047 |
| Fund Balance | \$ 184,969 | \$ 672,442 | \$ (33,561) | \$ 22,019 |
| 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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 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 the current level of staffing.

Environmental Materials

Budget Unit 100-85-850

General Fund - Streets - Environmental Materials

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|----------------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 218,853 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 218,853 |
| % Funded by General Fund | 100.0% |
| Total Staffing | 0.8 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 6, 2023, City Council approved a budget of \$218,853 for the Environmental Materials program. This represents a decrease of \$5,284 (-2.4%) from the FY 2022-23 Adopted Budget.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------|----------------------------|---------------------------|-----------|--|
| Materials | \$60,277 | \$39,288 | \$20,989 | Reduced budget for hazardous materials disposal, which includes computer and other e-waste; lighting waste; vehicle fluids, etc. will create an accumulation of materials on site. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ 64,875 | \$ 63,810 | \$ 70,166 | \$ 76,706 |
| Employee Benefits | \$ 31,381 | \$ 30,605 | \$ 36,761 | \$ 37,057 |
| Materials | \$ 38,946 | \$ 28,969 | \$ 54,533 | \$ 39,288 |
| Contract Services | \$ 5,442 | \$ - | \$ - | \$ - |
| Cost Allocation | \$ 57,136 | \$ 66,520 | \$ 61,314 | \$ 65,311 |
| Contingencies | \$ - | \$ - | \$ 1,363 | \$ 491 |
| Total Expenditures | \$ 197,780 | \$ 189,904 | \$ 224,137 | \$ 218,853 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 197,781 | \$ 189,905 | \$ 224,137 | \$ 218,853 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|-------------------------|-------------|-------------|---------------------|---------------------|
| MAINTENANCE WORKER I/II | 0.30 | 0.30 | 0.35 | 0.55 |
| MAINTENANCE WORKER III | 0.25 | 0.25 | 0.25 | 0.15 |
| PUBLIC WORKS SUPERVISOR | 0.10 | 0.10 | 0.10 | 0.05 |
| Total | 0.65 | 0.65 | 0.70 | 0.75 |

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

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 199,458 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 199,458 |
| % Funded by General Fund | 100.0% |
| Total Staffing | 0.9 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 6, 2023, City Council approved a budget of \$199,458 for the Trail Maintenance program. This represents a decrease of \$33,306 (-14.3%) from the FY 2022-23 Adopted Budget.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|----------------------------|---------------------------|-----------|--|
| Materials | \$10,801 | \$4,981 | \$5,820 | Reduced or eliminated office and general supplies; meetings, conference and trainings; memberships; safety equipment not covered under the MOU; small tools and equipment; and printing and advertising. |
| Contract Services | \$39,171 | \$22,126 | \$17,045 | Reduced contract services for pest abatement, graffiti mitigation, and fencing repairs will result in delayed or deferred trial maintenance. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------|-------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ - | \$ - | \$ 130,244 | \$ 121,150 |
| Employee Benefits | \$ - | \$ - | \$ 62,880 | \$ 50,862 |
| Materials | \$ - | \$ - | \$ 10,392 | \$ 4,981 |
| Contract Services | \$ - | \$ - | \$ 28,281 | \$ 22,126 |
| Contingencies | \$ - | \$ - | \$ 967 | \$ 339 |
| Total Expenditures | \$ - | \$ - | \$ 232,764 | \$ 199,458 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ - | \$ - | \$ 232,764 | \$ 199,458 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|-------------------------|--------------------|--------------------|----------------------------|----------------------------|
| MAINTENANCE WORKER I/II | 0 | 0 | 0.90 | 0.75 |
| MAINTENANCE WORKER III | 0 | 0 | 0.15 | 0 |
| PUBLIC WORKS SUPERVISOR | 0 | 0 | 0.10 | 0.10 |
| Total | 0 | 0 | 1.15 | 0.85 |

As part of an expenditure reduction strategy, 0.3 FTE is being removed from the budget.

Overpasses and Medians

Budget Unit 100-86-824

General Fund - Trees and Right of Way - Overpasses and Medians

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ 4,410 |
| Total Expenditures | \$ 1,670,592 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 1,666,182 |
| % Funded by General Fund | 99.7% |
| Total Staffing | 6.6 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 6, 2023, City Council approved a budget of \$1,670,592 for the Overpasses and Medians program. This represents a decrease of \$132,304 (-7.3%) from the FY 2022-23 Adopted Budget.

There is an increase in employee compensation and benefits, which reflect the cost-of-living adjustments approved by the City Council in August 2022.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|----------------------------|---------------------------|-----------|---|
| Materials | \$259,523 | \$184,191 | \$75,332 | Reduced or eliminated office and general supplies; meetings, conference and trainings; memberships; safety equipment not covered under the MOU; small tools and equipment; and printing and advertising. |
| | | | | Pest abatement contract services has been eliminated resulting in increased pests and delayed control. |
| Contract Services | \$46,278 | \$26,467 | \$19,811 | Fencing contract services has been reduced resulting in delayed repairs; city staff will assess the need for the services and request budget for repairs. Contract services for street-side waste container disposal will result in delayed maintenance. |

The following project/s have been identified as unfunded needs, which refer to priority projects that lack sufficient funding to be implemented at this time.

| Service | Description | Estimated Cost | Funding Status |
|---|---|----------------|--|
| Trees/Right of Way - Overpasses and Medians | Water Service for Medians | \$120,000 | Unfunded - Service impacts include less efficient use of water on roadway medians. |
| Trees/Right of Way - Overpasses and Medians | Electrical Meter Installations - Alhambra Avenue & Homestead Avenue | \$30,000 | Unfunded - Service Impacts include less efficient water meter function and increased water use on roadway medians. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| Revenues | | | | |
| Miscellaneous Revenue | \$ - | \$ - | \$ - | \$ 4,410 |
| Total Revenues | \$ - | \$ - | \$ - | \$ 4,410 |
| Expenditures | | | | |
| Employee Compensation | \$ 507,838 | \$ 514,643 | \$ 553,984 | \$ 631,983 |
| Employee Benefits | \$ 264,147 | \$ 285,806 | \$ 331,331 | \$ 350,050 |
| Materials | \$ 197,886 | \$ 200,312 | \$ 210,929 | \$ 184,191 |
| Contract Services | \$ 15,312 | \$ 63,494 | \$ 45,614 | \$ 26,467 |
| Cost Allocation | \$ 491,649 | \$ 542,062 | \$ 456,324 | \$ 475,268 |
| Special Projects | \$ - | \$ 39,200 | \$ 198,300 | \$ - |
| Contingencies | \$ - | \$ - | \$ 6,414 | \$ 2,633 |
| Total Expenditures | \$ 1,476,832 | \$ 1,645,517 | \$ 1,802,896 | \$ 1,670,592 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 1,476,831 | \$ 1,645,516 | \$ 1,802,896 | \$ 1,666,182 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|-------------------------|-------------|-------------|---------------------|---------------------|
| MAINTENANCE WORKER I/II | 5.00 | 5.00 | 5.10 | 5.25 |
| MAINTENANCE WORKER III | 1.00 | 1.00 | 0.85 | 1.00 |
| PUBLIC WORKS SUPERVISOR | 0.30 | 0.30 | 0.30 | 0.30 |
| Total | 6.30 | 6.30 | 6.25 | 6.55 |

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

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ 56,337 |
| Total Expenditures | \$ 1,788,822 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 1,732,485 |
| % Funded by General Fund | 96.9% |
| 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 6, 2023, City Council approved a budget of \$1,788,822 for the Street Tree Maintenance program. This represents an increase of \$106,891 (6.4%) from the FY 2022-23 Adopted Budget.

The increase is mainly due to the Tree Inventory Citywide Work Program project and increases in employee compensation and benefits, which reflect the cost-of-living adjustments approved by the City Council in August 2022.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|----------------------------|---------------------------|-----------|---|
| Materials | \$125,301 | \$67,560 | \$57,741 | Reduced or eliminated office and general supplies; meetings, conference and trainings; memberships; safety equipment not covered under the MOU; small tools and equipment; and printing and advertising. |
| Contract Services | \$15,078 | \$12,962 | \$2,116 | Bee removal contract services have been reduced resulting in delayed response; city staff will assess beehives when encountered. Reduced contract services for emergency tree maintenance will require staff to request additional funds when necessary. |

Special Projects

The following table shows the special projects for the fiscal year.

| Special Projects | Appropriation | Revenue | Funding Source | Description |
|--------------------|---------------|----------|------------------------------|--------------------------|
| Tree Fund Transfer | \$15,000 | \$15,000 | Tree Fund - Development Fees | New street tree planting |
| Tree Inventory | \$60,000 | \$60,000 | General Fund | Citywide Work 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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| Revenues | | | | |
| Charges for Services | \$ 11,727 | \$ 41,337 | \$ 16,826 | \$ 41,337 |
| Transfers In | \$ 15,000 | \$ 15,000 | \$ 61,140 | \$ 15,000 |
| Total Revenues | \$ 26,727 | \$ 56,337 | \$ 77,966 | \$ 56,337 |
| Expenditures | | | | |
| Employee Compensation | \$ 675,164 | \$ 628,011 | \$ 636,157 | \$ 689,114 |
| Employee Benefits | \$ 370,406 | \$ 367,549 | \$ 371,175 | \$ 393,778 |
| Materials | \$ 92,730 | \$ 96,056 | \$ 112,961 | \$ 67,560 |
| Contract Services | \$ 13,120 | \$ 5,472 | \$ 10,164 | \$ 12,962 |
| Cost Allocation | \$ 531,588 | \$ 625,568 | \$ 533,396 | \$ 549,401 |
| Special Projects | \$ 14,475 | \$ 38,724 | \$ 15,000 | \$ 75,000 |
| Contingencies | \$ - | \$ - | \$ 3,078 | \$ 1,007 |
| Total Expenditures | \$ 1,697,483 | \$ 1,761,380 | \$ 1,681,931 | \$ 1,788,822 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 1,670,755 | \$ 1,705,043 | \$ 1,603,965 | \$ 1,732,485 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|-------------------------|-------------|-------------|---------------------|---------------------|
| MAINTENANCE WORKER I/II | 7.00 | 7.00 | 6.00 | 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 | 7.40 | 7.40 |

There are no changes to the current level of staffing.

Sheriff Work Program

Budget Unit 100-86-826

General Fund - Trees and Right of Way - Sheriff Work Program

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 592,351 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 592,351 |
| % 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 6, 2023, City Council approved a budget of \$592,351 for the Sheriff Work Program program. This represents an increase of \$50,575 (9.3%) from the FY 2022-23 Adopted Budget.

The budget increase is primarily attributed to an increase in cost allocation due to higher human resources costs resulting from recent recruitments.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------|----------------------------|---------------------------|-----------|--|
| Materials | \$9,541 | \$5,182 | \$4,359 | Reduced or eliminated office and general supplies; meetings, conference and trainings; memberships; safety equipment not covered under the MOU; small tools and equipment; and printing and advertising. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ 218,914 | \$ 183,903 | \$ 229,925 | \$ 244,742 |
| Employee Benefits | \$ 100,516 | \$ 110,249 | \$ 109,865 | \$ 101,753 |
| Materials | \$ 2,193 | \$ 9,229 | \$ 9,109 | \$ 5,182 |
| Contract Services | \$ - | \$ 4,977 | \$ 5,042 | \$ 5,913 |
| Cost Allocation | \$ 220,975 | \$ 200,818 | \$ 187,481 | \$ 234,622 |
| Contingencies | \$ - | \$ - | \$ 354 | \$ 139 |
| Total Expenditures | \$ 542,598 | \$ 509,176 | \$ 541,776 | \$ 592,351 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 542,597 | \$ 509,175 | \$ 541,776 | \$ 592,351 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|-------------------------|-------------|-------------|---------------------|---------------------|
| MAINTENANCE WORKER I/II | 2.00 | 2.00 | 2.00 | 2.00 |
| PUBLIC WORKS SUPERVISOR | 0.30 | 0.30 | 0.20 | 0.20 |
| Total | 2.30 | 2.30 | 2.20 | 2.20 |

There are no changes to the current level of staffing.

BBF Golf Maintenance

Budget Unit 560-87-260

Blackberry Farm - Facilities and Fleet - BBF Golf Maintenance

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|----------------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 103,244 |
| Fund Balance | \$ (103,244) |
| 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 6, 2023, City Council approved a budget of \$103,244 for the BBF Golf Maintenance program. This represents a decrease of \$30,342 (-22.7%) from the FY 2022-23 Adopted Budget.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|----------------------------|---------------------------|-----------|--|
| | | | | Pest abatement contract service has been reduced resulting in increased pests and delayed control. |
| | | | | Golf cart maintenance contract service has been reduced resulting in deferred upkeep. |
| Contract Services | \$38,728 | \$33,012 | \$5,716 | Sewer cleaning contract service has been reduced which increases the likelihood of sewer overflow and sewer lateral failure from root intrusion. |
| | | | | Janitorial contract services have been reduced to 1 day per week at the Pro Shop. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------|-------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Materials | \$ - | \$ - | \$ 106,085 | \$ 68,957 |
| Contract Services | \$ - | \$ - | \$ 24,243 | \$ 33,012 |
| Contingencies | \$ - | \$ - | \$ 3,258 | \$ 1,275 |
| Total Expenditures | \$ - | \$ - | \$ 133,586 | \$ 103,244 |
| Fund Balance | \$ - | \$ - | \$ (133,586) | \$ (103,244) |
| 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

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ 468,887 |
| Total Expenditures | \$ 500,689 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 31,802 |
| % Funded by General Fund | 6.4% |
| Total Staffing | 0.7 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 6, 2023, City Council approved a budget of \$500,689 for the City Hall Maintenance program. This represents a decrease of \$48,008 (-8.7%) from the FY 2022-23 Adopted Budget.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|----------------------------|---------------------------|-----------|---|
| Materials | \$286,336 | \$269,946 | \$16,390 | Reduced budget for office and general supplies, meeting, conference and training, memberships, safety equipment not covered under the MOU, small tools and equipment, printing and advertising |
| Contract Services | \$136,642 | \$109,682 | \$26,960 | Storage rental contract services have been eliminated resulting in storage of materials at various City buildings. Pest abatement contract service has been reduced resulting in increased pests and delayed control. Maintenance contract services have been reduced resulting in delayed maintenance and increased deterioration of building assets. Janitorial contract services have been reduced from 6 days per week to 3 days per week. |

The following project/s have been identified as unfunded needs, which refer to priority projects that lack sufficient funding to be implemented at this time.

| Service | Description | Estimated Cost | Funding Status |
|--|---------------------------------|----------------|--|
| Facilities Maintenance City Hall Alarm | City Hall Burglar Alarm Upgrade | \$2,000 | Unfunded: Increase in false alarm response |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|--------------------|-------------------|---------------------|---------------------|
| Revenues | | | | |
| Use of Money and Property | \$ 8,838 | \$ - | \$ - | \$ - |
| Charges for Services | \$ 500,394 | \$ 452,294 | \$ 379,100 | \$ 468,887 |
| Total Revenues | \$ 509,232 | \$ 452,294 | \$ 379,100 | \$ 468,887 |
| Expenditures | | | | |
| Employee Compensation | \$ 106,954 | \$ 99,965 | \$ 108,611 | \$ 78,914 |
| Employee Benefits | \$ 52,427 | \$ 51,476 | \$ 58,008 | \$ 37,402 |
| Materials | \$ 112,901 | \$ 148,726 | \$ 257,988 | \$ 269,946 |
| Contract Services | \$ 152,740 | \$ 279,411 | \$ 114,771 | \$ 109,682 |
| Special Projects | \$ - | \$ 6,856 | \$ - | \$ - |
| Contingencies | \$ - | \$ - | \$ 9,319 | \$ 4,745 |
| Total Expenditures | \$ 425,022 | \$ 586,434 | \$ 548,697 | \$ 500,689 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ (84,209) | \$ 134,140 | \$ 169,597 | \$ 31,802 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|-------------------------|-------------|-------------|---------------------|---------------------|
| MAINTENANCE WORKER I/II | 0.10 | 0.10 | 0.10 | 0.10 |
| MAINTENANCE WORKER III | 0.70 | 0.70 | 0.70 | 0.40 |
| PUBLIC WORKS SUPERVISOR | 0.20 | 0.20 | 0.20 | 0.20 |
| Total | 1.00 | 1.00 | 1.00 | 0.70 |

As part of an expenditure reduction strategy, 0.3 FTE is being removed from the budget.

Library Maintenance

Budget Unit 100-87-828

General Fund - Facilities and Fleet - Library Maintenance

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ 919,113 |
| Total Expenditures | \$ 1,007,493 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 88,380 |
| % Funded by General Fund | 8.8% |
| 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 6, 2023, City Council approved a budget of \$1,007,493 for the Library Maintenance program. This represents an increase of \$339,991 (50.9%) from the FY 2022-23 Adopted Budget.

The budget increase is due primarily to an increase in cost of materials and contract services, as well as utility rate increases.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|-------------------------------|------------------------------|-----------|---------------------------------|
| Contract Services | \$462,881 | \$454,486 | \$8,395 | Reduced Aquarium Maintenance |

Revenue billing was paused during the re-negotiation of the agreement with Santa Clara County, which resulted in very low actual revenue in FY 2020-21 and higher actual revenue in FY 2021-22. Actual revenue in FY 2021-22 includes both FY 2020-21 and 2021-22 revenue.

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------------|---------------------|---------------------|---------------------|
| Revenues | | | | |
| Use of Money and Property | \$ 8,792 | \$ 15,911 | \$ 26,004 | \$ 25,471 |
| Charges for Services | \$ - | \$ 1,356,115 | \$ 595,158 | \$ 893,642 |
| Total Revenues | \$ 8,792 | \$ 1,372,026 | \$ 621,162 | \$ 919,113 |
| Expenditures | | | | |
| Employee Compensation | \$ 67,192 | \$ 55,974 | \$ 59,834 | \$ 64,752 |
| Employee Benefits | \$ 36,070 | \$ 31,944 | \$ 33,594 | \$ 30,904 |
| Materials | \$ 19,109 | \$ 127,359 | \$ 10,074 | \$ 362,849 |
| Contract Services | \$ 285,275 | \$ 410,691 | \$ 429,558 | \$ 454,486 |
| Cost Allocation | \$ 82,239 | \$ 91,770 | \$ 78,451 | \$ 84,287 |
| Special Projects | \$ - | \$ 24,357 | \$ 45,000 | \$ - |
| Contingencies | \$ - | \$ - | \$ 10,991 | \$ 10,215 |
| Total Expenditures | \$ 489,885 | \$ 742,095 | \$ 667,502 | \$ 1,007,493 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 481,093 | \$ (629,932) | \$ 46,340 | \$ 88,380 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|-------------------------|-------------|-------------|---------------------|---------------------|
| MAINTENANCE WORKER I/II | 0.60 | 0.60 | 0.40 | 0.20 |
| MAINTENANCE WORKER III | 0.10 | 0.10 | 0.10 | 0.30 |
| PUBLIC WORKS SUPERVISOR | 0.10 | 0.10 | 0.10 | 0.10 |
| Total | 0.80 | 0.80 | 0.60 | 0.60 |

There are no changes to the current level of staffing.

Service Center Maintenance

Budget Unit 100-87-829

General Fund - Facilities and Fleet - Service Center Maintenance

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 310,886 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 310,886 |
| % Funded by General Fund | 100.0% |
| Total Staffing | 0.5 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 6, 2023, City Council approved a budget of \$310,886 for the Service Center Maintenance program. This represents a decrease of \$124,779 (-28.6%) from the FY 2022-23 Adopted Budget.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|----------------------------|---------------------------|-----------|---|
| | | | | Maintenance contract services have been reduced resulting in delayed maintenance and increased deterioration of building assets. |
| Contract Services | \$71,447 | \$60,937 | \$10,510 | Pest abatement contract service has been reduced resulting in increased pests and delayed control. Janitorial contract services have been reduced from 6 days per week to 5 days per week. |

The following project/s have been identified as unfunded needs, which refer to priority projects that lack sufficient funding to be implemented at this time.

| Service | Description | Estimated Cost | Funding Status |
|----------------------------|---|----------------|---|
| Service Center Maintenance | Service Center Men's Restroom Floor Replacement | \$30,000 | Unfunded: Deferred building maintenance will result in deterioration of building assets |
| Service Center Maintenance | Service Center Women's Restroom Floor Replacement | \$20,000 | Unfunded: Deferred building maintenance will result in deterioration of building assets |
| Service Center Maintenance | Service Center Coffee Room Cabinet Replacement | \$7,000 | Unfunded: Deferred building maintenance will result in deterioration of building assets |

Special Projects

The following table shows the special projects for the fiscal year.

| Special Projects | Appropriation | Revenue | Funding Source | Description |
|----------------------------|---------------|----------|----------------|------------------------------------|
| Service Center Maintenance | \$15,000 | \$15,000 | General Fund | Service Center Shop Roof Recoating |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ 66,646 | \$ 53,818 | \$ 68,217 | \$ 55,949 |
| Employee Benefits | \$ 35,263 | \$ 29,452 | \$ 38,828 | \$ 26,950 |
| Materials | \$ 44,528 | \$ 52,270 | \$ 46,343 | \$ 65,296 |
| Contract Services | \$ 76,887 | \$ 77,766 | \$ 84,711 | \$ 60,937 |
| Cost Allocation | \$ 80,684 | \$ 88,518 | \$ 84,790 | \$ 85,176 |
| Capital Outlays | \$ - | \$ 12,829 | \$ - | \$ - |
| Special Projects | \$ - | \$ 43,721 | \$ 109,500 | \$ 15,000 |
| Contingencies | \$ - | \$ - | \$ 3,276 | \$ 1,578 |
| Total Expenditures | \$ 304,008 | \$ 358,374 | \$ 435,665 | \$ 310,886 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 304,008 | \$ 358,374 | \$ 435,665 | \$ 310,886 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|-------------------------|-------------|-------------|---------------------|---------------------|
| MAINTENANCE WORKER I/II | 0.40 | 0.40 | 0.40 | 0.20 |
| 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 | 0.50 |

As part of an expenditure reduction strategy, 0.2 FTE is being removed from the budget.

Quinlan Community Center Maintenance

Budget Unit 100-87-830

General Fund - Facilities and Fleet - Quinlan Community Center Maintenance

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 574,659 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 574,659 |
| % Funded by General Fund | 100.0% |
| Total Staffing | 0.6 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 6, 2023, City Council approved a budget of \$574,659 for the Quinlan Community Center Maintenance program. This represents a decrease of \$64,156 (-10.0%) from the FY 2022-23 Adopted Budget.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|----------------------------|---------------------------|-----------|---|
| Contract Services | \$160,971 | \$117,294 | \$43,677 | Locks, doors, and keys contract services have been reduced resulting in delayed response to increased door repairs. Storage rental contract services have been eliminated resulting in storage of materials at various City buildings. Pest abatement contract service has been reduced resulting in increased pests and delayed control. Janitorial contract services have been reduced from 7 days per week to 3 days per week. |

The following project/s have been identified as unfunded needs, which refer to priority projects that lack sufficient funding to be implemented at this time.

| Service | Description | Estimated Cost | Funding Status |
|---|--|----------------|--|
| Facilities Maintenance Quinlan Community Center Alarm | Quinlan Community Center Burglar Alarm Upgrade | \$2,000 | Unfunded: Increase in false alarm response |

Special Projects

The following table shows the special projects for the fiscal year.

| Special Projects | Appropriation | Revenue | Funding Source | Description |
|---|---------------|----------|----------------|--|
| Facilities Maintenance Quinlan Community Center | \$15,000 | \$15,000 | General Fund | Quinlan Community Center Lobby Office Security Upgrade |
| Facilities Maintenance Quinlan Community Center | \$5,000 | \$5,000 | General Fund | Quinlan Community Center Pre-School Counter Laminate Replacement |
| Facilities Maintenance Quinlan Community Center | \$65,000 | \$65,000 | General Fund | Quinlan Community Center Pre-School Floor Replacement |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ 73,160 | \$ 59,179 | \$ 76,442 | \$ 62,294 |
| Employee Benefits | \$ 35,036 | \$ 29,198 | \$ 39,009 | \$ 27,863 |
| Materials | \$ 105,322 | \$ 128,224 | \$ 211,815 | \$ 175,895 |
| Contract Services | \$ 136,022 | \$ 160,826 | \$ 162,000 | \$ 117,294 |
| Cost Allocation | \$ 99,702 | \$ 110,437 | \$ 106,204 | \$ 102,648 |
| Capital Outlays | \$ 57,728 | \$ - | \$ - | \$ - |
| Special Projects | \$ 3,756 | \$ - | \$ 34,000 | \$ 85,000 |
| Contingencies | \$ - | \$ - | \$ 9,345 | \$ 3,665 |
| Total Expenditures | \$ 510,726 | \$ 487,864 | \$ 638,815 | \$ 574,659 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 510,726 | \$ 487,864 | \$ 638,815 | \$ 574,659 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|-------------------------|-------------|-------------|---------------------|---------------------|
| MAINTENANCE WORKER I/II | 0.70 | 0.70 | 0.70 | 0.50 |
| PUBLIC WORKS SUPERVISOR | 0.10 | 0.10 | 0.10 | 0.10 |
| Total | 0.80 | 0.80 | 0.80 | 0.60 |

As part of an expenditure reduction strategy, 0.2 FTE is being removed from the budget.

Senior Center Maintenance

Budget Unit 100-87-831

General Fund - Facilities and Fleet - Senior Center Maintenance

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 324,289 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 324,289 |
| % Funded by General Fund | 100.0% |
| Total Staffing | 0.6 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 6, 2023, City Council approved a budget of \$324,289 for the Senior Center Maintenance program. This represents a decrease of \$292,497 (-47.4%) from the FY 2022-23 Adopted Budget.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|----------------------------|---------------------------|-----------|---|
| Materials | \$70,017 | \$69,641 | \$376 | Reduced budget for office and general supplies, meeting, conference and training, memberships, safety equipment not covered under the MOU, small tools and equipment, printing and advertising |
| Contract Services | \$123,602 | \$88,223 | \$35,379 | <p>Pest abatement contract service has been reduced resulting in increased pests and delayed control. Reduction of select contracted services will defer building maintenance items such as flooring, steam cleaning, beverage equipment maintenance, and painting which can lead to deterioration of the building components.</p> <p>Storage rental contract services have been eliminated resulting in storage of materials at various City buildings.</p> <p>Janitorial contract services have been reduced from 7 days per week to 3 days per week.</p> |

The following project/s have been identified as unfunded needs, which refer to priority projects that lack sufficient funding to be implemented at this time.

| Service | Description | Estimated Cost | Funding Status |
|--|-------------------------------------|----------------|--|
| Facilities Maintenance Senior Center Alarm | Senior Center Burglar Alarm Upgrade | \$2,000 | Unfunded: Increase in false alarm response |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ 61,501 | \$ 20,750 | \$ 66,290 | \$ 54,313 |
| Employee Benefits | \$ 38,425 | \$ 12,840 | \$ 40,927 | \$ 25,450 |
| Materials | \$ 43,010 | \$ 56,284 | \$ 115,317 | \$ 69,641 |
| Contract Services | \$ 34,588 | \$ 65,824 | \$ 121,789 | \$ 88,223 |
| Cost Allocation | \$ 78,167 | \$ 84,539 | \$ 78,035 | \$ 84,689 |
| Special Projects | \$ 5,099 | \$ - | \$ 188,500 | \$ - |
| Contingencies | \$ - | \$ - | \$ 5,928 | \$ 1,973 |
| Total Expenditures | \$ 260,790 | \$ 240,237 | \$ 616,786 | \$ 324,289 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 260,790 | \$ 240,237 | \$ 616,786 | \$ 324,289 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|-------------------------|-------------|-------------|---------------------|---------------------|
| MAINTENANCE WORKER I/II | 0.70 | 0.70 | 0.70 | 0.50 |
| PUBLIC WORKS SUPERVISOR | 0.10 | 0.10 | 0.10 | 0.10 |
| Total | 0.80 | 0.80 | 0.80 | 0.60 |

As part of an expenditure reduction strategy, 0.2 FTE is being removed from the budget.

McClellan Ranch Maintenance

Budget Unit 100-87-832

General Fund - Facilities and Fleet - McClellan Ranch Maintenance

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ 4,462 |
| Total Expenditures | \$ 293,750 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 289,288 |
| % Funded by General Fund | 98.5% |
| Total Staffing | 0.6 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 6, 2023, City Council approved a budget of \$293,750 for the McClellan Ranch Maintenance program. This represents an increase of \$55,483 (23.3%) from the FY 2022-23 Adopted Budget.

This increase is due to increases in employee compensation and benefits, which reflect the cost-of-living adjustments approved by the City Council in August 2022.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|----------------------------|---------------------------|-----------|--|
| Contract Services | \$47,833 | \$37,486 | \$10,347 | Pest abatement contract service has been reduced resulting in increased pests and delayed control. Janitorial contract services have been reduced from 7 days per week to 3 days per week. |

The following project/s have been identified as unfunded needs, which refer to priority projects that lack sufficient funding to be implemented at this time.

| Service | Description | Estimated Cost | Funding Status |
|--|---------------------------------------|----------------|--|
| Facilities Maintenance McClellan Ranch Alarm | McClellan Ranch Burglar Alarm Upgrade | \$2,000 | Unfunded: Increase in false alarm response |

Special Projects

The following table shows the special projects for the fiscal year.

| Special Projects | Appropriation | Revenue | Funding Source | Description |
|--|---------------|----------|----------------|---|
| Facilities Maintenance McClellan Ranch | \$20,000 | \$20,000 | General Fund | McClellan Ranch Nature Shop Roof Repair |
| Facilities Maintenance McClellan Ranch | \$30,000 | \$30,000 | General Fund | McClellan Ranch EEC Exterior Painting |
| Facilities Maintenance McClellan Ranch | \$15,000 | \$15,000 | General Fund | McClellan Ranch Shop Roof / Gutter Repair |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| Revenues | | | | |
| Miscellaneous Revenue | \$ 865 | \$ 891 | \$ 891 | \$ 4,462 |
| Total Revenues | \$ 865 | \$ 891 | \$ 891 | \$ 4,462 |
| Expenditures | | | | |
| Employee Compensation | \$ 48,247 | \$ 36,238 | \$ 40,717 | \$ 57,296 |
| Employee Benefits | \$ 24,031 | \$ 19,122 | \$ 20,377 | \$ 28,128 |
| Materials | \$ 14,446 | \$ 32,167 | \$ 20,432 | \$ 43,571 |
| Contract Services | \$ 19,425 | \$ 23,856 | \$ 48,685 | \$ 37,486 |
| Cost Allocation | \$ 58,140 | \$ 63,811 | \$ 51,328 | \$ 61,256 |
| Special Projects | \$ - | \$ 19,839 | \$ 55,000 | \$ 65,000 |
| Contingencies | \$ - | \$ - | \$ 1,728 | \$ 1,013 |
| Total Expenditures | \$ 164,289 | \$ 195,033 | \$ 238,267 | \$ 293,750 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 163,423 | \$ 194,142 | \$ 237,376 | \$ 289,288 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|-------------------------|-------------|-------------|---------------------|---------------------|
| MAINTENANCE WORKER I/II | 0.50 | 0.50 | 0.30 | 0.40 |
| MAINTENANCE WORKER III | 0 | 0 | 0 | 0.10 |
| PUBLIC WORKS SUPERVISOR | 0.10 | 0.10 | 0.10 | 0.10 |
| Total | 0.60 | 0.60 | 0.40 | 0.60 |

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

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 186,417 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 186,417 |
| % Funded by General Fund | 100.0% |
| Total Staffing | 0.3 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 6, 2023, City Council approved a budget of \$186,417 for the Monta Vista Community Center Maintenance program. This represents a decrease of \$16,081 (-7.9%) from the FY 2022-23 Adopted Budget.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|----------------------------|---------------------------|-----------|--|
| Contract Services | \$46,094 | \$33,251 | \$12,843 | <p>Janitorial contract services have been reduced from 7 days per week to 4 days per week. Storage rental contract services have been eliminated resulting in storage of materials at various City buildings.</p> <p>Plumbing contract services have been reduced resulting in reduced response time for repairs. Pest abatement contract service has been reduced resulting in increased pests and delayed control.</p> |

The following project/s have been identified as unfunded needs, which refer to priority projects that lack sufficient funding to be implemented at this time.

| Service | Description | Estimated Cost | Funding Status |
|--|-----------------------------------|----------------|--|
| Facilities Maintenance Monta Vista Alarm | Monta Vista Burglar Alarm Upgrade | \$2,000 | Unfunded: Increase in false alarm response |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ 36,430 | \$ 24,550 | \$ 40,067 | \$ 33,242 |
| Employee Benefits | \$ 19,701 | \$ 13,354 | \$ 23,084 | \$ 15,830 |
| Materials | \$ 31,684 | \$ 24,163 | \$ 37,585 | \$ 48,635 |
| Contract Services | \$ 22,258 | \$ 36,348 | \$ 48,085 | \$ 33,251 |
| Cost Allocation | \$ 49,815 | \$ 55,247 | \$ 51,535 | \$ 54,435 |
| Contingencies | \$ - | \$ - | \$ 2,142 | \$ 1,024 |
| Total Expenditures | \$ 159,888 | \$ 153,662 | \$ 202,498 | \$ 186,417 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 159,888 | \$ 153,662 | \$ 202,498 | \$ 186,417 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|-------------------------|-------------|-------------|---------------------|---------------------|
| MAINTENANCE WORKER I/II | 0.30 | 0.30 | 0.30 | 0.10 |
| MAINTENANCE WORKER III | 0 | 0 | 0 | 0.10 |
| PUBLIC WORKS SUPERVISOR | 0.10 | 0.10 | 0.10 | 0.10 |
| Total | 0.40 | 0.40 | 0.40 | 0.30 |

As part of an expenditure reduction strategy, 0.1 FTE is being removed from the budget.

Wilson Park Maintenance

Budget Unit 100-87-834

General Fund - Facilities and Fleet - Wilson Park Maintenance

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 95,722 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 95,722 |
| % Funded by General Fund | 100.0% |
| Total Staffing | 0.1 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 6, 2023, City Council approved a budget of \$95,722 for the Wilson Park Maintenance program. This represents a decrease of \$9,165 (-8.7%) from the FY 2022-23 Adopted Budget.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|----------------------------|---------------------------|-----------|---|
| Contract Services | \$20,133 | \$15,472 | \$4,661 | Janitorial contract services have been reduced from 7 days per week to 5 days per week. |

The following project/s have been identified as unfunded needs, which refer to priority projects that lack sufficient funding to be implemented at this time.

| Service | Description | Estimated Cost | Funding Status |
|---------------------------------------|---|----------------|---|
| Facilities Maintenance Wilson Park | Wilson Park Pottery Building Exterior Painting | \$25,000 | Unfunded: Deferred building maintenance will result in deterioration of building assets |

Special Projects

The following table shows the special projects for the fiscal year.

| Special Projects | Appropriation | Revenue | Funding Source | Description |
|------------------------------------|---------------|---------|----------------|---|
| Facilities Maintenance Wilson Park | \$7,000 | \$7,000 | General Fund | Wilson Park Snack Shack Gutter Replacements |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|------------------|-------------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ 21,254 | \$ 20,840 | \$ 20,323 | \$ 7,595 |
| Employee Benefits | \$ 11,533 | \$ 12,590 | \$ 12,899 | \$ 3,844 |
| Materials | \$ 10,087 | \$ 21,964 | \$ 15,429 | \$ 27,878 |
| Contract Services | \$ 12,533 | \$ 13,209 | \$ 18,670 | \$ 15,472 |
| Cost Allocation | \$ 36,619 | \$ 38,598 | \$ 36,714 | \$ 33,391 |
| Special Projects | \$ - | \$ - | \$ - | \$ 7,000 |
| Contingencies | \$ - | \$ - | \$ 852 | \$ 542 |
| Total Expenditures | \$ 92,026 | \$ 107,201 | \$ 104,887 | \$ 95,722 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 92,026 | \$ 107,201 | \$ 104,887 | \$ 95,722 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|-------------------------|--------------------|--------------------|----------------------------|----------------------------|
| MAINTENANCE WORKER I/II | 0 | 0 | 0 | 0.10 |
| MAINTENANCE WORKER III | 0.20 | 0.20 | 0.20 | 0 |
| Total | 0.20 | 0.20 | 0.20 | 0.10 |

As part of an expenditure reduction strategy, 0.1 FTE is being removed from the budget.

Portal Park Maintenance

Budget Unit 100-87-835

General Fund - Facilities and Fleet - Portal Park Maintenance

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 46,228 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 46,228 |
| % Funded by General Fund | 100.0% |
| Total Staffing | 0.0 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 6, 2023, City Council approved a budget of \$46,228 for the Portal Park Maintenance program. This represents a decrease of \$22,957 (-33.2%) from the FY 2022-23 Adopted Budget.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|----------------------------|---------------------------|-----------|---|
| Contract Services | \$13,476 | \$10,519 | \$2,957 | Janitorial contract services have been reduced from 5 days per week to 2 days per week. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|------------------|------------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ 10,496 | \$ 10,298 | \$ 10,162 | \$ 63 |
| Employee Benefits | \$ 5,746 | \$ 6,266 | \$ 6,450 | \$ - |
| Materials | \$ 4,887 | \$ 6,458 | \$ 9,511 | \$ 10,976 |
| Contract Services | \$ 11,298 | \$ 7,122 | \$ 12,679 | \$ 10,519 |
| Cost Allocation | \$ 26,093 | \$ 29,259 | \$ 29,828 | \$ 24,401 |
| Contingencies | \$ - | \$ - | \$ 555 | \$ 269 |
| Total Expenditures | \$ 58,520 | \$ 59,403 | \$ 69,185 | \$ 46,228 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 58,521 | \$ 59,402 | \$ 69,185 | \$ 46,228 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|------------------------|-------------|-------------|---------------------|---------------------|
| MAINTENANCE WORKER III | 0.10 | 0.10 | 0.10 | 0 |
| Total | 0.10 | 0.10 | 0.10 | 0 |

As part of an expenditure reduction strategy, 0.1 FTE is being removed from the budget.

Sports Center Maintenance

Budget Unit 570-87-836

Sports Center - Facilities and Fleet - Sports Center Maintenance

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 659,124 |
| Fund Balance | \$ (659,124) |
| 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 6, 2023, City Council approved a budget of \$659,124 for the Sports Center Maintenance program. This represents an increase of \$18,927 (3.0%) from the FY 2022-23 Adopted Budget.

The budget is relatively unchanged from last fiscal year. Increases are due to utility rate increases.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|----------------------------|---------------------------|-----------|--|
| Materials | \$194,459 | \$191,195 | \$3,264 | Reduced budget for office and general supplies, meeting, conference and training, memberships, safety equipment not covered under the MOU, small tools and equipment, printing and advertising |
| Contract Services | \$157,182 | \$149,247 | \$7,935 | Gate and elevator contract services have been reduced resulting in reduced response time for repairs; city staff will assess issues as they arise. Annual painting maintenance contract services have been reduced resulting in deferred upgrades. |

The following project/s have been identified as unfunded needs, which refer to priority projects that lack sufficient funding to be implemented at this time.

| Service | Description | Estimated Cost | Funding Status |
|---|--|----------------|---|
| Facilities Maintenance Sports Center Alarm | Sports Center Burglar Alarm Upgrade | \$2,000 | Unfunded: Increase in false alarm response |
| Facilities Maintenance Sports Center Roof | Sports Center Roof Hatch Replacement | \$25,000 | Unfunded: Deferred building maintenance will result in deterioration of building assets |
| Facilities Maintenance Sports Center Restroom | Sports Center Restroom Partition Replacement | \$9,000 | Unfunded: Deferred building maintenance will result in deterioration of building assets |

Special Projects

The following table shows the special projects for the fiscal year.

| Special Projects | Appropriation | Revenue | Funding Source | Description |
|--|---------------|----------|----------------|--|
| Facilities Maintenance Sports Center Interior Lighting | \$20,000 | \$20,000 | General Fund | Sports Center Interior Lighting Improvements |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ 71,984 | \$ 59,319 | \$ 72,172 | \$ 77,239 |
| Employee Benefits | \$ 32,847 | \$ 24,326 | \$ 41,603 | \$ 40,966 |
| Materials | \$ 119,565 | \$ 132,315 | \$ 172,689 | \$ 191,195 |
| Contract Services | \$ 74,040 | \$ 145,548 | \$ 148,367 | \$ 149,247 |
| Cost Allocation | \$ 72,467 | \$ 75,113 | \$ 73,222 | \$ 81,070 |
| Special Projects | \$ 19,768 | \$ 49,127 | \$ 66,000 | \$ 20,000 |
| Other Financing Uses | \$ 58,118 | \$ 95,151 | \$ 58,118 | \$ 95,151 |
| Contingencies | \$ - | \$ - | \$ 8,026 | \$ 4,256 |
| Total Expenditures | \$ 448,789 | \$ 580,899 | \$ 640,197 | \$ 659,124 |
| Fund Balance | \$ (448,790) | \$ (580,899) | \$ (640,197) | \$ (659,124) |
| 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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 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

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 136,076 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 136,076 |
| % Funded by General Fund | 100.0% |
| Total Staffing | 0.3 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 6, 2023, City Council approved a budget of \$136,076 for the Creekside Park Maintenance program. This represents an increase of \$24,615 (22.1%) from the FY 2022-23 Adopted Budget.

This increase is due to increases in employee compensation and benefits, which reflect the cost-of-living adjustments approved by the City Council in August 2022.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------|----------------------------|---------------------------|-----------|---|
| Materials | \$21,442 | \$20,326 | \$1,116 | Reduced budget for office and general supplies, meeting, conference and training, memberships, safety equipment not covered under the MOU, small tools and equipment, printing and advertising. |

Special Projects

The following table shows the special projects for the fiscal year.

| Special Projects | Appropriation | Revenue | Funding Source | Description |
|---------------------------------------|---------------|----------|----------------|--|
| Facilities Maintenance Creekside Park | \$12,000 | \$12,000 | General Fund | Reduced budget for office and general supplies, meeting, conference and training, memberships, safety equipment not covered under the MOU, small tools and equipment, printing and advertising |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|------------------|------------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ 21,831 | \$ 20,919 | \$ 22,585 | \$ 29,208 |
| Employee Benefits | \$ 10,461 | \$ 10,642 | \$ 11,142 | \$ 13,165 |
| Materials | \$ 8,979 | \$ 8,596 | \$ 19,595 | \$ 20,326 |
| Contract Services | \$ 3,606 | \$ 9,821 | \$ 19,312 | \$ 19,434 |
| Cost Allocation | \$ 38,004 | \$ 40,576 | \$ 37,854 | \$ 41,446 |
| Special Projects | \$ - | \$ - | \$ - | \$ 12,000 |
| Contingencies | \$ - | \$ - | \$ 973 | \$ 497 |
| Total Expenditures | \$ 82,881 | \$ 90,554 | \$ 111,461 | \$ 136,076 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 82,882 | \$ 90,554 | \$ 111,461 | \$ 136,076 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|-------------------------|--------------------|--------------------|----------------------------|----------------------------|
| MAINTENANCE WORKER I/II | 0.10 | 0.10 | 0.10 | 0.20 |
| PUBLIC WORKS SUPERVISOR | 0.10 | 0.10 | 0.10 | 0.10 |
| Total | 0.20 | 0.20 | 0.20 | 0.30 |

Staff time is being reallocated to better reflect actual time spent in this program.

Community Hall Maintenance

Budget Unit 100-87-838

General Fund - Facilities and Fleet - Community Hall Maintenance

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 225,544 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 225,544 |
| % Funded by General Fund | 100.0% |
| Total Staffing | 0.3 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 6, 2023, City Council approved a budget of \$225,544 for the Community Hall Maintenance program. This represents a decrease of \$29,712 (-11.6%) from the FY 2022-23 Adopted Budget.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|----------------------------|---------------------------|-----------|---|
| Materials | \$68,197 | \$66,768 | \$1,429 | Reduced budget for office and general supplies, meeting, conference and training, memberships, safety equipment not covered under the MOU, small tools and equipment, printing and advertising. |
| Contract Services | \$63,513 | \$55,231 | \$8,282 | Janitorial contract services have been reduced from 7 days per week to 3 days per week. |

The following project/s have been identified as unfunded needs, which refer to priority projects that lack sufficient funding to be implemented at this time.

| Service | Description | Estimated Cost | Funding Status |
|--|--------------------------------------|----------------|--|
| Facilities Maintenance Community Hall Alarm | Community Hall Burglar Alarm Upgrade | \$2,000 | Unfunded: Increase in false alarm response |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ 39,969 | \$ 23,927 | \$ 41,869 | \$ 28,357 |
| Employee Benefits | \$ 25,077 | \$ 14,985 | \$ 27,359 | \$ 14,125 |
| Materials | \$ 40,979 | \$ 38,244 | \$ 61,836 | \$ 66,768 |
| Contract Services | \$ 48,941 | \$ 30,953 | \$ 59,918 | \$ 55,231 |
| Cost Allocation | \$ 63,275 | \$ 63,493 | \$ 61,230 | \$ 59,538 |
| Special Projects | \$ - | \$ 8,245 | \$ - | \$ - |
| Contingencies | \$ - | \$ - | \$ 3,044 | \$ 1,525 |
| Total Expenditures | \$ 218,241 | \$ 179,847 | \$ 255,256 | \$ 225,544 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 218,241 | \$ 179,848 | \$ 255,256 | \$ 225,544 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|-------------------------|--------------------|--------------------|----------------------------|----------------------------|
| MAINTENANCE WORKER I/II | 0.40 | 0.40 | 0.40 | 0.20 |
| MAINTENANCE WORKER III | 0.10 | 0.10 | 0.10 | 0.10 |
| Total | 0.50 | 0.50 | 0.50 | 0.30 |

As part of an expenditure reduction strategy, 0.2 FTE is being removed from the budget.

Teen Center Maintenance

Budget Unit 100-87-839

General Fund - Facilities and Fleet - Teen Center Maintenance

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 52,889 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 52,889 |
| % 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 6, 2023, City Council approved a budget of \$52,889 for the Teen Center Maintenance program. This represents an increase of \$2,789 (5.6%) from the FY 2022-23 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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|------------------|------------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ 10,496 | \$ 11,081 | \$ 10,162 | \$ 11,473 |
| Employee Benefits | \$ 5,746 | \$ 6,457 | \$ 6,450 | \$ 6,497 |
| Materials | \$ 5,701 | \$ 3,118 | \$ 8,511 | \$ 10,621 |
| Cost Allocation | \$ 23,817 | \$ 25,468 | \$ 24,764 | \$ 24,165 |
| Contingencies | \$ - | \$ - | \$ 213 | \$ 133 |
| Total Expenditures | \$ 45,760 | \$ 46,124 | \$ 50,100 | \$ 52,889 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 45,760 | \$ 46,124 | \$ 50,100 | \$ 52,889 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 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 the current level of staffing.

Park Bathrooms Maintenance

Budget Unit 100-87-840

General Fund - Facilities and Fleet - Park Bathrooms Maintenance

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 180,280 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 180,280 |
| % Funded by General Fund | 100.0% |
| Total Staffing | 0.1 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 6, 2023, City Council approved a budget of \$180,280 for the Park Bathrooms Maintenance program. This represents a decrease of \$32,422 (-15.2%) from the FY 2022-23 Adopted Budget.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------|----------------------------|---------------------------|-----------|---|
| Materials | \$21,364 | \$15,431 | \$7,844 | Reduced budget for office and general supplies, meeting, conference and training, memberships, safety equipment not covered under the MOU, small tools and equipment, printing and advertising. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ 17,684 | \$ 17,818 | \$ 17,941 | \$ 10,124 |
| Employee Benefits | \$ 9,498 | \$ 10,163 | \$ 10,602 | \$ 4,636 |
| Materials | \$ 39,366 | \$ 18,745 | \$ 22,244 | \$ 15,431 |
| Contract Services | \$ 88,385 | \$ 87,155 | \$ 117,663 | \$ 112,659 |
| Cost Allocation | \$ 35,422 | \$ 39,086 | \$ 40,754 | \$ 35,829 |
| Capital Outlays | \$ 6,098 | \$ - | \$ - | \$ - |
| Special Projects | \$ 6,299 | \$ - | \$ - | \$ - |
| Contingencies | \$ - | \$ - | \$ 3,498 | \$ 1,601 |
| Total Expenditures | \$ 202,752 | \$ 172,967 | \$ 212,702 | \$ 180,280 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 202,751 | \$ 172,966 | \$ 212,702 | \$ 180,280 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|-------------------------|-------------|-------------|---------------------|---------------------|
| MAINTENANCE WORKER I/II | 0.20 | 0.20 | 0.20 | 0.10 |
| Total | 0.20 | 0.20 | 0.20 | 0.10 |

As part of an expenditure reduction strategy, 0.1 FTE is being removed from the budget.

Blackberry Farm Maintenance

Budget Unit 100-87-841

General Fund - Facilities and Fleet - Blackberry Farm Maintenance

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 525,642 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 525,642 |
| % Funded by General Fund | 100.0% |
| Total Staffing | 1.4 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 6, 2023, City Council approved a budget of \$525,642 for the Blackberry Farm Maintenance program. This represents a decrease of \$53,127 (-9.2%) from the FY 2022-23 Adopted Budget.

There is an increase in employee compensation and benefits, which reflect the cost-of-living adjustments approved by the City Council in August 2022.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|----------------------------|---------------------------|-----------|---|
| Materials | \$125,681 | \$114,962 | \$10,719 | Reduced budget for office and general supplies, meeting, conference and training, memberships, safety equipment not covered under the MOU, small tools and equipment, printing and advertising. |
| Contract Services | \$78,903 | \$72,783 | \$6,120 | Reduction of select contracted services will defer building maintenance items such as kitchen hood cleaning, pool recirculating pump rebuilds, alarm upgrades, grease trap cleaning, pool sweep maintenance, pool pump/backwash valve maintenance, and door repairs which can lead to deterioration of the building components. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| Revenues | | | | |
| Intergovernmental Revenue | \$ 4,961 | \$ - | \$ - | \$ - |
| Miscellaneous Revenue | \$ - | \$ 3,571 | \$ - | \$ - |
| Total Revenues | \$ 4,961 | \$ 3,571 | \$ - | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ 54,403 | \$ 49,130 | \$ 89,716 | \$ 108,854 |
| Employee Benefits | \$ 34,641 | \$ 29,917 | \$ 41,540 | \$ 64,998 |
| Materials | \$ 93,336 | \$ 123,674 | \$ 137,668 | \$ 114,962 |
| Contract Services | \$ 100,344 | \$ 75,420 | \$ 84,721 | \$ 72,783 |
| Cost Allocation | \$ 188,709 | \$ 193,129 | \$ 194,564 | \$ 161,698 |
| Special Projects | \$ 1,630 | \$ 26,295 | \$ 25,000 | \$ - |
| Contingencies | \$ - | \$ - | \$ 5,560 | \$ 2,347 |
| Total Expenditures | \$ 473,063 | \$ 497,565 | \$ 578,769 | \$ 525,642 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 468,101 | \$ 493,995 | \$ 578,769 | \$ 525,642 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|-------------------------|-------------|-------------|---------------------|---------------------|
| MAINTENANCE WORKER I/II | 0.90 | 0.90 | 1.30 | 1.30 |
| MAINTENANCE WORKER III | 0 | 0 | 0 | 0.10 |
| Total | 0.90 | 0.90 | 1.30 | 1.40 |

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

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 15,257 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 15,257 |
| % 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 6, 2023, City Council approved a budget of \$15,257 for the Franco Traffic Operations Center program. This represents a decrease of \$1,779 (-10.4%) from the FY 2022-23 Adopted Budget.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|----------------------------|---------------------------|-----------|---|
| Materials | \$288 | \$229 | \$59 | Reduced budget for office and general supplies, meeting, conference and training, memberships, safety equipment not covered under the MOU, small tools and equipment, printing and advertising. |
| Contract Services | \$12,368 | \$9,996 | \$2,372 | Janitorial contract services have been reduced from 3 days per week to 2 days per week. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-----------------|------------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Materials | \$ 182 | \$ 132 | \$ 140 | \$ 229 |
| Contract Services | \$ 1,356 | \$ 6,443 | \$ 12,178 | \$ 9,996 |
| Cost Allocation | \$ 5,513 | \$ 4,541 | \$ 4,410 | \$ 4,904 |
| Contingencies | \$ - | \$ - | \$ 308 | \$ 128 |
| Total Expenditures | \$ 7,051 | \$ 11,116 | \$ 17,036 | \$ 15,257 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 7,051 | \$ 11,116 | \$ 17,036 | \$ 15,257 |

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

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 24,892 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 24,892 |
| % Funded by General Fund | 100.0% |
| Total Staffing | 0.1 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 6, 2023, City Council approved a budget of \$24,892 for the City Hall Annex program. This represents a decrease of \$633 (-2.5%) from the FY 2022-23 Adopted Budget.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|----------------------------|---------------------------|-----------|--|
| Contract Services | \$7,200 | \$0 | \$7,200 | Janitorial contract services have been eliminated. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------|------------------|---------------------|---------------------|
| Revenues | | | | |
| Use of Money and Property | \$ - | \$ 7,875 | \$ - | \$ - |
| Total Revenues | \$ - | \$ 7,875 | \$ - | \$ - |
| Expenditures | | | | |
| Employee Compensation | \$ - | \$ - | \$ - | \$ 10,255 |
| Employee Benefits | \$ - | \$ - | \$ - | \$ 5,645 |
| Materials | \$ - | \$ 3,482 | \$ 8,378 | \$ 8,881 |
| Contract Services | \$ - | \$ 17,885 | \$ 16,524 | \$ - |
| Contingencies | \$ - | \$ - | \$ 623 | \$ 111 |
| Total Expenditures | \$ - | \$ 21,367 | \$ 25,525 | \$ 24,892 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ - | \$ 13,493 | \$ 25,525 | \$ 24,892 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|------------------------|-------------|-------------|---------------------|---------------------|
| MAINTENANCE WORKER III | 0 | 0 | 0 | 0.10 |
| Total | 0 | 0 | 0 | 0.10 |

Staff time is being reallocated to better reflect actual time spent in this program.

Community Shuttle

Budget Unit 100-88-265

General Fund - Transportation - Community Shuttle

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ - |
| Fund Balance | \$ - |
| General Fund Costs | \$ - |
| % Funded by General Fund | 0.0% |
| Total Staffing | FTE |

Program Overview

The Silicon Valley (SV) Hopper, formerly Via-Cupertino, is an on-demand ride-share community shuttle. The app-based service, initiated as a pilot in 2019 serving only Cupertino, has been expanded to provide transportation to anywhere in Cupertino, a portion of Santa Clara, and El Camino Hospital and Caltrain in Mountain View as a result of State TIRCP grant funding the expansion and a conversion to an EV-only fleet.

Service Objectives

- Provide safe, affordable and convenient transportation alternative to the single-occupancy vehicle
- Reduce greenhouse gas emissions and congestion by providing first- and last-mile connections to regional transit systems such as Caltrain, VTA, Amtrak and BART
- Support climate change goals through deployment of a completely electrified vehicle fleet
- Augment transportation alternatives for disadvantaged communities in Silicon Valley

Adopted Budget

There is no budget requested for this program.

The City Council approved a \$3,594,928 budget allocation for the Community Shuttle program in March of Fiscal Year 2022-23. These funds will be carried over into future fiscal years. CalTrans grant funds and a cost-sharing agreement with the City of Santa Clara will partially off-set this expense.

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------|-------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Total Expenditures | \$ - | \$ - | \$ - | \$ - |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ - | \$ - | \$ - | \$ - |

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

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ 34,880 |
| Total Expenditures | \$ 1,240,071 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 1,205,191 |
| % Funded by General Fund | 97.2% |
| Total Staffing | 3.4 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 6, 2023, City Council approved a budget of \$1,240,071 for the Traffic Engineering program. This represents a decrease of \$290,001 (-19.0%) from the FY 2022-23 Adopted Budget.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|-------------------------------|------------------------------|-----------|--|
| Materials | \$24,739 | \$20,381 | \$4,358 | Reduced or eliminated office and general supplies; meetings, conference and trainings; memberships; safety equipment not covered under the MOU; small tools and equipment; and printing and advertising. |
| Contract Services | \$176,386 | \$157,730 | \$18,656 | Reduced contract services will decrease in consultant services for engineering and traffic surveys and reduced sponsorship for Bike to Work Day. |

Special Projects

The following table shows the special projects for the fiscal year.

| Special Projects | Appropriation | Revenue | Funding Source | Description |
|------------------|---------------|----------|----------------|-------------------------------|
| Vision Zero | \$20,000 | \$20,000 | General Fund | Citywide Work Program project |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| Revenues | | | | |
| Intergovernmental Revenue | \$ - | \$ 33,949 | \$ - | \$ 33,949 |
| Charges for Services | \$ - | \$ 931 | \$ - | \$ 931 |
| Total Revenues | \$ - | \$ 34,880 | \$ - | \$ 34,880 |
| Expenditures | | | | |
| Employee Compensation | \$ 470,283 | \$ 587,704 | \$ 608,849 | \$ 565,260 |
| Employee Benefits | \$ 192,539 | \$ 274,850 | \$ 289,922 | \$ 255,799 |
| Materials | \$ 14,808 | \$ 15,527 | \$ 21,000 | \$ 20,381 |
| Contract Services | \$ 294,688 | \$ 144,831 | \$ 176,190 | \$ 157,730 |
| Cost Allocation | \$ 233,018 | \$ 275,796 | \$ 259,181 | \$ 218,675 |
| Special Projects | \$ 52,872 | \$ 561,778 | \$ 170,000 | \$ 20,000 |
| Contingencies | \$ - | \$ - | \$ 4,930 | \$ 2,226 |
| Total Expenditures | \$ 1,258,208 | \$ 1,860,486 | \$ 1,530,072 | \$ 1,240,071 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 1,258,206 | \$ 1,825,606 | \$ 1,530,072 | \$ 1,205,191 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|-------------------------------------|-------------|-------------|---------------------|---------------------|
| ASSISTANT ENGINEER | 1.50 | 1.50 | 1.50 | 1.50 |
| PUBLIC WORKS PROJECT MANAGER LT | 0.50 | 0.50 | 0.50 | 0 |
| TRANSIT & TRANSPORTATION PLANNER | 1.00 | 1.00 | 1.00 | 1.00 |
| TRANSPORTATION MANAGER | 0.90 | 0.90 | 0.90 | 0.90 |
| Total | 3.90 | 3.90 | 3.90 | 3.40 |

As part of an expenditure reduction strategy, 0.5 FTE is being removed from the budget.

Traffic Signal Maintenance

Budget Unit 100-88-845

General Fund - Transportation - Traffic Signal Maintenance

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|----------------------------|
| Total Revenues | \$ 13,742 |
| Total Expenditures | \$ 820,029 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 806,287 |
| % Funded by General Fund | 98.3% |
| 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 6, 2023, City Council approved a budget of \$820,029 for the Traffic Signal Maintenance program. This represents an increase of \$8,679 (1.1%) from the FY 2022-23 Adopted Budget.

This increase is due to increases in employee compensation and benefits, which reflect the cost-of-living adjustments approved by the City Council in August 2022.

The table below illustrates the reductions made to the original FY 2023-24 Budget. This budget was developed by taking the previous year's base budget and incorporating additional ongoing costs, while also adjusting material and contract expenses based on the Consumer Price Index (CPI), where applicable.

| Description | FY 2023-24 Original Budget | FY 2023-24 Adopted Budget | Reduction | Service Impact |
|-------------------|----------------------------|---------------------------|-----------|--|
| Materials | \$203,511 | \$176,434 | \$27,077 | Reduced or eliminated office and general supplies; meetings, conference and trainings; memberships; safety equipment not covered under the MOU; small tools and equipment; and printing and advertising. |
| Contract Services | \$56,150 | \$44,674 | \$11,476 | Reduced contract services will result in delayed or deferred traffic signal maintenance and repairs. |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| Revenues | | | | |
| Intergovernmental Revenue | \$ 10,387 | \$ 10,742 | \$ 8,706 | \$ 10,742 |
| Charges for Services | \$ - | \$ 3,000 | \$ - | \$ 3,000 |
| Total Revenues | \$ 10,387 | \$ 13,742 | \$ 8,706 | \$ 13,742 |
| Expenditures | | | | |
| Employee Compensation | \$ 254,084 | \$ 243,464 | \$ 270,466 | \$ 280,570 |
| Employee Benefits | \$ 105,146 | \$ 116,292 | \$ 119,012 | \$ 128,380 |
| Materials | \$ 124,875 | \$ 173,890 | \$ 180,636 | \$ 176,434 |
| Contract Services | \$ 18,669 | \$ 59,860 | \$ 53,171 | \$ 44,674 |
| Cost Allocation | \$ 175,961 | \$ 234,449 | \$ 182,220 | \$ 187,207 |
| Special Projects | \$ 168,705 | \$ 46,477 | \$ - | \$ - |
| Contingencies | \$ - | \$ - | \$ 5,845 | \$ 2,764 |
| Total Expenditures | \$ 847,440 | \$ 874,432 | \$ 811,350 | \$ 820,029 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 837,053 | \$ 860,690 | \$ 802,644 | \$ 806,287 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|--------------------|--------------------|----------------------------|----------------------------|
| TRAFFIC SIGNAL TECHNICIAN | 1.00 | 1.00 | 2.00 | 2.00 |
| TRAFFIC SIGTECH APRNTICE | 1.00 | 1.00 | 0 | 0 |
| Total | 2.00 | 2.00 | 2.00 | 2.00 |

There are no changes to the current level of staffing.

Safe Routes 2 School

Budget Unit 100-88-846

General Fund - Transportation - Safe Routes 2 School

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ 154,000 |
| Total Expenditures | \$ 732,278 |
| Fund Balance | \$ - |
| General Fund Costs | \$ 578,278 |
| % Funded by General Fund | 79.0% |
| 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 6, 2023, City Council approved a budget of \$732,278 for the Safe Routes 2 School program. This represents an increase of \$71,216 (10.8%) from the FY 2022-23 Adopted Budget.

This increase is due to increases in employee compensation and benefits, which reflect the cost-of-living adjustments approved by the City Council in August 2022. This budget increase is also due to an increase in materials and contract services. Program expenses are cost-recovered through Measure B grant funding.

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------------|-------------------|---------------------|---------------------|
| Revenues | | | | |
| Intergovernmental Revenue | \$ 4,483 | \$ 33,590 | \$ - | \$ 114,000 |
| Charges for Services | \$ - | \$ 119 | \$ - | \$ - |
| Miscellaneous Revenue | \$ - | \$ 12,500 | \$ - | \$ 40,000 |
| Total Revenues | \$ 4,483 | \$ 46,209 | \$ - | \$ 154,000 |
| Expenditures | | | | |
| Employee Compensation | \$ 116,461 | \$ 129,906 | \$ 140,556 | \$ 159,181 |
| Employee Benefits | \$ 46,555 | \$ 50,999 | \$ 53,851 | \$ 54,521 |
| Materials | \$ 5,836 | \$ 31,216 | \$ 24,097 | \$ 54,769 |
| Contract Services | \$ 33,777 | \$ 288,138 | \$ 364,178 | \$ 380,462 |
| Cost Allocation | \$ 69,076 | \$ 83,682 | \$ 68,673 | \$ 77,905 |
| Special Projects | \$ - | \$ 21,082 | \$ - | \$ - |
| Contingencies | \$ - | \$ - | \$ 9,707 | \$ 5,440 |
| Total Expenditures | \$ 271,705 | \$ 605,023 | \$ 661,062 | \$ 732,278 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ 267,222 | \$ 558,814 | \$ 661,062 | \$ 578,278 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 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 the current level of staffing.

Fixed Assets Acquisition

Budget Unit 630-90-985

Vehicle/Equip Replacement - Non-Departmental - Fixed Assets Acquisition

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 467,868 |
| Fund Balance | \$ (467,868) |
| 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 6, 2023, City Council approved a budget of \$467,868 for the Fixed Assets Acquisition program.

The following equipment replacements have been identified as funded needs, which are priority vehicle replacements.

| Project | Appropriation | Revenue | Funding Source | Description |
|--------------------------|----------------------|------------------|------------------------------------|--|
| Fixed Assets Acquisition | \$50,000 | \$50,000 | Vehicle/Equipment Replacement Fund | Pool Vehicle #46 2007 Honda Civic Replacement with hybrid vehicle |
| Fixed Assets Acquisition | \$70,000 | \$70,000 | Vehicle/Equipment Replacement Fund | Trees/ROW Vehicle #455 2012 Ford F350 Utility Bed with like vehicle |
| Fixed Assets Acquisition | \$60,000 | \$60,000 | Vehicle/Equipment Replacement Fund | Environmental Division Vehicle #495 2013 Ford F150 with hybrid vehicle |
| Fixed Assets Acquisition | \$85,000 | \$85,000 | Vehicle/Equipment Replacement Fund | On-call Vehicle #481 2015 Ford F350 Utility Bed with like vehicle |
| Fixed Assets Acquisition | \$195,000 | \$195,000 | Vehicle/Equipment Replacement Fund | Streets Vehicle #459 Custom bed lift gate with like vehicle |
| Total | \$460,000 | \$460,000 | | |

The following equipment replacements have been identified as an unfunded need, which are priority replacements that lack sufficient funding to be implemented.

| Service | Description | Estimated Cost | Funding Status |
|--------------------------|---|------------------|---|
| Fixed Assets Acquisition | Bandit 18xp 180HP Chipper to replace Equipment #184 | \$90,000 | Unfunded - Service impact is non-compliance with CA Emissions requirement |
| Fixed Assets Acquisition | Kubota L6060 to replace Equipment #179 | \$66,192 | Unfunded - Service impact is non-compliance with CA Emissions requirement |
| Fixed Assets Acquisition | Diamond C 5x8 dump to replace Equipment #158 | \$10,000 | Unfunded - Service impact is reduced operational efficiency. |
| Fixed Assets Acquisition | Kubota RTV to replace Equipment #180 | \$33,000 | Unfunded - Service impact is reduced operational efficiency. |
| Fixed Assets Acquisition | Grayco Line Driver | \$17,500 | Unfunded - Service impact is reduced operational efficiency. |
| Fixed Assets Acquisition | SR28 Thermal Heater | \$14,000 | Unfunded - Service impact is reduced operational efficiency. |
| Fixed Assets Acquisition | Kubota Mini Ex and Trailer | \$80,000 | Unfunded - Service impact is ongoing rental expense. |
| Total | | \$310,692 | |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-------------------|--------------------|---------------------|---------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Cost Allocation | \$ 9,022 | \$ 8,817 | \$ - | \$ 7,868 |
| Special Projects | \$ - | \$ 43,221 | \$ - | \$ 460,000 |
| Total Expenditures | \$ 9,022 | \$ 52,038 | \$ - | \$ 467,868 |
| Fund Balance | \$ (9,022) | \$ (52,038) | \$ - | \$ (467,868) |
| General Fund Costs | \$ - | \$ - | \$ - | \$ - |

Staffing

There is no staffing associated with this program.

Non-Departmental

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Department Overview

Budget Units

| Budget Unit | Program | 2024 Adopted Budget |
|-------------------------|----------------------------------|----------------------|
| Non-Departmental | | \$ 11,194,703 |
| 100-90-001 | General Fund Non-Departmental | \$ 6,475,103 |
| 281-90-001 | Tree Fund Non-Departmental | \$ 15,000 |
| 365-90-001 | Debt Service Non-Departmental | \$ - |
| 429-90-001 | Capital Reserve Non-Departmental | \$ 2,027,000 |
| 365-90-500 | Facility Lease Debt Service | \$ 2,677,600 |
| Total | | \$ 11,194,703 |

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ 60,907,163 |
| Total Expenditures | \$ 11,194,703 |
| Fund Balance | \$ (2,041,000) |
| General Fund Costs | \$ (51,753,460) |
| % Funded by General Fund | -462.3% |
| Total Staffing | FTE |

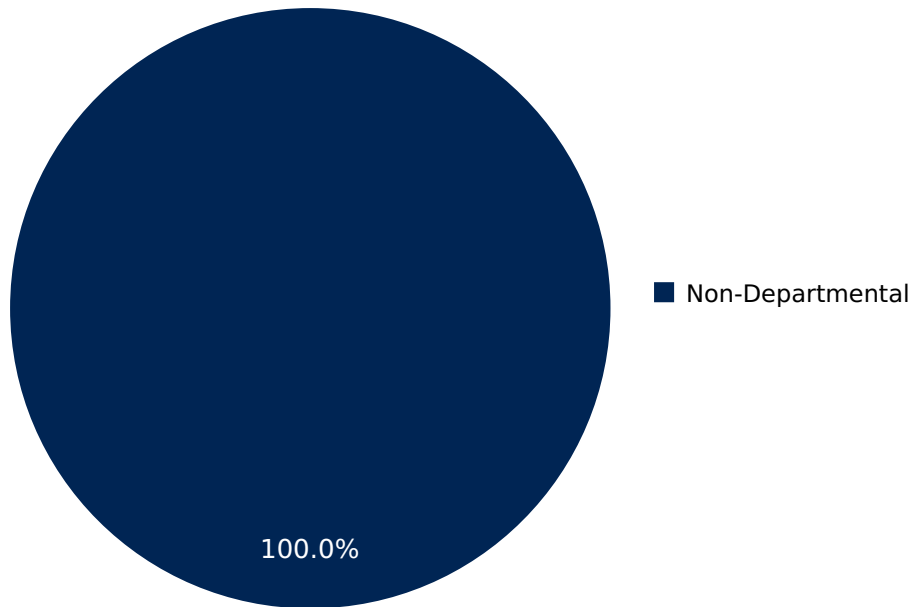
Adopted Budget

On June 6, 2023, City Council approved a budget of \$11,194,703 for the Non-Departmental department. This represents a decrease of \$3,494,900 (-23.8%) from the FY 2022-23 Adopted Budget.

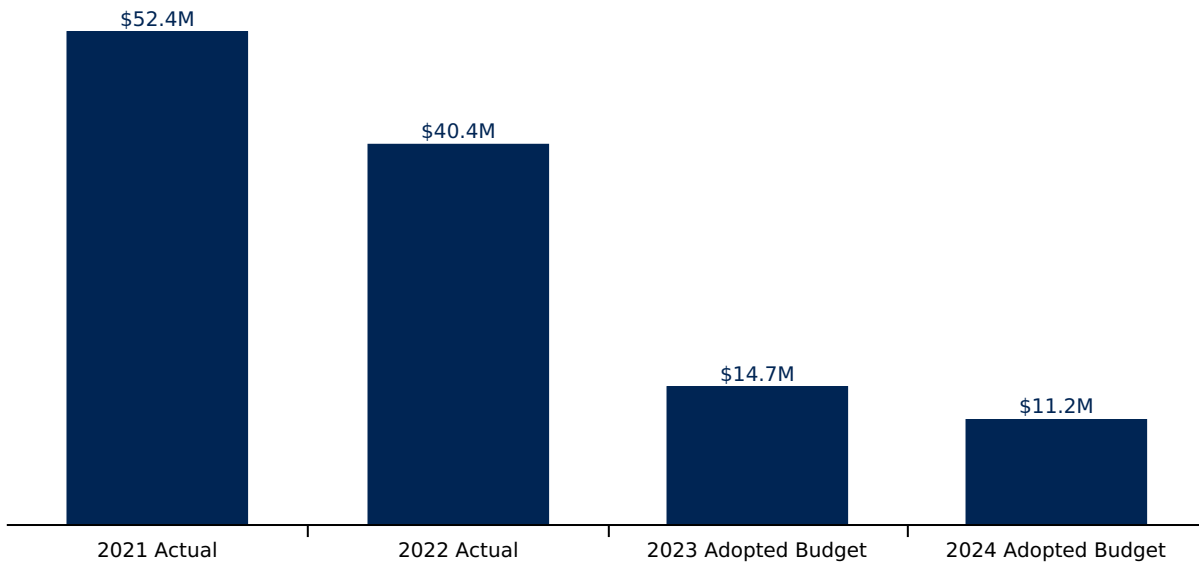
The decrease in expenditures is mainly caused by a reduction in transfers to other funds. This is primarily due to the expenditure-reduction measures implemented in other funds, which have resulted in a lower demand for financial assistance from the General Fund. Moreover, transfers have been subject to fluctuations because in FY 2020-21 and FY 2021-22, excess fund balance was transferred to the Capital Reserve at mid-year. Additionally, higher debt service expenditures in FY 2021-22, caused by the refinancing, were offset by revenues from Other Financing Sources.

For more information on General Fund revenues, please see Financial Schedules: General Fund Revenues.

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|------------------------|------------------------|------------------------|------------------------|
| Revenues | | | | |
| Sales Tax | \$ 42,576,587 | \$ 42,175,218 | \$ 31,944,089 | \$ 11,428,930 |
| Property Tax | \$ 28,277,839 | \$ 29,724,411 | \$ 30,039,574 | \$ 31,736,834 |
| Transient Occupancy Tax | \$ 2,141,058 | \$ 4,404,958 | \$ 5,000,000 | \$ 7,500,000 |
| Utility Tax | \$ 3,074,358 | \$ 3,356,389 | \$ 2,955,404 | \$ 3,304,742 |
| Franchise Fees | \$ 3,368,287 | \$ 3,479,555 | \$ 3,230,101 | \$ 3,443,574 |
| Other Taxes | \$ 2,639,000 | \$ 1,905,393 | \$ 1,787,691 | \$ 1,641,486 |
| Licenses and Permits | \$ 33,693 | \$ 30,624 | \$ 26,012 | \$ 30,081 |
| Use of Money and Property | \$ 4,308,419 | \$ (6,551,013) | \$ 800,000 | \$ 1,701,000 |
| Intergovernmental Revenue | \$ 1,072,497 | \$ 3,783,539 | \$ 125,785 | \$ 120,516 |
| Charges for Services | \$ 7,051 | \$ 6,264 | \$ - | \$ - |
| Miscellaneous Revenue | \$ 192,752 | \$ 922,328 | \$ - | \$ - |
| Other Financing Sources | \$ 25,918,704 | \$ - | \$ - | \$ - |
| Transfers In | \$ 492,831 | \$ 1,333,773 | \$ - | \$ - |
| Total Revenues | \$ 114,103,076 | \$ 84,571,439 | \$ 75,908,656 | \$ 60,907,163 |
| Expenditures | | | | |
| Materials | \$ 26,254 | \$ 17,511 | \$ 17,503 | \$ 17,503 |
| Capital Outlays | \$ 4,473,122 | \$ 750 | \$ - | \$ - |
| Debt Service | \$ 30,217,865 | \$ 2,676,000 | \$ 2,675,800 | \$ 2,677,600 |
| Transfers Out | \$ 17,645,969 | \$ 37,709,912 | \$ 11,996,300 | \$ 8,499,600 |
| Total Expenditures | \$ 52,363,210 | \$ 40,404,173 | \$ 14,689,603 | \$ 11,194,703 |
| Fund Balance | \$ 1,243,239 | \$ (1,905,941) | \$ 2,500,000 | \$ (2,041,000) |
| General Fund Costs | \$ (60,496,626) | \$ (46,073,207) | \$ (58,719,053) | \$ (51,753,460) |

Staffing

There is no staffing associated with this department.

General Fund Non-Departmental

Budget Unit 100-90-001

General Fund - Non-Departmental - General Fund Non-Departmental

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ 60,906,163 |
| Total Expenditures | \$ 6,475,103 |
| Fund Balance | \$ - |
| General Fund Costs | \$ (54,431,060) |
| % Funded by General Fund | -840.6% |
| Total Staffing | FTE |

Program Overview

Non-Departmental programs encompass a variety of revenues that are not directly tied to any specific department or program. These revenues include sales tax, property tax, and transient occupancy tax revenues, which are then allocated to various departments as required.

Additionally, Non-Departmental programs also account for the transfers of monies between various funds, which provide subsidies and resources to the receiving fund to support operating, debt service, and capital project costs. General Fund subsidies are included in these transfers, which are evaluated annually to ensure that funds outside of the General Fund end the year with sufficient fund balance. Typically, transfers are made to Special Revenue and Enterprise Funds that require subsidies due to their revenues falling short of full program costs. Furthermore, the City has recurring transfers to fund the costs associated with Annual Debt Payment and Compensated Absences.

For more detailed information on General Fund revenues, please refer to the Financial Schedules: General Fund Revenues.

Adopted Budget

On June 6, 2023, City Council approved a budget of \$6,475,103 for the General Fund Non-Departmental program. This represents a decrease of \$5,538,700 (-46.1%) from the FY 2022-23 Adopted Budget.

The decrease is due to a reduction in transfers to other funds. This is primarily attributable to the expenditure-reduction measures implemented in other funds, resulting in a lower demand for financial assistance from the General Fund.

Transfers from the General Fund are as follows:

| Receiving Fund | Description | FY 2022-23 Adopted Budget | FY 2023-24 Adopted Budget |
|------------------------------|--|--------------------------------------|--------------------------------------|
| Transportation Fund | Sidewalk, Curb, and Gutter Maintenance | 3,025,000 | 2,500,000 |
| Debt Service Fund | Annual Debt Payment | 2,675,800 | 2,677,600 |
| Capital Reserve Fund | Capital Projects | 2,500,000 | - |
| Recreation Fund | Recreation | 376,000 | - |
| Innovation & Technology Fund | IT Infrastructure | 2,537,500 | 900,000 |
| Compensated Absence/LTD Fund | Compensated Absences | 882,000 | 380,000 |
| Total | | \$11,996,300 | \$6,472,600 |

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|------------------------|------------------------|------------------------|------------------------|
| Revenues | | | | |
| Sales Tax | \$ 42,576,587 | \$ 42,175,218 | \$ 31,944,089 | \$ 11,428,930 |
| Property Tax | \$ 28,277,839 | \$ 29,724,411 | \$ 30,039,574 | \$ 31,736,834 |
| Transient Occupancy Tax | \$ 2,141,058 | \$ 4,404,958 | \$ 5,000,000 | \$ 7,500,000 |
| Utility Tax | \$ 3,074,358 | \$ 3,356,389 | \$ 2,955,404 | \$ 3,304,742 |
| Franchise Fees | \$ 3,368,287 | \$ 3,479,555 | \$ 3,230,101 | \$ 3,443,574 |
| Other Taxes | \$ 2,639,000 | \$ 1,905,393 | \$ 1,787,691 | \$ 1,641,486 |
| Licenses and Permits | \$ 33,693 | \$ 30,624 | \$ 26,012 | \$ 30,081 |
| Use of Money and Property | \$ 4,438,476 | \$ (6,137,120) | \$ 800,000 | \$ 1,700,000 |
| Intergovernmental Revenue | \$ 1,072,497 | \$ 3,783,539 | \$ 125,785 | \$ 120,516 |
| Charges for Services | \$ 7,051 | \$ 6,264 | \$ - | \$ - |
| Miscellaneous Revenue | \$ 192,152 | \$ 922,328 | \$ - | \$ - |
| Transfers In | \$ 492,831 | \$ 1,333,773 | \$ - | \$ - |
| Total Revenues | \$ 88,313,829 | \$ 84,985,332 | \$ 75,908,656 | \$ 60,906,163 |
| Expenditures | | | | |
| Materials | \$ 26,254 | \$ 17,511 | \$ 17,503 | \$ 17,503 |
| Capital Outlays | \$ 4,473,122 | \$ 750 | \$ - | \$ - |
| Transfers Out | \$ 15,148,689 | \$ 26,272,864 | \$ 11,996,300 | \$ 6,457,600 |
| Total Expenditures | \$ 19,648,065 | \$ 26,291,125 | \$ 12,013,803 | \$ 6,475,103 |
| Fund Balance | \$ - | \$ - | \$ - | \$ - |
| General Fund Costs | \$ (68,665,764) | \$ (58,694,207) | \$ (63,894,853) | \$ (54,431,060) |

Staffing

There is no staffing associated with this program.

Tree Fund Non-Departmental

Budget Unit 281-90-001

Tree Fund - Non-Departmental - Tree Fund Non-Departmental

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ 1,000 |
| Total Expenditures | \$ 15,000 |
| Fund Balance | \$ (14,000) |
| 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

On June 6, 2023, City Council approved a budget of \$15,000 for the Tree Fund Non-Departmental 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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|--------------------|--------------------|---------------------|---------------------|
| Revenues | | | | |
| Use of Money and Property | \$ 399 | \$ (4,370) | \$ - | \$ 1,000 |
| Miscellaneous Revenue | \$ 600 | \$ - | \$ - | \$ - |
| Total Revenues | \$ 999 | \$ (4,370) | \$ - | \$ 1,000 |
| Expenditures | | | | |
| Transfers Out | \$ 15,000 | \$ 15,000 | \$ - | \$ 15,000 |
| Total Expenditures | \$ 15,000 | \$ 15,000 | \$ - | \$ 15,000 |
| Fund Balance | \$ (14,001) | \$ (19,370) | \$ - | \$ (14,000) |
| General Fund Costs | \$ - | \$ - | \$ - | \$ - |

Staffing

There is no staffing associated with this program.

Debt Service Non-Departmental

Budget Unit 365-90-001

Public Facilities Corp - Non-Departmental - Debt Service Non-Departmental

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ - |
| Fund Balance | \$ 2,677,600 |
| General Fund Costs | \$ 2,677,600 |
| % Funded by General Fund | 0.0% |
| Total Staffing | FTE |

Program Overview

The Debt Service Non-Departmental Program accounts for the refinancing of debt instruments for the City's Public Facilities Corporation.

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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|----------------------|---------------------|---------------------|---------------------|
| Revenues | | | | |
| Use of Money and Property | \$ 332 | \$ - | \$ - | \$ - |
| Other Financing Sources | \$ 25,918,704 | \$ - | \$ - | \$ - |
| Total Revenues | \$ 25,919,036 | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Debt Service | \$ 27,279,118 | \$ - | \$ - | \$ - |
| Total Expenditures | \$ 27,279,118 | \$ - | \$ - | \$ - |
| Fund Balance | \$ 1,809,056 | \$ 2,621,000 | \$ 2,675,800 | \$ 2,677,600 |
| General Fund Costs | \$ 3,169,138 | \$ 2,621,000 | \$ 2,675,800 | \$ 2,677,600 |

Staffing

There is no staffing associated with this program.

Capital Reserve Non-Departmental

Budget Unit 429-90-001

Capital Reserve - Non-Departmental - Capital Reserve Non-Departmental

Budget at a Glance

| | 2024 Adopted Budget |
|--------------------------|---------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 2,027,000 |
| Fund Balance | \$ (2,027,000) |
| General Fund Costs | \$ - |
| % 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

On June 6, 2023, City Council approved a budget of \$2,027,000 for the Capital Reserve Non-Departmental 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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|---------------------|-----------------------|---------------------|-----------------------|
| Revenues | | | | |
| Use of Money and Property | \$ (130,788) | \$ (409,523) | \$ - | \$ - |
| Total Revenues | \$ (130,788) | \$ (409,523) | \$ - | \$ - |
| Expenditures | | | | |
| Transfers Out | \$ 1,989,449 | \$ 11,422,048 | \$ - | \$ 2,027,000 |
| Total Expenditures | \$ 1,989,449 | \$ 11,422,048 | \$ - | \$ 2,027,000 |
| Fund Balance | \$ 2,879,763 | \$ (1,831,571) | \$ 2,500,000 | \$ (2,027,000) |
| General Fund Costs | \$ 5,000,000 | \$ 10,000,000 | \$ 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

| | 2024 Adopted Budget |
|--------------------------|----------------------------|
| Total Revenues | \$ - |
| Total Expenditures | \$ 2,677,600 |
| Fund Balance | \$ (2,677,600) |
| 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 |
|---------------------------|---------------------|--------------------|----------------------|
| 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 | \$18,020,000 | \$3,392,000 | \$21,412,000 |

Adopted Budget

On June 6, 2023, City Council approved a budget of \$2,677,600 for the Facility Lease Debt Service program. This represents an increase of \$1,800 (0.1%) from the FY 2022-23 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 | 2021 Actual | 2022 Actual | 2023 Adopted Budget | 2024 Adopted Budget |
|---------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Revenues | | | | |
| Total Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures | | | | |
| Debt Service | \$ 2,938,747 | \$ 2,676,000 | \$ 2,675,800 | \$ 2,677,600 |
| Transfers Out | \$ 492,831 | \$ - | \$ - | \$ - |
| Total Expenditures | \$ 3,431,578 | \$ 2,676,000 | \$ 2,675,800 | \$ 2,677,600 |
| Fund Balance | \$ (3,431,579) | \$ (2,676,000) | \$ (2,675,800) | \$ (2,677,600) |
| General Fund Costs | \$ - | \$ - | \$ - | \$ - |

Staffing

There is no staffing associated with this program.

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Appendix

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All Funds Forecast Schedule

General Fund Revenues

| Classification | 2021-22 | 2022-23 | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 |
|---------------------------|--------------------|-------------------|--------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | Actual | Adopted | Estimate | Adopted | Forecast | Forecast | Forecast | Forecast |
| Sales Tax | 42,175,218 | 31,944,089 | 31,944,089 | 11,428,930 | 11,428,930 | 11,667,239 | 11,912,472 | 12,156,862 |
| Property Tax | 29,724,411 | 30,039,574 | 30,039,574 | 31,736,834 | 31,736,834 | 34,595,300 | 35,538,579 | 37,044,780 |
| Transient Occupancy Tax | 4,404,958 | 5,000,000 | 6,000,000 | 7,500,000 | 7,500,000 | 7,718,436 | 7,930,861 | 8,137,745 |
| Utility Tax | 3,356,389 | 2,955,404 | 2,955,404 | 3,304,742 | 3,304,742 | 3,328,964 | 3,328,893 | 3,353,221 |
| Franchise Fees | 3,479,555 | 3,230,101 | 3,230,101 | 3,443,574 | 3,443,574 | 3,508,151 | 3,506,962 | 3,571,561 |
| Other Taxes | 1,905,393 | 1,787,691 | 1,787,691 | 1,641,486 | 1,641,486 | 1,682,873 | 1,679,433 | 1,722,554 |
| Licenses and Permits | 4,141,902 | 3,541,012 | 34,057,523 | 4,265,081 | 4,265,081 | 4,286,406 | 4,286,406 | 4,307,838 |
| Use of Money and Property | (5,341,211) | 1,277,013 | 1,277,013 | 2,328,336 | 3,405,839 | 3,484,825 | 3,568,078 | 3,655,861 |
| Intergovernmental | 4,417,903 | 1,434,491 | 7,946,051 | 807,624 | 807,624 | 811,662 | 815,720 | 819,799 |
| Charges for Services | 14,299,032 | 11,528,436 | 14,095,689 | 11,894,786 | 11,894,786 | 12,234,775 | 12,553,034 | 12,871,611 |
| Fines and Forfeitures | 370,160 | 427,000 | 427,000 | 405,000 | 405,000 | 405,000 | 405,000 | 405,000 |
| Miscellaneous | 1,940,935 | 1,160,437 | 1,182,892 | 1,142,836 | 1,142,836 | 1,197,650 | 1,251,525 | 1,305,344 |
| Transfers In | 4,862,387 | 61,140 | 861,140 | 15,000 | - | - | - | - |
| Other Financing Sources | 293,116 | 275,000 | 414,175 | 367,000 | - | - | - | - |
| TOTAL REVENUES | 110,030,148 | 94,661,388 | 136,218,342 | 80,281,229 | 80,976,733 | 84,921,283 | 86,776,963 | 89,352,176 |

General Fund Expenditures

| Classification | 2021-22 | 2022-23 | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 |
|------------------------------------|-------------------|-------------------|--------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | Actual | Adopted | Estimate | Adopted | Forecast | Forecast | Forecast | Forecast |
| Employee Compensation and Benefits | 28,836,068 | 35,736,296 | 37,545,076 | 35,786,222 | 35,896,463 | 33,819,639 | 33,991,213 | 33,352,091 |
| Personnel Costs | 28,836,068 | 35,736,296 | 37,545,076 | 35,786,222 | 35,896,463 | 33,819,639 | 33,991,213 | 33,352,091 |
| Materials | 4,875,697 | 7,219,073 | 8,034,656 | 6,395,466 | 6,619,307 | 6,804,648 | 6,974,764 | 7,135,184 |
| Contract Services | 21,340,524 | 25,026,032 | 30,496,818 | 24,813,166 | 30,886,314 | 32,243,900 | 33,566,913 | 34,879,645 |
| Cost Allocation | 11,948,062 | 10,385,961 | 10,385,961 | 10,257,656 | 10,539,742 | 10,829,584 | 11,127,398 | 11,433,401 |
| Capital Outlays | 45,529 | - | 466,722 | - | 215,798 | 221,840 | 227,386 | 232,616 |
| Special Projects | 2,817,543 | 3,657,378 | 31,911,316 | 1,211,157 | 539,494 | 554,600 | 568,465 | 581,539 |
| Contingencies | 5,132 | 451,739 | 399,227 | 216,731 | 175,505 | 180,419 | 184,930 | 189,183 |
| Other Financing Uses | 569,977 | 695,000 | 1,503,165 | 925,000 | - | - | - | - |
| Non-Personnel Costs | 41,602,464 | 47,435,183 | 83,197,865 | 43,819,176 | 48,976,160 | 50,834,991 | 52,649,855 | 54,451,568 |
| Transfers | 26,272,864 | 11,996,300 | 12,453,213 | 6,457,600 | 7,476,200 | 7,498,600 | 7,518,205 | 7,545,032 |
| TOTAL EXPENDITURES | 96,711,396 | 95,167,779 | 133,196,154 | 86,062,998 | 92,348,823 | 92,153,231 | 94,159,273 | 95,348,691 |

General Fund Fund Balance

| Classification | 2021-22 | 2022-23 | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 |
|---------------------------|--------------------|--------------------|--------------------|--------------------|-------------------|-------------------|-------------------|-------------------|
| | Actual | Adopted | Estimate | Adopted | Forecast | Forecast | Forecast | Forecast |
| Beginning Balance | 83,259,456 | - | - | - | - | - | - | - |
| Unassigned | 51,804,288 | 48,332,873 | 49,530,011 | 44,090,588 | 35,645,995 | 27,274,200 | 18,680,490 | 11,396,550 |
| All Other Classifications | 58,365,253 | 61,771,440 | 60,661,719 | 60,319,373 | 57,391,876 | 58,531,723 | 59,743,123 | 61,030,548 |
| Ending Balance | 110,169,541 | 110,104,313 | 110,191,729 | 104,409,960 | 93,037,871 | 85,805,923 | 78,423,613 | 72,427,098 |

Special Revenue Fund Revenues

| Classification | 2021-22 Actual | 2022-23 Adopted | 2022-23 Estimate | 2023-24 Adopted | 2024-25 Forecast | 2025-26 Forecast | 2026-27 Forecast | 2027-28 Forecast |
|--|-------------------|--------------------|---------------------|--------------------|---------------------|---------------------|---------------------|---------------------|
| STORM DRAIN IMPROVEMENT (FUNDS 210, 215) | | | | | | | | |
| 406-Taxes | 131,135 | 201,229 | 201,229 | 131,135 | 131,135 | 131,135 | 131,135 | 131,135 |
| 420-Use of Money | (133,242) | - | - | 51,000 | - | - | - | - |
| TOTAL | (2,107) | 201,229 | 201,229 | 182,135 | 131,135 | 131,135 | 131,135 | 131,135 |
| ENVIRON. MGMT./CLEAN CREEKS/STORM DRAIN (FUND 230) | | | | | | | | |
| 420-Use of Money | (44,526) | 2,248 | 2,248 | 9,000 | - | - | - | - |
| 430-Fines and Forfeitures | 3,563 | 68,669 | 68,669 | 3,563 | - | - | - | - |
| 450-Charges for Services | 1,477,784 | 1,510,555 | 1,510,555 | 1,498,201 | 1,498,201 | 1,498,201 | 1,498,201 | 1,498,201 |
| 480-Miscellaneous Revenue | - | - | - | - | - | - | - | - |
| TOTAL | 1,436,821 | 1,581,472 | 1,581,472 | 1,510,764 | 1,498,201 | 1,498,201 | 1,498,201 | 1,498,201 |
| HOUSING & COMMUNITY DEVELOPMENT (FUNDS 260, 261, 265) | | | | | | | | |
| 406-Taxes | 36,000 | 8,002,202 | 8,002,202 | 4,532,926 | 4,532,926 | 4,532,926 | 4,532,926 | 4,532,926 |
| 420-Use of Money | (161,249) | 3,300 | 3,300 | 86,300 | 86,300 | 86,300 | 86,300 | 86,300 |
| 421-Transfer In | - | 25,000 | 25,000 | - | - | - | - | - |
| 440-Intergovernmental | 787,171 | 492,181 | 492,181 | 588,886 | 588,886 | 588,886 | 588,886 | 588,886 |
| 450-Charges for Services | 3,040 | - | - | - | - | - | - | - |
| 480-Miscellaneous Revenue | 4,037 | - | - | - | - | - | - | - |
| TOTAL | 668,999 | 8,522,683 | 8,522,683 | 5,208,112 | 5,208,112 | 5,208,112 | 5,208,112 | 5,208,112 |
| TRANSPORTATION (FUNDS 270, 271) | | | | | | | | |
| 420-Use of Money | (399,993) | - | - | 169,000 | 169,000 | 169,000 | 169,000 | 169,000 |
| 421-Transfer In | 6,672,824 | 3,000,000 | 3,000,000 | 2,500,000 | 2,500,000 | 2,500,000 | 2,500,000 | 2,500,000 |
| 440-Intergovernmental | 3,025,691 | 3,008,043 | 3,008,043 | 3,164,952 | 3,165,000 | 3,165,000 | 3,165,000 | 3,165,000 |
| 450-Charges for Services | 301,048 | 1,654 | 1,654 | - | - | - | - | - |
| 480-Miscellaneous Revenue | 3,245 | - | - | - | - | - | - | - |
| TOTAL | 9,602,815 | 6,009,697 | 6,009,697 | 5,833,952 | 5,834,000 | 5,834,000 | 5,834,000 | 5,834,000 |
| PARK DEDICATION (FUND 280) | | | | | | | | |
| 406-Taxes | 9,045,000 | - | - | - | - | - | - | - |
| 420-Use of Money | (726,525) | - | - | 256,000 | - | - | - | - |
| 421-Transfer In | 3,650,000 | - | - | - | - | - | - | - |
| TOTAL | 11,968,475 | - | - | 256,000 | - | - | - | - |
| TREE (FUND 281) | | | | | | | | |
| 420-Use of Money | (4,370) | - | - | 1,000 | - | - | - | - |
| 480-Miscellaneous Revenue | - | - | - | - | - | - | - | - |
| TOTAL | (4,370) | - | - | 1,000 | - | - | - | - |
| TOTAL SPECIAL REVENUE FUNDS | 23,670,633 | 16,315,081 | 16,315,081 | 12,991,963 | 12,671,448 | 12,671,448 | 12,671,448 | 12,671,448 |

Special Revenue Fund Expenditures

| Program | 2021-22 Actual | 2022-23 Adopted | 2022-23 Estimate | 2023-24 Adopted | 2024-25 Forecast | 2025-26 Forecast | 2026-27 Forecast | 2027-28 Forecast |
|---|-------------------|--------------------|---------------------|--------------------|---------------------|---------------------|---------------------|---------------------|
| STORM DRAIN IMPROVEMENT (FUND 210, 215) | | | | | | | | |
| 210-99-256 Pumpkin/Fiesta Storm Drain Ph1 | 48,120 | - | 1,951,879 | - | - | - | - | - |
| TOTAL | 48,120 | - | 1,951,879 | - | - | - | - | - |
| ENVIRON. MGMT./CLEAN CREEKS/STORM DRAIN (FUND 230) | | | | | | | | |
| 230-81-802 Non Point Source | 1,107,950 | 1,226,654 | 1,293,552 | 1,177,495 | 1,177,495 | 1,177,495 | 1,177,495 | 1,177,495 |
| 230-81-853 Storm Drain Fee | 3,736 | 25,528 | 35,922 | 25,924 | - | - | - | - |
| 230-81-854 General Fund Subsidy | 10,234 | 30,215 | 30,215 | 23,164 | - | - | - | - |
| 230-81-855 Storm Drain Maintenance | 526,609 | 785,002 | 837,275 | 1,007,007 | 1,007,007 | 1,007,007 | 1,007,007 | 1,007,007 |
| 230-90-001 No Department | 366,266 | - | - | - | - | - | - | - |
| TOTAL | 2,014,795 | 2,067,399 | 2,196,964 | 2,233,590 | 2,184,502 | 2,184,502 | 2,184,502 | 2,184,502 |
| HOUSING & COMMUNITY DEVELOPMENT (FUND 260, 261, 265) | | | | | | | | |
| 260-72-707 CDBG General Admin | 311,737 | 155,589 | 207,839 | 132,070 | 132,070 | 132,070 | 132,070 | 132,070 |
| 260-72-709 CDBG Capital/Housing Projects | 309,995 | 337,558 | 337,558 | 460,487 | 460,487 | 460,487 | 460,487 | 460,487 |
| 260-72-710 CDBG Public Service Grants | 63,078 | 61,852 | 61,852 | 55,028 | 55,028 | 55,028 | 55,028 | 55,028 |
| 265-72-711 BMR Affordable Housing Fund | 754,692 | 1,222,398 | 1,746,086 | 985,203 | 985,203 | 985,203 | 985,203 | 985,203 |
| TOTAL | 1,439,502 | 1,777,397 | 2,353,335 | 1,632,788 | 1,632,788 | 1,632,788 | 1,632,788 | 1,632,788 |
| TRANSPORTATION (FUNDS 270, 271) | | | | | | | | |
| 270-85-820 Sidewalk Curb and Gutter | 1,740,672 | 1,982,206 | 2,392,369 | 1,795,414 | 1,795,414 | 1,795,414 | 1,795,414 | 1,795,414 |
| 270-85-821 Street Pavement Maintenance | 3,908,519 | 4,587,213 | 9,810,745 | 3,945,450 | 3,945,450 | 3,945,450 | 3,945,450 | 3,945,450 |
| 270-85-822 Street Sign Marking | 780,170 | 829,894 | 909,846 | 778,930 | 778,930 | 778,930 | 778,930 | 778,930 |
| 270-90-001 No Department | 105,235 | - | - | - | - | - | - | - |
| 270-90-954 Monument Gateway Sign | - | - | 25,859 | - | - | - | - | - |
| 270-90-958 Orange and Byrne Sidewalk Impv | 298,798 | - | 2,083,600 | - | - | - | - | - |
| 270-90-960 Bridge Rehab Minor | 323 | - | 513,947 | - | - | - | - | - |
| 270-99-087 Traffic Calming | 500 | - | 197,741 | - | - | - | - | - |
| 270-99-856 Homestead/DeAnza Signal Upgrade | 98,840 | - | 417,465 | - | - | - | - | - |
| TOTAL | 6,933,057 | 7,399,313 | 16,351,572 | 6,519,794 | 6,519,794 | 6,519,794 | 6,519,794 | 6,519,794 |
| PARK DEDICATION (FUND 280) | | | | | | | | |
| 280-99-009 Lawrence-Mitty Park | 235,366 | - | 6,112,812 | - | - | - | - | - |
| 280-99-066 MRP Community Grdn Improv-Const | - | - | 32,900 | - | - | - | - | - |
| 280-99-253 Memorial Park-Amphitheater Imprv | - | - | 1,150,000 | - | - | - | - | - |
| 280-99-254 Memorial Park-Pond Repurposing | 119,527 | - | 2,880,473 | - | - | - | - | - |
| 280-99-255 Memorial Park-Specific Plan Des | - | - | 500,000 | - | - | - | - | - |
| TOTAL | 354,893 | - | 10,676,185 | - | - | - | - | - |
| TREE FUND (FUND 281) | | | | | | | | |
| 281-90-001 No Department | 15,000 | - | - | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 |
| TOTAL | 15,000 | - | - | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 |
| TOTAL SPECIAL REVENUE FUNDS | 10,805,367 | 11,244,109 | 33,529,935 | 10,401,172 | 10,352,084 | 10,352,084 | 10,352,084 | 10,352,084 |

Debt Service Fund Revenues

| Classification | 2021-22 Actual | 2022-23 Adopted | 2022-23 Estimate | 2023-24 Adopted | 2024-25 Forecast | 2025-26 Forecast | 2026-27 Forecast | 2027-28 Forecast |
|---|-------------------|--------------------|---------------------|--------------------|---------------------|---------------------|---------------------|---------------------|
| PUBLIC FACILITIES CORPORATION (FUND 365) | | | | | | | | |
| 420-Use of Money | - | - | - | - | - | - | - | - |
| 421-Transfer In | 2,621,000 | 2,675,800 | 2,675,800 | 2,677,600 | 2,676,200 | 2,676,600 | 2,673,600 | 2,677,200 |
| 490-Other Sources | - | - | - | - | - | - | - | - |
| TOTAL | 2,621,000 | 2,675,800 | 2,675,800 | 2,677,600 | 2,676,200 | 2,676,600 | 2,673,600 | 2,677,200 |
| TOTAL DEBT SERVICE FUNDS | 2,621,000 | 2,675,800 | 2,675,800 | 2,677,600 | 2,676,200 | 2,676,600 | 2,673,600 | 2,677,200 |

Debt Service Fund Expenditures

| Program | 2021-22 Actual | 2022-23 Adopted | 2022-23 Estimate | 2023-24 Adopted | 2024-25 Forecast | 2025-26 Forecast | 2026-27 Forecast | 2027-28 Forecast |
|---|-------------------|--------------------|---------------------|--------------------|---------------------|---------------------|---------------------|---------------------|
| PUBLIC FACILITIES CORPORATION (FUND 365) | | | | | | | | |
| 365-90-500 Facility Lease | 2,676,000 | 2,675,800 | 2,675,800 | 2,677,600 | 2,676,200 | 2,676,600 | 2,673,600 | 2,677,200 |
| TOTAL | 2,676,000 | 2,675,800 | 2,675,800 | 2,677,600 | 2,676,200 | 2,676,600 | 2,673,600 | 2,677,200 |
| TOTAL DEBT SERVICE FUNDS | 2,676,000 | 2,675,800 | 2,675,800 | 2,677,600 | 2,676,200 | 2,676,600 | 2,673,600 | 2,677,200 |

Capital Project Fund Revenues

| Classification | 2021-22 Actual | 2022-23 Adopted | 2022-23 Estimate | 2023-24 Adopted | 2024-25 Forecast | 2025-26 Forecast | 2026-27 Forecast | 2027-28 Forecast |
|---|-------------------|--------------------|---------------------|--------------------|---------------------|---------------------|---------------------|---------------------|
| CAPITAL IMPROVEMENT PROJECTS (FUND 420, 427) | | | | | | | | |
| 420-Use of Money | (1,280,899) | - | - | - | - | - | - | - |
| 421-Transfer In | 7,687,283 | - | 838,147 | 2,027,000 | - | - | - | - |
| 440-Intergovernmental | 1,472,565 | - | 3,400,974 | - | - | - | - | - |
| 480-Miscellaneous Revenue | 719,854 | - | 2,530,930 | - | - | - | - | - |
| TOTAL | 8,598,803 | - | 6,770,051 | 2,027,000 | - | - | - | - |
| CAPITAL RESERVE (FUND 429) | | | | | | | | |
| 420-Use of Money | (409,523) | - | - | - | - | - | - | - |
| 421-Transfer In | 10,000,000 | 2,500,000 | 5,616,164 | - | - | - | - | - |
| TOTAL | 9,590,477 | 2,500,000 | 5,616,164 | - | - | - | - | - |
| TOTAL CAPITAL PROJECT FUNDS | 18,189,280 | 2,500,000 | 12,386,215 | 2,027,000 | - | - | - | - |

Capital Project Fund Expenditures

| Program | 2021-22 Actual | 2022-23 Adopted | 2022-23 Estimate | 2023-24 Adopted | 2024-25 Forecast | 2025-26 Forecast | 2026-27 Forecast | 2027-28 Forecast |
|--|-------------------|--------------------|---------------------|--------------------|---------------------|---------------------|---------------------|---------------------|
| CAPITAL IMPROVEMENT PROJECTS (FUND 420) | | | | | | | | |
| 420-90-001 No Department | - | 23,600 | 23,600 | - | - | - | - | - |
| 420-90-898 SCCP Chain MP-MCLN TO SCB | - | - | 203,322 | - | - | - | - | - |
| 420-90-938 Pub Bldg Solar Service Center | - | - | 18,571 | - | - | - | - | - |
| 420-90-971 STLG/280 Ped Bridge Lighting | - | - | 46,449 | - | - | - | - | - |
| 420-99-004 MR Community Garden Improvement | 42,181 | - | 1,099 | - | - | - | - | - |
| 420-99-007 ADA Improvements | 12,343 | 95,000 | 216,202 | 100,000 | - | - | - | - |
| 420-99-014 Stevens Crk Bank Repair Concept | - | - | 30,216 | - | - | - | - | - |
| 420-99-030 MCClellan West-Parking Lot Impro | 14,492 | - | 103,736 | - | - | - | - | - |
| 420-99-036 2016 Bike Plan Implementation | 2,693,800 | - | 10,652,306 | - | - | - | - | - |
| 420-99-040 Retaining Wall Repair-Cordova Rd | 14,858 | - | - | - | - | - | - | - |
| 420-99-047 CIP Prelim Planning & Design | 1,013 | 125,000 | 127,363 | 125,000 | 125,000 | 125,000 | 125,000 | 125,000 |
| 420-99-048 Capital Project Support | 3,677 | 50,000 | 38,898 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 |
| 420-99-051 Inclusive Play Area - Planning | 165,922 | 850,000 | 4,639,887 | - | - | - | - | - |
| 420-99-056 St Light Install - Annual Infill | 29,600 | 75,000 | 248,816 | 35,000 | - | - | - | - |
| 420-99-063 CW Bldg Condition Assess Impl | 28,925 | - | 644,845 | 1,000,000 | - | - | - | - |
| 420-99-068 Regnart Road Improvements | 251,505 | - | 942,310 | - | - | - | - | - |
| 420-99-069 School Walk Audit Implementation | 8,260 | - | 1,075,872 | - | - | - | - | - |
| 420-99-070 SCB/Bandley Signal & Median Imps | - | - | 142,208 | - | - | - | - | - |
| 420-99-072 St Light Replacement CW (labor) | 82,799 | - | 99,330 | - | - | - | - | - |
| 420-99-073 BBF Park Pool Improvements | 2,940 | - | 747,060 | - | - | - | - | - |
| 420-99-074 Interim City Hall | - | - | 465,012 | - | - | - | - | - |
| 420-99-077 Library Expansion | 4,821,126 | - | 580,634 | - | - | - | - | - |
| 420-99-078 Civic Center Parking Analysis | 8,905 | - | 851,278 | - | - | - | - | - |
| 420-99-079 Mary Ave Protected Bikeway | 79,460 | - | 78,688 | - | - | - | - | - |
| 420-99-080 Bubb Rd Separated Bikeway Improv | 144,146 | - | - | - | - | - | - | - |
| 420-99-083 Citywide Community Garden | 27,535 | - | 328,150 | - | - | - | - | - |
| 420-99-084 Linda Vista Trail | 24,292 | - | - | - | - | - | - | - |
| 420-99-085 Playground EQ (Creekside&Varian) | 13,061 | 300,000 | 886,938 | 300,000 | - | - | - | - |
| 420-99-086 Various Park Amenities | 29,004 | 200,000 | 570,996 | - | - | - | - | - |
| 420-99-248 10455 Torre Ave Improvements | 65,017 | - | 2,959,983 | - | - | - | - | - |
| 420-99-249 Carmen Road Bridge Right-of-Way | 2,300 | - | 72,700 | - | - | - | - | - |
| 420-99-250 City Hall & Community Hall Imprv | 46,118 | - | 453,882 | - | - | - | - | - |
| 420-99-251 EV Parking Expansion | - | - | 408,000 | - | - | - | - | - |
| 420-99-252 Full-Sized Outdoor Basketball Ct | 69,211 | - | 480,789 | - | - | - | - | - |
| 420-99-255 Memorial Park-Specific Plan Des | - | - | 650,000 | - | - | - | - | - |
| 420-99-257 Stelling/Alves Crosswalk Install | 22,589 | - | 57,411 | - | - | - | - | - |
| 420-99-258 City Lighting LED Transition Ass | 6,500 | 1,300,000 | 1,343,500 | - | - | - | - | - |
| 420-99-259 Tree Inventory-Stevens Creek Cor | - | - | 65,000 | - | - | - | - | - |
| 420-99-262 De Anza Blvd Buffered Bike Lanes | - | 525,000 | 525,000 | - | - | - | - | - |
| 420-99-264 City owned properties Analysis | - | 90,000 | - | - | - | - | - | - |
| 420-99-266 SCB/Calabazas Creek SD Repair | - | - | - | 420,000 | - | - | - | - |
| 420-99-267 Stevens Creek Bridge Repair | - | - | - | 172,000 | - | - | - | - |
| TOTAL | 8,711,579 | 3,633,600 | 30,780,051 | 2,202,000 | 175,000 | 175,000 | 175,000 | 175,000 |
| STEVENS CREEK CORRIDOR PARK (FUND 427) | | | | | | | | |
| 427-90-881 Phs II SC Corridor Park | 5,039 | - | 16,391 | - | - | - | - | - |
| TOTAL | 5,039 | - | 16,391 | - | - | - | - | - |
| CAPITAL RESERVE (FUND 429) | | | | | | | | |
| 429-90-001 No Department | 11,422,048 | - | 800,000 | 2,027,000 | - | - | - | - |
| TOTAL | 11,422,048 | - | 800,000 | 2,027,000 | - | - | - | - |
| TOTAL CAPITAL PROJECT FUNDS | 20,138,666 | 3,633,600 | 31,596,442 | 4,229,000 | 175,000 | 175,000 | 175,000 | 175,000 |

Enterprise Fund Revenues

| Classification | 2021-22 Actual | 2022-23 Adopted | 2022-23 Estimate | 2023-24 Adopted | 2024-25 Forecast | 2025-26 Forecast | 2026-27 Forecast | 2027-28 Forecast |
|---|-------------------|--------------------|---------------------|--------------------|---------------------|---------------------|---------------------|---------------------|
| RESOURCE RECOVERY (FUND 520) | | | | | | | | |
| 420-Use of Money | (194,967) | - | - | 74,000 | 74,000 | 74,000 | 74,000 | 74,000 |
| 440-Intergovernmental | 14,812 | 14,000 | 14,000 | 14,812 | 14,812 | 14,812 | 14,812 | 14,812 |
| 450-Charges for Services | 1,530,871 | 1,188,642 | 1,188,642 | 1,529,152 | 1,529,152 | 1,529,152 | 1,529,152 | 1,529,152 |
| 480-Miscellaneous Revenue | - | 10,000 | 10,000 | - | - | - | - | - |
| TOTAL | 1,350,716 | 1,212,642 | 1,212,642 | 1,617,964 | 1,617,964 | 1,617,964 | 1,617,964 | 1,617,964 |
| BLACKBERRY FARM GOLF COURSE (FUND 560) | | | | | | | | |
| 420-Use of Money | 7,800 | 33,000 | 44,000 | 66,250 | 66,250 | 66,250 | 66,250 | 66,250 |
| 421-Transfer In | 79,992 | 23,600 | 23,600 | - | - | - | - | - |
| 450-Charges for Services | 555,104 | 400,600 | 550,600 | 469,000 | 469,000 | 469,000 | 469,000 | 469,000 |
| TOTAL | 642,896 | 457,200 | 618,200 | 535,250 | 535,250 | 535,250 | 535,250 | 535,250 |
| SPORTS CENTER (FUND 570) | | | | | | | | |
| 420-Use of Money | 282,757 | 350,000 | 350,000 | 399,000 | 399,000 | 399,000 | 399,000 | 399,000 |
| 450-Charges for Services | 2,451,149 | 2,250,000 | 2,511,000 | 2,250,000 | 2,250,000 | 2,250,000 | 2,250,000 | 2,250,000 |
| TOTAL | 2,733,906 | 2,600,000 | 2,861,000 | 2,649,000 | 2,649,000 | 2,649,000 | 2,649,000 | 2,649,000 |
| RECREATION PROGRAMS (FUND 580) | | | | | | | | |
| 420-Use of Money | 38,699 | 317,000 | 317,000 | 194,000 | 194,000 | 194,000 | 194,000 | 194,000 |
| 421-Transfer In | 806,809 | 376,000 | 376,000 | - | 1,078,988 | 1,109,199 | 1,136,929 | 1,163,078 |
| 450-Charges for Services | 1,148,250 | 1,219,550 | 1,729,550 | 1,748,575 | 1,748,575 | 1,748,575 | 1,748,575 | 1,748,575 |
| TOTAL | 1,993,758 | 1,912,550 | 2,422,550 | 1,942,575 | 3,021,563 | 3,051,774 | 3,079,504 | 3,105,653 |
| TOTAL ENTERPRISE FUNDS | 6,721,276 | 6,182,392 | 7,114,392 | 6,744,789 | 7,823,777 | 7,853,988 | 7,881,718 | 7,907,867 |

Enterprise Fund Expenditures

| Program | 2021-22 Actual | 2022-23 Adopted | 2022-23 Estimate | 2023-24 Adopted | 2024-25 Forecast | 2025-26 Forecast | 2026-27 Forecast | 2027-28 Forecast |
|---|-------------------|--------------------|---------------------|--------------------|---------------------|---------------------|---------------------|---------------------|
| RESOURCE RECOVERY (FUND 520) | | | | | | | | |
| 520-81-801 Resources Recovery | 1,837,779 | 2,285,090 | 2,925,509 | 2,636,342 | 2,636,342 | 2,636,342 | 2,636,342 | 2,636,342 |
| TOTAL | 1,837,779 | 2,285,090 | 2,925,509 | 2,636,342 | 2,636,342 | 2,636,342 | 2,636,342 | 2,636,342 |
| BLACKBERRY FARM GOLF COURSE (FUND 560) | | | | | | | | |
| 560-63-616 BBF Golf Course | 594,901 | 668,446 | 822,684 | 642,342 | 642,342 | 642,342 | 642,342 | 642,342 |
| 560-87-260 BBF Golf Maintenance | - | 133,586 | 133,586 | 103,244 | 103,244 | 103,244 | 103,244 | 103,244 |
| 560-90-001 No Department | 404 | 404 | 404 | - | - | - | - | - |
| 560-99-088 BBF Golf Renovation/Alt use | 59,881 | 23,600 | 40,119 | - | - | - | - | - |
| TOTAL | 655,186 | 826,036 | 996,793 | 745,586 | 745,586 | 745,586 | 745,586 | 745,586 |
| SPORTS CENTER (FUND 570) | | | | | | | | |
| 570-63-621 Sports Center Operation | 2,801,862 | 2,876,082 | 3,043,092 | 2,840,279 | 2,840,279 | 2,840,279 | 2,840,279 | 2,840,279 |
| 570-87-836 Bldg Maint Sports Center | 580,899 | 640,197 | 720,549 | 659,124 | 659,124 | 659,124 | 659,124 | 659,124 |
| 570-90-001 No Department | 1,620 | 1,621 | 1,621 | - | - | - | - | - |
| 570-99-081 Sports Center Seismic Retrofit | 11,766 | - | - | - | - | - | - | - |
| 570-99-089 Spt Ctr Community Needs Analysis | - | - | 25,000 | - | - | - | - | - |
| TOTAL | 3,396,147 | 3,517,900 | 3,790,262 | 3,499,403 | 3,499,403 | 3,499,403 | 3,499,403 | 3,499,403 |
| RECREATION PROGRAMS (FUND 580) | | | | | | | | |
| 580-62-613 Youth Teen Recreation | 1,017,356 | 1,504,209 | 1,674,992 | 1,703,251 | 1,703,251 | 1,703,251 | 1,703,251 | 1,703,251 |
| 580-63-620 Outdoor Recreation | 617,730 | 869,015 | 879,540 | 1,086,993 | 1,086,993 | 1,086,993 | 1,086,993 | 1,086,993 |
| 580-90-001 No Department | 1,081 | 1,081 | 1,081 | - | - | - | - | - |
| 580-99-082 Quinlan Preschool Shade Structur | (18,450) | - | - | - | - | - | - | - |
| 580-99-090 QCC Sustainable Infrastructure | - | - | 320,670 | - | - | - | - | - |
| TOTAL | 1,617,717 | 2,374,305 | 2,876,283 | 2,790,244 | 2,790,244 | 2,790,244 | 2,790,244 | 2,790,244 |
| TOTAL ENTERPRISE FUNDS | 7,506,829 | 9,003,331 | 10,588,847 | 9,671,575 | 9,671,575 | 9,671,575 | 9,671,575 | 9,671,575 |

Internal Service Fund Revenues

| Classification | 2021-22 Actual | 2022-23 Adopted | 2022-23 Estimate | 2023-24 Adopted | 2024-25 Forecast | 2025-26 Forecast | 2026-27 Forecast | 2027-28 Forecast |
|--|-------------------|--------------------|---------------------|--------------------|---------------------|---------------------|---------------------|---------------------|
| INFORMATION TECHNOLOGY (FUND 610) | | | | | | | | |
| 420-Use of Money | (69,415) | - | - | 51,000 | 51,000 | 51,000 | 51,000 | 51,000 |
| 421-Transfer In | 192,078 | 2,537,500 | 2,656,266 | 900,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 |
| 450-Charges for Services | 2,959,603 | 2,485,218 | 2,485,218 | 2,546,858 | 2,546,858 | 2,546,858 | 2,546,858 | 2,546,858 |
| TOTAL | 3,082,266 | 5,022,718 | 5,141,484 | 3,497,858 | 3,597,858 | 3,597,858 | 3,597,858 | 3,597,858 |
| WORKERS' COMPENSATION (FUND 620) | | | | | | | | |
| 420-Use of Money | (126,775) | - | - | 47,000 | 47,000 | 47,000 | 47,000 | 47,000 |
| 490-Other Sources | 356,830 | 436,145 | 436,145 | - | - | - | - | - |
| TOTAL | 230,055 | 436,145 | 436,145 | 47,000 | 47,000 | 47,000 | 47,000 | 47,000 |
| VEHICLE/EQUIPMENT REPLACEMENT (FUND 630) | | | | | | | | |
| 420-Use of Money | 10,325 | - | - | 12,000 | 12,000 | 12,000 | 12,000 | 12,000 |
| 421-Transfer In | 366,000 | - | - | - | - | - | - | - |
| 450-Charges for Services | 1,718,598 | 1,568,633 | 1,568,633 | 1,523,066 | 1,523,066 | 1,523,066 | 1,523,066 | 1,523,066 |
| 480-Miscellaneous Revenue | 2,818 | - | - | - | - | - | - | - |
| 490-Other Sources | 17,645 | - | - | - | - | - | - | - |
| TOTAL | 2,115,386 | 1,568,633 | 1,568,633 | 1,535,066 | 1,535,066 | 1,535,066 | 1,535,066 | 1,535,066 |
| COMPENSATED ABSENCE & LONG-TERM DISABILITY (FUND 641) | | | | | | | | |
| 420-Use of Money | (21,623) | - | - | 19,000 | 19,000 | 19,000 | 19,000 | 19,000 |
| 421-Transfer In | 21,570 | 882,000 | 882,000 | 380,000 | 800,000 | 800,000 | 800,000 | 800,000 |
| 450-Charges for Services | 101,870 | - | - | - | - | - | - | - |
| TOTAL | 101,817 | 882,000 | 882,000 | 399,000 | 819,000 | 819,000 | 819,000 | 819,000 |
| RETIREE MEDICAL (FUND 642) | | | | | | | | |
| 420-Use of Money | 4,800 | - | - | - | - | - | - | - |
| 421-Transfer In | 1,221,204 | - | - | - | - | - | - | - |
| 480-Miscellaneous Revenue | - | - | 2,715,652 | - | 1,486,988 | 1,486,988 | 1,486,988 | 1,486,988 |
| TOTAL | 1,226,004 | - | 2,715,652 | - | 1,486,988 | 1,486,988 | 1,486,988 | 1,486,988 |
| TOTAL INTERNAL SERVICE FUNDS | 6,755,528 | 7,909,496 | 10,743,914 | 5,478,924 | 7,485,912 | 7,485,912 | 7,485,912 | 7,485,912 |

Internal Service Fund Expenditures

| Program | 2021-22 Actual | 2022-23 Adopted | 2022-23 Estimate | 2023-24 Adopted | 2024-25 Forecast | 2025-26 Forecast | 2026-27 Forecast | 2027-28 Forecast |
|--|-------------------|--------------------|---------------------|--------------------|---------------------|---------------------|---------------------|---------------------|
| INFORMATION TECHNOLOGY (FUND 610) | | | | | | | | |
| 610-30-300 Administration | 184,959 | 341,934 | 457,050 | 189,715 | 189,715 | 189,715 | 189,715 | 189,715 |
| 610-34-310 Infrastructure | 1,993,797 | 2,721,957 | 3,038,195 | 2,245,117 | 2,245,117 | 2,245,117 | 2,245,117 | 2,245,117 |
| 610-35-986 GIS | 1,170,999 | 1,546,226 | 1,802,155 | 1,489,528 | 1,489,528 | 1,489,528 | 1,489,528 | 1,489,528 |
| TOTAL | 3,349,755 | 4,610,117 | 5,297,400 | 3,924,360 | 3,924,360 | 3,924,360 | 3,924,360 | 3,924,360 |
| WORKERS' COMPENSATION (FUND 620) | | | | | | | | |
| 620-44-418 Workers Compensation Insurance | 543,646 | 516,946 | 519,306 | 582,778 | 582,778 | 582,778 | 582,778 | 582,778 |
| TOTAL | 543,646 | 516,946 | 519,306 | 582,778 | 582,778 | 582,778 | 582,778 | 582,778 |
| VEHICLE/EQUIPMENT REPLACEMENT (FUND 630) | | | | | | | | |
| 630-85-849 Equipment Maintenance | 1,414,974 | 1,602,194 | 1,680,240 | 1,501,047 | 1,501,047 | 1,501,047 | 1,501,047 | 1,501,047 |
| 630-90-985 Fixed Assets Acquisition | 52,038 | - | 1,171,448 | 467,868 | - | - | - | - |
| TOTAL | 1,467,012 | 1,602,194 | 2,851,688 | 1,968,915 | 1,501,047 | 1,501,047 | 1,501,047 | 1,501,047 |
| COMPENSATED ABSENCE & LONG-TERM DISABILITY (FUND 641) | | | | | | | | |
| 641-44-419 Long Term Disability | 95,974 | 98,523 | 98,523 | 102,381 | 102,381 | 102,381 | 102,381 | 102,381 |
| 641-44-420 Compensated Absence | 338,178 | 646,650 | 646,650 | 658,090 | 658,090 | 658,090 | 658,090 | 658,090 |
| TOTAL | 434,152 | 745,173 | 745,173 | 760,471 | 760,471 | 760,471 | 760,471 | 760,471 |
| RETIREE MEDICAL (FUND 642) | | | | | | | | |
| 642-44-414 HR Retiree Benefits | 1,357,039 | 1,388,276 | 1,388,276 | 1,486,988 | 1,486,988 | 1,486,988 | 1,486,988 | 1,486,988 |
| TOTAL | 1,357,039 | 1,388,276 | 1,388,276 | 1,486,988 | 1,486,988 | 1,486,988 | 1,486,988 | 1,486,988 |
| TOTAL INTERNAL SERVICE FUNDS | 7,151,604 | 8,862,706 | 10,801,843 | 8,723,512 | 8,255,644 | 8,255,644 | 8,255,644 | 8,255,644 |

All Funds Fund Balance

| Fund Type | | 2021-22 | 2022-23 | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 |
|-------------------------------|--------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | | Actual | Adopted | Estimate | Adopted | Forecast | Forecast | Forecast | Forecast |
| GENERAL FUNDS | | | | | | | | | |
| | Beginning Balance | 83,259,456 | - | - | - | - | - | - | - |
| Assigned | | 51,804,288 | 48,332,873 | 49,530,011 | 44,090,588 | 35,645,995 | 27,274,200 | 18,680,490 | 11,396,550 |
| Unassigned | | 58,365,253 | 61,771,440 | 60,661,719 | 60,319,373 | 57,391,876 | 58,531,723 | 59,743,123 | 61,030,548 |
| | Ending Balance | 110,169,541 | 110,104,313 | 110,191,729 | 104,409,960 | 93,037,871 | 85,805,923 | 78,423,613 | 72,427,098 |
| SPECIAL REVENUE FUNDS | | | | | | | | | |
| | Beginning Balance | 33,507,271 | 28,888,315 | 46,372,537 | 29,157,683 | 31,748,474 | 34,067,838 | 36,387,202 | 38,706,566 |
| Assigned | | 46,372,537 | 32,221,580 | 29,157,683 | 31,748,474 | 34,067,838 | 36,387,202 | 38,706,566 | 41,025,930 |
| Unassigned | | - | - | - | - | - | - | - | - |
| | Ending Balance | 46,372,537 | 32,221,580 | 29,157,683 | 31,748,474 | 34,067,838 | 36,387,202 | 38,706,566 | 41,025,930 |
| DEBT SERVICE FUNDS | | | | | | | | | |
| | Beginning Balance | 63,350 | 55,016 | 8,350 | 8,350 | 8,350 | 8,350 | 8,350 | 8,350 |
| Assigned | | 8,350 | 54,816 | 8,350 | 8,350 | 8,350 | 8,350 | 8,350 | 8,350 |
| Unassigned | | - | - | - | - | - | - | - | - |
| | Ending Balance | 8,350 | 54,816 | 8,350 | 8,350 | 8,350 | 8,350 | 8,350 | 8,350 |
| CAPITAL PROJECT FUNDS | | | | | | | | | |
| | Beginning Balance | 37,038,174 | 39,384,351 | 35,088,791 | 15,878,564 | 13,676,564 | 13,501,564 | 13,326,564 | 13,151,564 |
| Assigned | | 35,088,791 | 39,209,351 | 15,878,564 | 13,676,564 | 13,501,564 | 13,326,564 | 13,151,564 | 12,976,564 |
| Unassigned | | - | - | - | - | - | - | - | - |
| | Ending Balance | 35,088,791 | 39,209,351 | 15,878,564 | 13,676,564 | 13,501,564 | 13,326,564 | 13,151,564 | 12,976,564 |
| ENTERPRISE FUNDS | | | | | | | | | |
| | Beginning Balance | 11,464,658 | 6,935,949 | 10,679,106 | 7,204,651 | 4,277,865 | 2,430,066 | 612,480 | (1,177,377) |
| Assigned | | 10,679,106 | 4,410,211 | 7,204,651 | 4,277,865 | 2,430,066 | 612,480 | (1,177,377) | (2,941,085) |
| Unassigned | | - | - | - | - | - | - | - | - |
| | Ending Balance | 10,679,106 | 4,410,211 | 7,204,651 | 4,277,865 | 2,430,066 | 612,480 | (1,177,377) | (2,941,085) |
| INTERNAL SERVICE FUNDS | | | | | | | | | |
| | Beginning Balance | 6,313,071 | 6,313,071 | 5,916,994 | 5,859,065 | 2,614,477 | 1,844,745 | 1,075,013 | 305,281 |
| Assigned | | 5,916,994 | 3,051,606 | 5,859,065 | 2,614,477 | 1,844,745 | 1,075,013 | 305,281 | (464,451) |
| Unassigned | | - | - | - | - | - | - | - | - |
| | Ending Balance | 5,916,994 | 3,051,606 | 5,859,065 | 2,614,477 | 1,844,745 | 1,075,013 | 305,281 | (464,451) |
| TOTAL ALL FUNDS | | 208,235,319 | 189,051,876 | 168,300,042 | 156,735,690 | 144,890,434 | 137,215,531 | 129,417,996 | 123,032,406 |

CIP Schedule

| Project | Program | Amount |
|--|------------|---------------------|
| ADA Improvements | 420-99-007 | 100,000 |
| CIP Preliminary Planning & Design | 420-99-047 | 125,000 |
| Capital Project Support | 420-99-048 | 50,000 |
| Street Light Installation - Annual Infill | 420-99-056 | 35,000 |
| Citywide Building Condition Assessment Implementation | 420-99-063 | 1,000,000 |
| Annual Playground Replacement | 420-99-085 | 300,000 |
| Stevens Creek Boulevard/Calabazas Creek Storm Drain Repair | 420-99-266 | 420,000 |
| Stevens Creek Bridge Repair | 420-99-267 | 172,000 |
| TOTAL | | \$ 2,202,000 |

The City’s Capital Improvement Plan details are included in the City’s Capital Improvement Plan book that is produced by the Capital Improvements Projects Division of the Public Works department. Additional details on these and other CIP projects can be found there.

Personnel Schedule

| | FY 17-18 | FY 18-19 | FY 19-20 | FY 20-21 | FY 21-22 | FY 22-23 | Change | FY 23-24 |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| COUNCIL AND COMMISSIONS | | | | | | | | |
| City Council | 1.15 | 1.05 | 0.85 | 0.85 | 0.85 | 0.85 | 0.00 | 0.85 |
| Sister Cities | 0.10 | 0.10 | 0.40 | 0.10 | 0.10 | 0.10 | 0.00 | 0.10 |
| Technology, Information & Communications Commission | 0.00 | 0.00 | 0.05 | 0.07 | 0.07 | 0.07 | 0.00 | 0.07 |
| Library Commission | 0.05 | 0.05 | 0.03 | 0.10 | 0.15 | 0.10 | 0.00 | 0.10 |
| Fine Arts Commission | 0.15 | 0.15 | 0.15 | 0.15 | 0.15 | 0.15 | -0.05 | 0.10 |
| Public Safety Commission | 0.00 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 | 0.00 | 0.05 |
| Bicycle and Pedestrian Commission | 0.00 | 0.00 | 0.00 | 0.15 | 0.15 | 0.15 | 0.00 | 0.15 |
| Parks and Recreation Commission | 0.10 | 0.10 | 0.12 | 0.10 | 0.10 | 0.10 | 0.00 | 0.10 |
| Teen Commission | 0.30 | 0.30 | 0.30 | 0.30 | 0.30 | 0.05 | 0.00 | 0.05 |
| Planning Commission | 0.25 | 0.30 | 0.31 | 0.26 | 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 | 0.15 | 0.15 | 0.15 | 0.00 | 0.15 |
| Audit Committee | 0.00 | 0.00 | 0.00 | 0.10 | 0.10 | 0.10 | 0.00 | 0.10 |
| TOTAL COUNCIL AND COMMISSIONS | 2.35 | 2.35 | 2.51 | 2.53 | 2.58 | 2.28 | -0.05 | 2.23 |
| ADMINISTRATION | | | | | | | | |
| City Manager | 3.37 | 3.62 | 4.90 | 3.90 | 4.90 | 6.90 | 0.00 | 6.90 |
| Sustainability | 1.80 | 1.80 | 1.40 | 1.80 | 1.80 | 1.80 | 0.00 | 1.80 |
| Office of Communications | 1.85 | 2.15 | 2.65 | 2.95 | 2.95 | 3.65 | -1.00 | 2.65 |
| Video | 0.00 | 0.00 | 0.00 | 3.00 | 3.00 | 1.50 | -1.50 | 0.00 |
| Community Outreach & Neighborhood Watch | 0.00 | 0.00 | 0.75 | 0.75 | 0.75 | 1.00 | 0.00 | 1.00 |
| Office of Emergency Management | 0.00 | 0.00 | 0.95 | 0.95 | 1.95 | 1.95 | 0.00 | 1.95 |
| Economic Development | 0.00 | 0.00 | 1.00 | 1.00 | 1.00 | 1.00 | 0.00 | 1.00 |
| City Clerk | 3.10 | 2.90 | 2.50 | 2.50 | 2.50 | 3.50 | 0.00 | 3.50 |
| City Attorney | 4.00 | 5.00 | 1.00 | 1.00 | 1.00 | 3.00 | 0.00 | 3.00 |
| TOTAL ADMINISTRATION | 14.12 | 15.47 | 15.15 | 17.85 | 19.85 | 24.30 | -2.50 | 21.80 |
| INNOVATION AND TECHNOLOGY | | | | | | | | |
| Administration | 0.85 | 0.70 | 0.55 | 0.53 | 0.53 | 0.53 | 0.00 | 0.53 |
| Video | 3.25 | 3.20 | 3.25 | 0.00 | 0.00 | 1.50 | 1.50 | 3.00 |
| Applications | 3.20 | 3.45 | 3.45 | 3.50 | 3.50 | 3.50 | 0.00 | 3.50 |
| Infrastructure | 4.60 | 4.50 | 4.50 | 4.50 | 4.50 | 4.50 | 0.00 | 4.50 |
| GIS | 2.65 | 3.20 | 3.20 | 3.40 | 3.40 | 3.40 | 0.00 | 3.40 |
| TOTAL INNOVATION AND TECHNOLOGY | 14.55 | 15.05 | 14.95 | 11.93 | 11.93 | 13.43 | 1.50 | 14.93 |
| ADMINISTRATIVE SERVICES | | | | | | | | |
| Administration | 2.80 | 3.80 | 3.80 | 3.75 | 3.75 | 3.75 | -2.35 | 1.40 |
| Finance | 6.00 | 7.00 | 8.00 | 7.95 | 7.95 | 9.95 | 1.35 | 11.30 |
| Human Resources | 3.20 | 3.20 | 4.20 | 4.20 | 5.20 | 5.20 | 0.00 | 5.20 |
| TOTAL ADMINISTRATIVE SERVICES | 12.00 | 14.00 | 16.00 | 15.90 | 16.90 | 18.90 | -1.00 | 17.90 |
| PARKS AND RECREATION | | | | | | | | |
| Administration | 2.90 | 3.85 | 4.55 | 4.55 | 4.50 | 6.70 | -1.80 | 4.90 |
| Business and Community Services | 10.60 | 10.30 | 8.00 | 7.45 | 6.25 | 6.50 | -0.25 | 6.25 |
| Recreation and Education | 10.70 | 10.00 | 10.05 | 10.55 | 8.55 | 6.75 | 0.95 | 7.70 |
| Sports, Safety and Outdoor Recreation | 10.93 | 10.65 | 9.50 | 9.35 | 8.58 | 9.53 | -0.75 | 8.78 |
| TOTAL PARKS AND RECREATION | 35.13 | 34.80 | 32.10 | 31.90 | 27.88 | 29.48 | -1.85 | 27.63 |

| | FY 17-18 | FY 18-19 | FY 19-20 | FY 20-21 | FY 21-22 | FY 22-23 | Change | FY 23-24 |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| COMMUNITY DEVELOPMENT | | | | | | | | |
| Administration | 0.55 | 0.55 | 0.60 | 0.50 | 0.50 | 0.50 | 0.00 | 0.50 |
| Planning | 10.63 | 10.58 | 9.67 | 9.97 | 12.07 | 14.67 | -1.70 | 12.97 |
| Housing Services | 0.80 | 0.80 | 0.80 | 0.80 | 1.70 | 3.10 | -1.40 | 1.70 |
| Building | 13.85 | 13.95 | 13.97 | 14.22 | 15.22 | 15.22 | 0.00 | 15.22 |
| Economic Development | 1.00 | 1.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Muni/Building Code Enforcement | 1.25 | 1.25 | 0.25 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Code Enforcement | 0.00 | 0.00 | 3.00 | 3.00 | 3.00 | 4.00 | 0.00 | 4.00 |
| TOTAL COMMUNITY DEVELOPMENT | 28.08 | 28.13 | 28.29 | 28.49 | 32.49 | 37.49 | -3.10 | 34.39 |
| PUBLIC WORKS | | | | | | | | |
| Administration | 3.25 | 3.25 | 2.05 | 3.05 | 3.05 | 3.45 | 0.50 | 3.95 |
| Environmental Programs | 6.27 | 6.20 | 6.10 | 7.55 | 8.52 | 8.57 | -0.05 | 8.52 |
| Development Services | 7.50 | 8.50 | 11.50 | 11.20 | 11.70 | 12.55 | -2.90 | 9.65 |
| Service Center | 3.05 | 2.55 | 3.65 | 3.50 | 3.50 | 3.25 | -0.20 | 3.05 |
| Grounds | 19.60 | 20.00 | 20.00 | 20.00 | 20.00 | 20.00 | -1.00 | 19.00 |
| Streets | 13.95 | 13.95 | 13.95 | 13.45 | 13.45 | 14.40 | -0.85 | 13.55 |
| Trees and Right of Way | 16.40 | 16.00 | 17.00 | 17.00 | 17.00 | 17.00 | 0.00 | 17.00 |
| Facilities and Fleet | 8.00 | 8.00 | 8.00 | 8.00 | 8.00 | 8.00 | -1.00 | 7.00 |
| Transportation | 6.50 | 6.50 | 6.50 | 6.40 | 6.90 | 6.90 | -0.50 | 6.40 |
| TOTAL PUBLIC WORKS | 84.52 | 84.95 | 88.75 | 90.15 | 92.12 | 94.12 | -6.00 | 88.12 |
| LAW ENFORCEMENT | | | | | | | | |
| Code Enforcement | 2.00 | 2.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL LAW ENFORCEMENT | 2.00 | 2.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL BENEFITTED POSITIONS | 192.75 | 196.75 | 197.75 | 198.75 | 203.75 | 220.00 | -13.00 | 207.00 |
| TOTAL BENEFITTED POSITIONS & COUNCILMEMBERS | 197.75 | 201.75 | 202.75 | 203.75 | 208.75 | 225.00 | -13.00 | 212.00 |