



Study Session Fiscal Year 2021-23 Two-Year Budget

Monrovia City Council
June 1, 2021



Purpose

The purpose of this Study Session is to:

- Present a Fiscal Year 2021-23 two-year budget proposal for City Council's consideration.
- Review a proposed Measure K Spending Plan for the Fiscal Year 2021-23 Two-Year Budget.
- Provide an overview of the City's capital asset maintenance and replacement program.
- Propose a new Pension and OPEB Payoff Plan Policy for City Council's consideration.
- Review Fiscal Year 2021-23 Fees and Charges.
- Seek City Council's direction regarding next steps.

Proposed Fiscal Year 2021-23 Budget Timeline

- Quarterly updates for Fiscal Year 2020-21 were provided throughout the year, and on May 4, 2021, Council was provided with a Fiscal Year 2020-21 Quarter 3 Budget Update.
- **Study Session #1** for the Fiscal Year 2021-23 Two-Year Budget – Tonight!
- **Formal Budget Adoption** is scheduled for June 15, 2021; however, if needed, a second study session can be scheduled before formal budget approval.

Economic Update

The economy continues to show signs of growth and recovery:

- Economists are calling for national growth and post-pandemic economic recovery.
 - The UCLA Anderson Forecast is calling for strong economic growth in 2021 (6.3%), 2022 (4.6%), and 2023 (2.7%).
- Unemployment levels are expected to decline as employers seek to reopen and bring employees back to work.
- State and County reopenings, scheduled for June 15, will help to fuel continued growth and activity.
- Overall, the future is optimistic.

Fiscal Year 2021-23 Budget Overview

- The Fiscal Year 2021-23 budget proposal presented this evening aims to incorporate several key principals of the City's Financial Resiliency Plan (FRP) approved by City Council:
 - Addressing infrastructure and maintenance needs.
 - Building up General Fund reserve levels to prepare for the future.
 - Completing and instituting the final phase of the CalPERS Response (CPR) Plan.

Fiscal Year 2021-23 Budget Overview

Fund Type	FY20-21 Revised Budget		FY21-22 Proposed Budget		FY22-23 Proposed Budget	
	Revenue	Expenditure	Revenue	Expenditure	Revenue	Expenditure
General Fund	\$41.53 M	\$42.19 M	\$44.87 M	\$44.75 M	\$47.15 M	\$46.65 M
General Fund – Other Funds (Dev. Services/Emergency Services/Measure K)	\$11.48 M	\$7.77 M	\$10.51 M	\$9.78 M	\$7.90 M	\$9.14 M
Enterprise Funds	\$19.74 M	\$19.61 M	\$24.67 M	\$20.68 M	\$23.46 M	\$21.34 M
Special Purpose Funds	\$46.46 M	\$43.73 M	\$38.85 M	\$35.28 M	\$37.75 M	\$32.77 M
Internal Service Funds	\$10.41 M	\$10.90 M	\$11.23 M	\$10.88 M	\$11.33 M	\$10.37 M
Total Budget	\$129.62 M	\$124.20 M	\$130.13 M	\$121.37 M	\$127.59 M	\$120.27 M



FY 2021-23 General Fund Review

Analysis of the FY 2021-23 proposed operating budget.



Fiscal Year 2021-23 General Fund Revenues and Expenditures

- Both fiscal years are expected to close with a surplus.
- Based on the preliminary proposed budget, a surplus of \$120K is expected for Fiscal Year 2021-22 and \$500K is expected for Fiscal Year 2022-23. This amount includes setting aside \$495K (FY 2021-22) and \$555K (FY 2022-23) in a Section 115 Trust to fund future obligations.
- One-time revenues for a reimbursement and property sale have been included in the projection. As the City recovers from the pandemic, these revenues will be replaced with growth in normal revenues in the future.
- Staff will closely monitor the City's financial position over the next 12 months and will return to City Council with adjustments, as necessary, throughout the year.

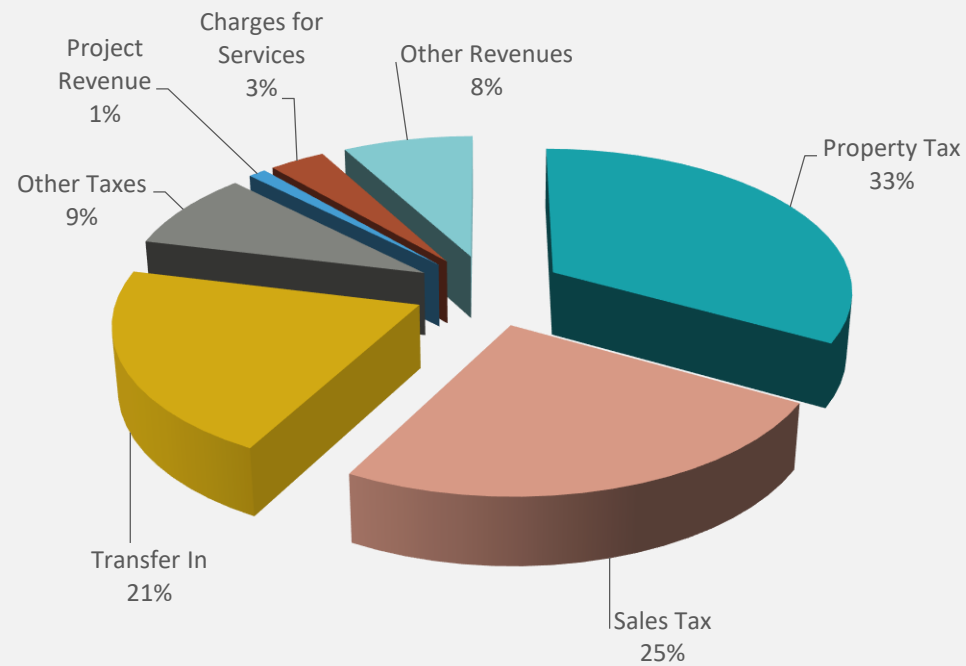
Budget Category	FY 2020-21 Revised Budget	FY 2021-22 Proposed Budget	FY 2022-23 Proposed Budget
Revenues	\$ 41.51 M	\$ 44.87 M	\$ 47.15 M
Expenditures	\$ 41.69 M	\$ 44.25 M	\$ 46.09 M
Funds Set Aside for Section 115 Trust	\$ 00.50 M	\$ 00.50 M	\$ 00.56 M
NET GF SURPLUS/DEFICIT	(\$ 00.68 M)	\$ 00.12 M	\$ 00.50 M

Fiscal Year 2021-23 General Fund Revenue

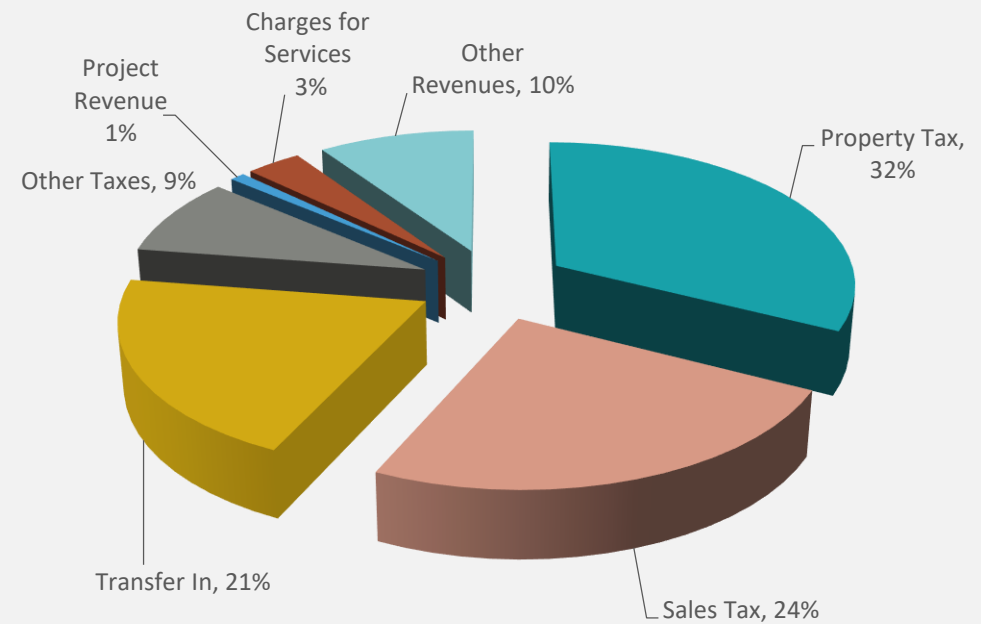
General Fund Revenues					
Year-Over-Year Comparison					
Revenue Source	FY 2020-21 Revised Budget	FY 2021-22 Proposed Budget	% Increase / Decrease	FY 2022-23 Proposed Budget	% Increase / Decrease
Property Tax	13,999,639	14,847,991	6.06%	15,297,893	3.03%
Sales Tax	10,919,226	11,110,082	1.75%	11,529,549	3.78%
Transfers In	9,189,796	9,386,598	2.14%	9,661,064	2.92%
Other Taxes	3,351,866	3,901,475	16.40%	4,111,241	5.38%
Project Revenues	808,090	492,635	-39.04%	435,255	-11.65%
Charges for Services	976,786	1,544,810	58.15%	1,602,310	3.72%
Other Revenues	2,281,045	3,585,967	57.21%	4,515,725	25.93%
TOTAL REVENUES	\$41,526,447	\$44,869,558	8.05%	\$47,153,037	5.09%

Fiscal Year 2021-23 General Fund Sources of Revenues

Fiscal Year 2021-22



Fiscal Year 2022-23



Fiscal Year 2021-23 General Fund Revenues

Property Tax

FY 2020-21 Revised Budget	FY 2021-22 Proposed Budget	% Incr.	FY 2022-23 Proposed Budget	% Incr.
\$13,999,639	\$14,847,991	6.06%	\$15,297,893	3.03%

- Property tax revenue has fared well during the pandemic and continues to be the largest source of revenue in the General Fund, making up 32-33% of General Fund revenues.
- Property values have remained strong in California during the COVID pandemic. In fact, home prices are expected to increase in the upcoming year, but at a slower pace than in 2020.
- Estimates include a nominal delinquency factor, as collections are expected to be strong based on current year activity.
- Overall, COVID has had little effect on property tax revenue.

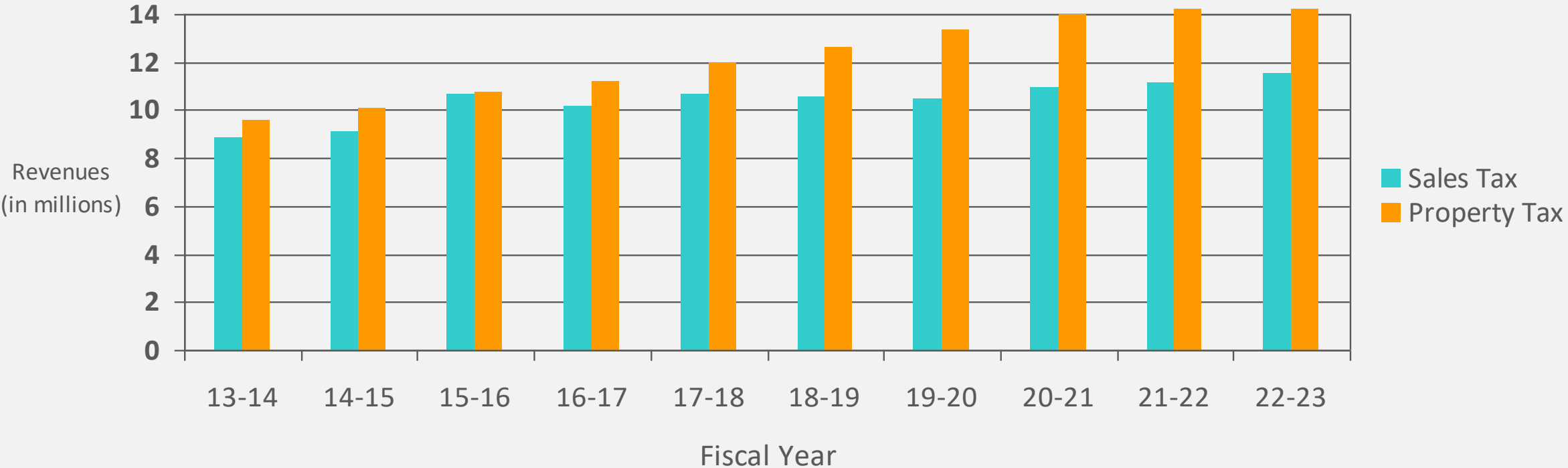
Fiscal Year 2021-23 General Fund Revenues

Sales Tax

FY 2020-21 Revised Budget	FY 2021-22 Proposed Budget	% Incr.	FY 2022-23 Proposed Budget	% Incr.
\$10,919,226	\$11,110,082	1.75%	\$11,529,549	3.78%

- Sales tax continues to be the second largest revenue source in the General Fund, making up 23-24% of General Fund revenues.
- While it was originally expected that sales tax revenue would be severely impacted by the COVID-19 pandemic, this revenue source has fared much better than expected.
- Strong growth in State and County Pool allocations have helped to offset negative impacts in other sales tax categories this past year.
- Additionally, Autos and Transportation, the City's largest sales tax category, continues to improve as we move forward out of the recession.
- The City's sales tax consultants, HDL, have assisted with our projections.

General Fund Revenue Sales and Property Tax History

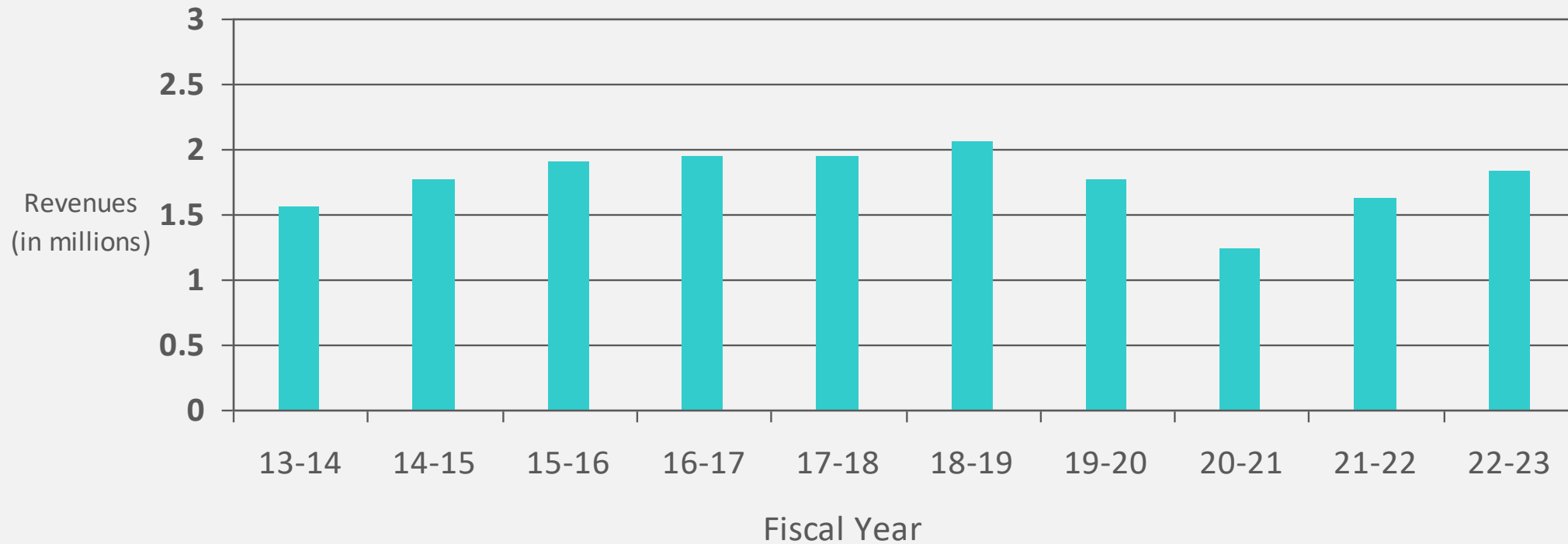


Fiscal Year 2021-23 General Fund Revenues Transient Occupancy Tax (TOT)

FY 2020-21 Revised Budget	FY 2021-22 Proposed Budget	% Incr.	FY 2022-23 Proposed Budget	% Incr.
\$1,238,372	\$1,621,069	30.90%	\$1,826,828	12.69%

- TOT makes up approximately 3.5%-4% of the General Fund revenues.
- TOT has been the most impacted revenue source in the General Fund. Using Fiscal Year 2018-19 as the base year (pre-pandemic year), losses have been incurred as follows:
 - Fiscal Year 2019-20 resulted in a 13.8% loss, or \$281,469, over Fiscal Year 2018-19.
 - Fiscal Year 2020-21 is expected to close the year with a 39.4% loss over Fiscal Year 2018-19, or \$806,731.
- Revenues are not expected to reach pre-pandemic levels until Fiscal Year 2023-24.
- Conservative estimates have been incorporated into the Fiscal Year 2021-23 budget.

Fiscal Year 2021-23 General Fund Revenue Transient Occupancy Tax (TOT) History



Fiscal Year 2021-23 General Fund Revenues

Other Revenues

FY 2020-21 Revised Budget	FY 2021-22 Proposed Budget	% Incr.	FY 2022-23 Proposed Budget	% Incr.
\$6,179,415	\$7,903,818	27.91%	\$8,837,703	11.82%

- Other Revenues include items such as Franchise Fees, Permits, Charges For Services, one-time revenues, and all other revenues that aren't classified as Property Tax, Sales Tax, or TOT. Other Revenues do not include Transfers-In, totaling \$9,386,598 for Fiscal Year 2021-22 and \$9,661,064 for Fiscal Year 2022-23.
- Projections include estimates based on post-pandemic activity. Additionally, user fee increase proposals have also been reflected in projection estimates.
- Several one-time revenues have been included in the Fiscal Year 2021-23 Two-Year Budget, as follows:
 - \$467K has been included in Fiscal Year 2021-22 for repayment of the Richman easement amount.
 - \$1.4M has been included in Fiscal Year 2022-23 for the sale of property.
 - American Rescue Plan Act ("ARPA") funds have been included in both years. \$1.1M has been included in Fiscal Year 2021-22 and \$1.0M has been included in Fiscal Year 2022-23. *(Discussed on next slide)*.
- Overall, conservative estimates for Other Revenues have been incorporated into the Fiscal Year 2021-23 budget.

Fiscal Year 2021-23 General Fund Revenues

American Rescue Plan Act 2021 (“ARPA”)

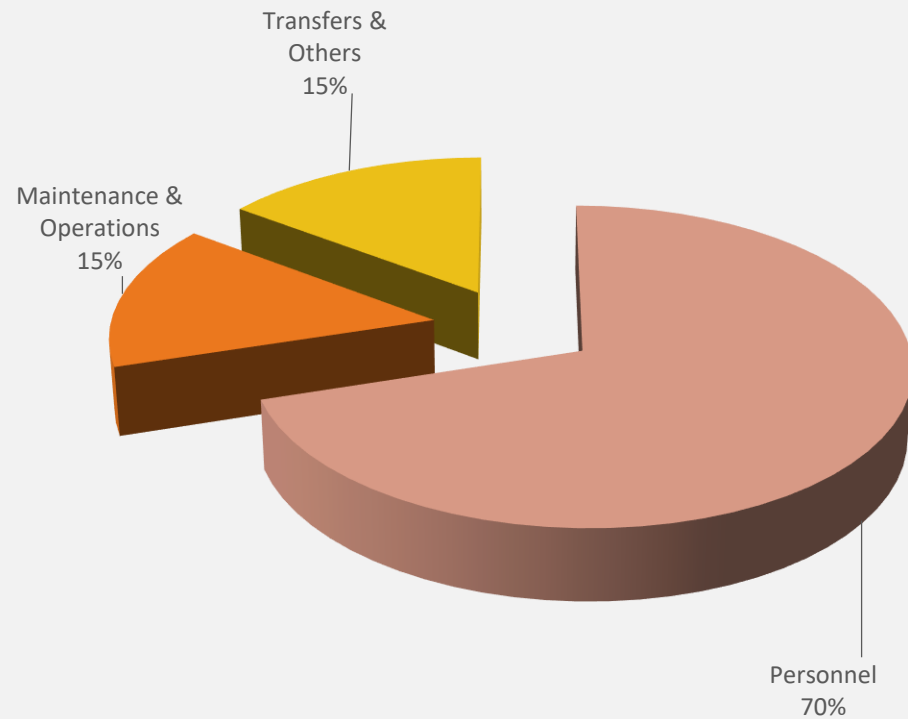
- ARPA was signed into law on March 11, 2021, and provides \$350 billion in funding for state and local governments.
- Funding for Monrovia will be received (directly from the State) in two installments (or tranches). The first is expected to be received in June 2021 and the second is expected to be received in June 2022.
- Based on initial projections, the City of Monrovia is expecting to receive approximately \$6.8 million in ARPA funds. Several eligible uses include:
 - To respond to the COVID-19 public health emergency.
 - To provide government services to cover the loss in revenue due to COVID-19.
 - To assist workers performing essential work during the COVID-19 pandemic.
 - To make necessary investments in water, sewer, and broadband infrastructure.
- A portion of ARPA Funds have been included in the budget. \$1.1M has been included in Fiscal Year 2021-22 and \$1.0M has been included in Fiscal Year 2022-23, which falls under the category of “To provide government services to cover the loss in revenue due to COVID-19.” The balance of \$4.7M in ARPA Funds remains unallocated.
- Staff is currently awaiting additional guidance from the State of California and the United States Treasury. Once additional guidance is received, staff will continue to develop a funding plan proposal and return to City Council to provide an update.

Fiscal Year 2021-23 General Fund Expenditures By Type

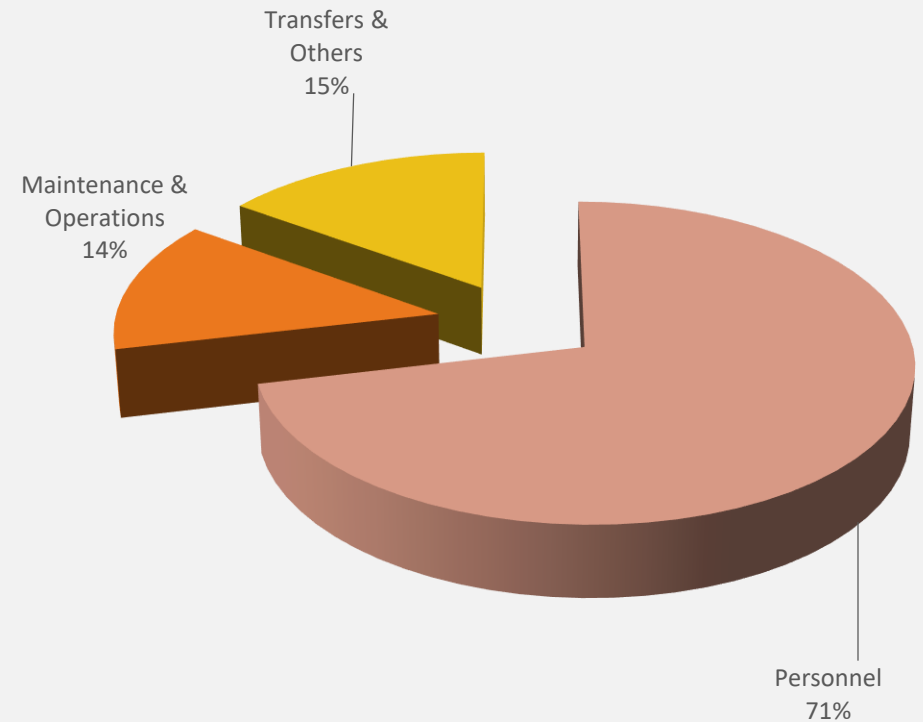
Expenditure Type	FY 2020-21 Revised Budget	FY 2021-22 Proposed Budget	% Increase / Decrease	FY 2022-23 Proposed Budget	% Increase / Decrease
Personnel Costs	\$29,209,355	\$31,060,996	6.34%	\$32,899,538	5.92%
Maintenance & Operations	\$6,304,081	\$6,634,433	5.24%	\$6,240,274	-5.94%
Transfers & Other	\$6,176,211	\$6,555,318	6.14%	\$6,951,164	6.04%
EXPENDITURES SUBTOTAL	\$41,689,648	\$44,250,747	6.14%	\$46,090,977	4.16%
Funds Set Aside for Section 115 Trust	\$500,000	\$495,000	-1.00%	\$555,000	12.12%
TOTAL EXPENDITURES & SET ASIDE	\$42,189,648	\$44,745,747	6.06%	\$46,645,977	4.25%

Fiscal Year 2021-23 General Fund Expenditures By Type

Proposed Budget FY 2021-22:



Proposed Budget FY 2022-23:



Fiscal Year 2021-23 General Fund Expenditures

Savings Items

Because post-pandemic recovery is expected to be slow, a variety of savings measures were incorporated into this budget proposal. These savings measures will help maintain a balanced budget.

- Vacancy and Personnel Savings:
 - Savings was achieved by keeping 13 non-critical positions vacant through the end of the fiscal year. Of these 13 positions, 11 impact the General Fund. By keeping these positions vacant, we are able to achieve a savings of over \$800K in the General Fund and over \$1.1M, Citywide, in both years.
 - Non-essential overtime was eliminated.
- Savings in Operational Budgets:
 - A thorough review of each operating department was performed. Each line item was reviewed and evaluated and adjustments were made. When evaluating expenses, adjustments were made that would be least impactful to our residents.
 - Some savings from last year's renegotiated contracts have been incorporated into the budget over the next two years.

Fiscal Year 2021-23 General Fund Combined Fund View

- Several other funds are part of the General Fund and are presented as one fund on the City's Annual Financial Report. This includes:
 - The Development Services Fund
 - The Emergency Services Fund
 - The Measure K Fund
- One of these funds, the Development Services Fund, which houses the Building, Planning, and Engineering Departments, continues to have an annual operating deficit. Staff is currently evaluating options for addressing this annual deficit.
 - Staff is looking to perform a comprehensive Cost Study Review, which will help to address the adequacy of fees and charges established for these functions.
- When all funds are combined, the General Fund has a positive ending fund balance in both years.

Fiscal Year 2021-23 General Fund Combined Fund View

Fund Type	FY20-21 Revised Budget		FY21-22 Proposed Budget		FY22-23 Proposed Budget	
	Revenue	Expenditure	Revenue	Expenditure	Revenue	Expenditure
General Fund	\$41.53 M	\$42.19 M	\$44.87 M	\$44.75 M	\$47.15 M	\$46.65 M
General Fund – Development Services	\$4.29 M	\$5.24 M	\$3.96 M	\$4.22 M	\$2.38 M	\$3.74 M
General Fund – Emergency Services	\$1.63 M	\$1.20 M	\$1.23 M	\$0.00 M	\$0.00 M	\$0.00 M
General Fund – Measure K	\$5.56 M	\$1.33 M	\$5.32 M	\$5.56 M	\$5.52 M	\$5.40 M
Total General Fund Budget	\$53.01 M	\$49.96 M	\$55.38 M	\$54.53 M	\$55.05 M	\$55.79 M



Other City Funds

A review of other funds within the City.



Fiscal Year 2021-23 Other City Funds Revenues and Expenditures

Fund Type	FY 2020-21 Revised Budget		FY 2021-22 Proposed Budget		FY 2022-23 Proposed Budget	
	Revenue	Expenditure	Revenue	Expenditure	Revenue	Expenditure
Enterprise Funds	\$19.74 M	\$19.61 M	\$24.67 M	\$20.68 M	\$23.46 M	\$21.34 M
Special Purpose Funds	\$46.46 M	\$43.73 M	\$38.85 M	\$35.28 M	\$37.75 M	\$32.77 M
Internal Service Funds	\$10.41 M	\$10.90 M	\$11.23 M	\$10.88 M	\$11.33 M	\$10.37 M
Total Budget	\$76.61 M	\$74.24 M	\$74.75 M	\$66.84 M	\$72.54 M	\$64.48 M

FY 2021-23 Other Funds

Recap of Remaining City Funds

- The City has over 50 other funds covering all unrestricted and restricted revenue sources and expenditures.
- All funds are expected to end the year with positive fund balances, except for the Worker's Compensation and Liability Funds.
- One new fund, the Community Facilities District Fund, has been added beginning in Fiscal Year 2021-22.
- Overall, budget savings for the City's Other Funds was achieved through a variety of mechanisms:
 - Vacancy savings
 - Operational cost savings

Fiscal Year 2021-23 Other Funds Funds of Concern

- In past years and in this two-year budget, there are several City funds that are not self-sustaining and require subsidies. Funds of concern are as follows:
 - Lighting and Landscape Assessment District Fund
 - Park Maintenance Assessment District Fund
 - Worker's Compensation Fund
- Under City Council's Financial Management Goal, an initial contribution was made from the Measure K Fund to provide support to two of these funds in Fiscal Year 2020-21, as follows:
 - \$200K to the Lighting and Landscape Assessment District
 - \$500K to the Worker's Compensation Fund
- An additional contribution to the Worker's Compensation Fund is being proposed as part of the Measure K budget for Fiscal Year 2021-22 and Fiscal Year 2022-23 (\$500K each year).

FY 2021-23 Other Funds

Assessment District Funds

- Lighting & Landscape District (LLD)
 - The assessment has remained essentially unchanged for over 20 years (since FY 1998/99), while costs have consistently increased each year (electricity, contract services, related M&O costs). The LLD Assessment amount is currently established at \$56.23 per dwelling unit.
 - Based on the most recent Engineer's Report conducted for the LLD, the operation is being subsidized by nearly \$780,000 / year.
 - A one-time \$200K transfer from Measure K in Fiscal Year 2020-21 resulted in a positive fund balance, but a long-term solution will need to be identified.
- Park Maintenance District (PMD)
 - When the PMD was first formed in 1997, the cost was established at \$8.25 per dwelling unit (DU). In 2021 (24 years later), the PMD assessment level is currently \$13.07 / DU.
 - Based on the most recent Engineer's Report conducted for the PMD, the operation is being subsidized by nearly \$855,000 / year.
 - The budget is balanced for Fiscal Year 2021-23; however, a long-term solution will need to be identified.

Fiscal Year 2021-23 Other Funds

Worker's Compensation Fund

- Addressing legacy workers' compensation costs continues to be a priority, since costs have been impacting the City's budget for the last decade.
- The City is still working towards paying all tail claims that remained after switching to our new service provider. The current estimated outstanding balance is \$1.3M.
- A one-time \$500K transfer from Measure K was made in Fiscal Year 2020-21.
- An additional contribution to the Worker's Compensation Fund is being proposed as part of the Measure K Budget for Fiscal Year 2021-22 and Fiscal Year 2022-23 (\$500K each year).
- Once all tail claims are settled, the annual premium costs in the fund are currently within the City's funding capacity.



Measure K

A review of the proposed Measure K Budget for Fiscal Year 2021-23.



Fiscal Year 2021-23 Measure K Budget Review

- Recap of Fiscal Year 2020-21 Revenues and Expenditures:
 - Revenue Budget = \$5,558,000
 - Expenditure Budget = \$1,325,250:
 - Transfer to General Fund Reserves = \$500,000
 - Transfer to Worker's Compensation Fund Reserves = \$500,000
 - Transfer to Assessment District Fund = \$200,000
 - Batting Cages at Barney Glen Field = \$20,000
 - ADA Transition Plan = \$105,250
- Overall, Measure K revenue has been more positive than originally expected. Based on staff review and HDL projections, estimated revenues for the Fiscal Year 2021-23 Budget are as follows:
 - Fiscal Year 2021-22 = \$5,315,000
 - Fiscal Year 2022-23 = \$5,522,000

Fiscal Year 2021-23 Measure K Budget Review

Staff identified a list of potential Measure K projects that align with City Council's objectives and would allow for a remaining ending fund balance of \$4.98M in Fiscal Year 2021-22 and \$5.10M in Fiscal Year 2022-23.

Description	Balance
Estimated Beginning Balance 7-1-21	\$5,228,850
Estimated Revenues	\$5,315,000
Proposed Measure K Expenditures (Includes prior year carryover of \$105,250)	<u>(\$5,559,916)</u>
Estimated Ending Balance 6-30-22	\$4,983,934
Estimated Revenues	\$5,522,000
Proposed Measure K Expenditures	<u>(\$5,401,000)</u>
Estimated Ending Balance 6-30-23	<u>\$5,104,935</u>

Measure K Items FY 2021-23 Two-Year Budget

Item #	Description	Council Target Objective	FY 21-22 Amount	FY 22-23 Amount
1	Transfer to Worker's Comp	Financial Management	500,000	500,000
2	General Fund Reserves	Financial Management	500,000	500,000
3	Replace Samson Statue	Infrastructure	1,000	-
4	Taxidermy Replacement	Infrastructure	3,000	-
5	Engineering Digitization Project	Infrastructure	50,000	50,000
6	Energy Action Plan	Infrastructure	150,000	-
7	Message Board Replacement	Infrastructure	21,000	21,000
8	LED Demonstration Project	Infrastructure	30,000	-
9	Painting of Exterior of Police Station & New Sign	Infrastructure	43,000	-
10	Kay Dalton Wood Floor Polishing	Infrastructure	5,000	-
11	Floor Replacement for Ranger Station	Infrastructure	3,000	-
12	Recreation Park Tool Shed	Infrastructure	3,000	-
13	Grading Lower Clamshell Motorway	Infrastructure	-	50,000
14	Annual Server Replacement	Infrastructure	-	15,000
15	Storage Area Network Unit- City Hall	Infrastructure	-	75,000
16	OnBase and Munis Upgrade	Infrastructure	82,666	-
17	Mitel Phone Improvements	Infrastructure	28,500	-
18	City Hall Wireless Access Points	Infrastructure	48,500	-
19	City Clerk Wall Removal	Infrastructure	25,000	-
20	Colorado Commons Parking Lot Painting Project	Infrastructure	11,000	-
21	Completion of Fuel Pump Replacement	Infrastructure	50,000	-
22	Parking Lots (5 Lots)	Infrastructure	800,000	800,000
23	Annual Facility Replacement	Infrastructure	300,000	300,000
24	Annual Park Replacement	Infrastructure	300,000	300,000
25	Annual Street Preservation	Infrastructure	1,100,000	1,100,000
26	Replacement Vehicles - Canyon Park	Infrastructure	80,000	-
27	New Dog Park	Infrastructure	10,000	150,000
28	Painting of Historic Museum	Infrastructure	125,000	-
29	Mountain Avenue Resurfacing	Infrastructure	-	800,000
30	Station 101 Door Replacement	Infrastructure	150,000	-
31	Station 102 Improvements	Infrastructure	200,000	-
32	Transfer to Fire Vehicle Replacement	Infrastructure	550,000	550,000
33	Inclusionary Housing Ordinance	Relationships	100,000	-
34	RWG -Retention Schedule Review	Relationships	-	5,000
35	Replacement Trees	Relationships	25,000	25,000
36	MAP Block Party Events	Relationships	10,000	10,000
37	Community Enrichment Grants	Relationships	150,000	150,000
Total Projects (37 Projects)			5,454,666	5,401,000

Measure K Budget Totals

City Council Objectives

FY 21-22

FY 22-23

Financial Management	1,000,000	1,000,000
Infrastructure	4,169,666	4,211,000
Relationships	285,000	190,000
Total Projects (37 Projects)	5,454,666	5,401,000



FY 2021-23 CIP Program Update

A review of the CIP Program for Fiscal Year 2021-23.



FY 2021-23 CIP Program Budget

As part of the Fiscal Year 2021-23 Budget proposal, a review of our current capital initiatives and available funding sources was performed. Based on that review, the Fiscal Year 2021-23 CIP Program Budget update was developed and proposes to:

- Roll over 8 existing CIP projects into the Fiscal Year 2021-23 Budget.
- Add 1 new CIP project:
 - EV Charging Stations: \$165K budgeted in Fiscal Year 2021-22 and \$110K budgeted in Fiscal Year 2022-23.
- Add 30 New Measure K Infrastructure Projects.
- The proposed Fiscal Year 2021-23 Budget includes CIP expenditures totaling \$8.4M in Fiscal Year 2021-22 and \$6.3M in Fiscal Year 2022-23.

Fiscal Year 2021-23 CIP Program Budget

CAPITAL IMPROVEMENT PROGRAM BUDGET FY 2021-23 BUDGET

Project No.	Project Description	Funding Source	Restricted / Unrestricted	TOTAL BUDGET		FY 21-22		FY 22-23	
				TOTAL CIP PROJECT BUDGET		FY21-22 ESTIMATED BUDGET		FY22-23 ESTIMATED BUDGET	
EXISTING CIP PROJECTS									
52	COMMUNITY CENTER PLANNING	Facilities Maintenance Fund	Unrestricted	\$	66,750	\$	51,039		
75	BRADOAKS / SANTA FE PROJECT - SRTS GRANT	SRTS Grant Expense	Restricted	\$	731,141	\$	691,398		
	BRADOAKS / SANTA FE PROJECT - CITY MATCH	SB1 RMRA*	Restricted	\$	179,900	\$	179,900		
76	HUNTINGTON DRIVE PHASE II - RSTP GRANT	RSTP Grant Expense	Restricted	\$	1,242,000	\$	-	\$	1,242,000
	HUNTINGTON DRIVE PHASE II - CITY MATCH	SB1 RMRA*	Restricted	\$	739,800	\$	-	\$	739,800
	HUNTINGTON DRIVE PHASE II - STPL GRANT	STPL Grant	Restricted	\$	228,000	\$	-	\$	31,814
77	HUNTINGTON DRIVE / 5TH AVENUE - HSIP GRANT	HSIP Grant Expense	Restricted	\$	657,000	\$	613,470		
	HUNTINGTON DRIVE / 5TH AVENUE - HUD GRANT	HUD Grant	Restricted	\$	188,642	\$	-		
	HUNTINGTON DRIVE / 5TH AVENUE - CITY MATCH	SB1 RMRA*	Restricted	\$	173,950	\$	173,950		
	HUNTINGTON DRIVE / 5TH AVENUE - CITY COST	Street Maintenance Fund	Unrestricted	\$	5,368	\$	-		
80a	COMPREHENSIVE OLD TOWN UPGRADE PROJECT	AQMD Fund (reobligated as CIP #93)	Restricted	\$	165,000	\$	-		
	COMPREHENSIVE OLD TOWN UPGRADE PROJECT	SB1 RMRA*	Restricted	\$	515,846	\$	515,845		
	COMPREHENSIVE OLD TOWN UPGRADE PROJECT	CIP Fund	Unrestricted	\$	3,511	\$	-		
	COMPREHENSIVE OLD TOWN UPGRADE PROJECT	Development Services Fund	Restricted	\$	3,511	\$	-		
	COMPREHENSIVE OLD TOWN UPGRADE PROJECT	Proposition C Fund	Restricted	\$	3,511	\$	-		
	COMPREHENSIVE OLD TOWN UPGRADE PROJECT	Storm Drain Fund	Restricted	\$	3,511	\$	-		
	COMPREHENSIVE OLD TOWN UPGRADE PROJECT	Measure R Fund	Restricted	\$	3,511	\$	-		
	COMPREHENSIVE OLD TOWN UPGRADE PROJECT	Environmental Services Fund	Unrestricted	\$	26,600	\$	-		
80b	OLD TOWN LIGHTED CROSSWALKS	SB1 RMRA*	Restricted	\$	120,000	\$	120,000		
82	COMPREHENSIVE LIBRARY PARK UPGRADES	Library Fund	Restricted	\$	715,000	\$	513,201		
91	MOUNTAIN AVENUE RESURFACING PROJECT	SB1 RMRA*	Restricted	\$	200,000	\$	200,000		
92	LUCINDA GARCIA PARK PROJECT	SPP Grant Expense	Restricted	\$	675,000	\$	675,000		
	LUCINDA GARCIA PARK PROJECT	Measure A Annual Allocation	Restricted	\$	45,880	\$	45,880		
	LUCINDA GARCIA PARK PROJECT	LA County TDA Funds	Restricted	\$	54,120	\$	54,120		
	LUCINDA GARCIA PARK PROJECT	Mayor's Conference Grant	Restricted	\$	25,000	\$	25,000		
	LUCINDA GARCIA PARK PROJECT	LACRPOSD Excess Funding	Restricted	\$	300,000	\$	300,000		
NEW PROJECTS									
93	EV CHARGING STATIONS	AQMD Fund	Restricted	\$	275,000	\$	165,000	\$	110,000
	MEASURE K INFRASTRUCTURE PROJECTS	Measure K Fund	Unrestricted	\$	8,380,666	\$	4,169,666	\$	4,211,000
TOTAL					15,728,217		8,493,469		6,334,614



Capital Asset Program

Review of the City's capital asset replacement and maintenance program.



FY 2021-23 Capital Asset Program

- Staff is currently working on developing a comprehensive, long-term capital asset replacement program and will return to City Council with a proposal in the future.
- In accordance with the City's Financial Resiliency Plan objective of building up reserve levels and preparing for the future, the capital asset plan will endeavor to set aside funds, through the annual budgeting process, to ensure that assets can be replaced based on a predetermined replacement schedule.
- Maintaining the City's current capital asset systems is an important part of the overall capital asset plan. To that end, the Fiscal Year 2021-23 Budget includes proposed M & O expenditures of \$17.28M (FY 2021-22) and \$18.89M (FY 2022-23) to maintain the City's existing capital asset systems.

FY 2021-23 Capital Asset Program

While the budget to maintain the City's capital asset systems has been included in the Fiscal Year 2021-23 Budget, it should be noted that the City has increased maintenance spending by 42% over the last 7 years:

Maintenance Budget By Fiscal Year

Asset Classification	Fiscal Year						
	16-17 Actual	17-18 Actual	18-19 Actual	19-20 Actual	20-21 Budget	21-22 Budget	22-23 Budget
Water System	7,939,000	6,860,792	10,865,459	10,326,569	10,663,171	10,306,906	11,450,206
Sewer	1,041,000	1,168,058	746,013	1,045,744	898,197	1,151,177	1,641,132
Pavement & Sidewalks	1,280,000	1,380,000	1,053,000	906,000	936,530	1,134,530	1,072,000
Additional Pavement Maintenance (To Maintain PCI of 85)	0	0	0	0	0	1,100,000	1,100,000
Fleet	395,000	276,000	328,000	235,000	324,000	300,000	235,000
Buildings	1,811,000	1,627,000	1,786,000	1,823,000	1,790,000	1,949,000	2,035,000
Traffic Signals & Street Lights	533,000	811,000	807,000	956,000	943,000	1,022,000	1,041,000
Storm Drain	297,000	212,000	380,000	218,000	238,000	318,000	320,860
	13,296,000	12,334,850	15,965,472	15,510,313	15,792,898	17,281,613	18,895,198

% Increase From FY 16-17 to FY 22-23 42%

Addressing maintenance needs and developing a comprehensive capital asset replacement plan will be part of staff's continued work plans in the years to come.



Pension and OPEB Payoff Plan

Review of the proposed plan to address the City's long-term pension and OPEB liabilities.



Pension and OPEB Payoff Plan

- Addressing the City's long-term CalPERS Unfunded Accrued Liability (UAL) and OPEB liability has been a priority for this City Council. This priority aligns with one of the key principals of the City's Financial Resiliency Plan, which is preparing for the future. The current outstanding balance of these liabilities is as follows:
 - OPEB = \$34.3M (as of June 30, 2020, which is the most recent valuation data available)
 - CalPERS UAL = \$14.4M (estimated balance as of June 30, 2021)
- To that end, staff has developed a plan that identifies an ongoing annual revenue stream that can be set aside in the City's Section 115 Trust on an annual basis. This revenue source is the City's Redevelopment Property Tax Residual Revenues.
 - Funds deposited to the Section 115 Trust will be held in the trust and are expected to earn a higher investment yield than if pooled with the City's pooled investments. Funds in the Section 115 Trust will be used to pay down future OPEB and CalPERS UAL liabilities.

Pension and OPEB Payoff Plan

- The Fiscal Year 2021-23 Budget proposal allocates \$495,000 in Redevelopment Property Tax Residual Revenues for Fiscal Year 2021-22 and \$555,000 in Fiscal Year 2022-23.
- In future years, this revenue source is expected to grow similarly to regular property tax. Additionally, once Monrovia’s Redevelopment Bonds begin to be fully paid off, beginning in Fiscal Year 2026-27, revenues will increase significantly (by approximately \$1M in FY 2026-27). This additional revenue will also be allocated to the Section 115 Trust.
- Below is a 10-year projection of Redevelopment Property Tax Residual Revenues:

FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30	FY 30-31
\$495,000	\$555,000	\$555,000	\$575,000	\$655,000	\$1,670,000	\$1,700,000	\$1,769,500	\$1,789,585	\$1,910,273

- This contribution schedule would result in an accumulation of approximately \$12M by Fiscal Year 2030-31, not including investment earnings. Based on a conservative earnings rate of 3%, the Section 115 Trust would generate approximately \$1.7M in investment earnings by Fiscal Year 2030-31 that could also be used to pay off the outstanding liability.
- This Pension and OPEB Payoff Plan is intended to replace the existing payoff provisions established in the City’s UAL Funding Policy.



Fees and Charges

Proposed budget incorporates new fees and fee adjustments.



FY 2021-22 Fees and Charges

Proposed Changes

- Each year, departments conduct a review of key fees that are charged for services.
 - The goal of the fee review is to analyze the extent to which costs are recovered for specific non-general services provided by the City.
 - Based on actual costs, a reasonable and recommended fee schedule is proposed for consideration.
- Fees are typically established either by statute, survey results, and / or a comprehensive service delivery cost analysis.
- During the pandemic last year, fee increases were delayed. However, as part of the Fiscal Year 2021-23 budget cycle, we assumed a 3% increase across-the-board for all fees, and then individually reviewed each fee to determine the applicability of the proposed change.

FY 2021-22 Fees and Charges

Proposed Changes

- Based on our assessment, a summary of the adjustments includes the following:
 - No Change – 33% of all fees (236 fees total)
 - 3% Increase – 55% of all fees (397 fees total)
 - > 3% Increase – 10% of all fees (75 fees total)
 - Reduction – 0.28% of all fees (2 fees total)
 - New – 1 % of all fees (9 fees total)
 - Eliminated – 0.28% of all fees (2 fees total)
- As part of our in-depth review, we will be presenting those fees that had a >3% increase, a reduction, new fees and eliminated fees.

FY 2021-22 Fees and Charges

> 3% Increase

Fee Type	Department	Current Fee	FY 2021-22 Proposed Fees	Proposed % Increase	Proposed \$ Increase	Cost Recovery
COMMUNITY DEVELOPMENT DEPARTMENT - BUILDING/ PLANNING/BUSINESS LICENSE						
BUILDING DIVISION						
Minor Permits - Tier 1						
<u>Building</u> : Drywall repair, roof repairs (less than 120 sq. ft.), Skylights, Misc.	COMMUNITY DEVELOPMENT	75.00	90.00	20%	15.00	96%
<u>Mechanical</u> : Remodels without associated building permit .10 sq.ft. Wall furnace, HVAC Ductless Mini-split Systems, Window/Wall A/C unit, Misc.	COMMUNITY DEVELOPMENT	75.00	90.00	20%	15.00	96%
<u>Electrical</u> : Remodel's w/o associated building permit .10/sq. ft (Min. \$75), Light Outlets/Receptacles/Switches (per unit), Fixtures (per unit), Generators/Motors up to 150kw/75hp, Appliance Circuits (per unit), Miscellaneous	COMMUNITY DEVELOPMENT	75.00	90.00	20%	15.00	96%
<u>Plumbing</u> : Remodel's w/o assoc. building permit .10/sq.ft. (min \$75), Gas pipe installation/modification, Water Heater Replacement, Water Service (new or replacement). Backflow/vacuum breaker, lawn sprinkler system, Condensate line, Roof drains, Energy/Solar: Electric Vehicle Charging System (Level 1 and 2).	COMMUNITY DEVELOPMENT	75.00	90.00	20%	15.00	96%
<u>Energy/Solar</u> : Electric Vehicle Charging System (Level 1 and 2)	COMMUNITY DEVELOPMENT	75.00	90.00	20%	15.00	96%
Minor Permits - Tier 2						
<u>Building</u> : Single family residential re-roof, Repair/renovation/alteration of existing pool/spa (Re-plaster with no gunite removal), Residential bathroom/kitchen remodel (no movement of walls, interior work only), Residential, seismic retrofits (per LADBS Standard Plan), Chimney Repair/Rebuild, Siding replacement (less than 10% of any wall larger than 100 sq ft, Windows like for like plus \$20 per/window, Marquee signs, Awnings	COMMUNITY DEVELOPMENT	150.00	175.00	17%	25.00	99%
<u>Mechanical</u> : Residential HVAC Changeout, Spray booths <u>Electrical</u> : Electrical Service Replacement (Same amp), Residential Service Upgrade (200 amps or less), Temporary Power (per project)	COMMUNITY DEVELOPMENT	150.00	175.00	17%	25.00	99%
<u>Electrical</u> : Electrical Service Replacement (Same amp), Residential Service Upgrade (200 amps or less), Temporary Power (per project)	COMMUNITY DEVELOPMENT	150.00	175.00	17%	25.00	99%
<u>Plumbing</u> : Grease traps, grease interceptors, Commercial/mixed-use sewer	COMMUNITY DEVELOPMENT	150.00	175.00	17%	25.00	99%
<u>Energy/Solar</u> : Residential Solar PV/Roof (Per toolkit), Battery Storage Systems	COMMUNITY DEVELOPMENT	150.00	175.00	17%	25.00	99%
Minor Permits - Tier 3						
<u>Building</u> : Accessory structures (i.e. storage sheds, uncovered decks, gazebos), Non-structural interior remodels, Residential bathroom/kitchen remodels (no movement walls, interior only), single family residential re-roof, window changeouts involving framing/bay windows, Antennas, commercial signs (w/electrical), Awnings	COMMUNITY DEVELOPMENT	250.00	260.00	4%	10.00	100%
<u>Mechanical</u> : Commercial rooftop HVAC replacement (<400 lbs), Garage ventilation systems, Stair pressurization systems	COMMUNITY DEVELOPMENT	250.00	260.00	4%	10.00	100%
<u>Electrical</u> : Residential Service 400 amp or greater	COMMUNITY DEVELOPMENT	250.00	260.00	4%	10.00	100%
<u>Energy/Solar</u> : Commercial PV System not to exceed \$500 plus \$15 for each kw above 15kw	COMMUNITY DEVELOPMENT	250.00	260.00	4%	10.00	100%
<u>Electric Vehicle Charging Stations</u>	COMMUNITY DEVELOPMENT	250.00	260.00	4%	10.00	100%

FY 2021-22 Fees and Charges

> 3% Increase

Fee Type	Department	Current Fee	FY 2021-22 Proposed Fees	Proposed % Increase	Proposed \$ Increase	Cost Recovery
COMMUNITY DEVELOPMENT DEPARTMENT - BUILDING/ PLANNING/BUSINESS LICENSE						
BUILDING DIVISION						
Moderate Permits - Tier 1						
<u>Building</u> : Residential bathroom/kitchen remodels (movement of walls, interior only), Single story covered porches, decks, patios <500 sq. ft., new residential garage structures, commercial roof replacement (non-structural), new spa/hot tub, Retaining walls within City Standard Plan (not located on hillside)	COMMUNITY DEVELOPMENT	350.00	385.00	10%	35.00	99%
Moderate Permits - Tier 2						
<u>Mechanical</u> : Commercial rooftop HVAC replacment (>400 lbs), Type 1 & 2 hoods,	COMMUNITY DEVELOPMENT	350.00	385.00	10%	35.00	99%
<u>Building</u> : New residential pools not located on a hillside, attic/basement conversions, Sunroom/screened-rooms <500 square feet	COMMUNITY DEVELOPMENT	650.00	780.00	20%	130.00	100%
Miscellaneous Building Inspection and Fees:						
Re-Inspection fees	COMMUNITY DEVELOPMENT	105.00	135.00	29%	30.00	98%
Inspection Outside of Business Hours	COMMUNITY DEVELOPMENT	450.00	470.00	4%	20.00	100%
Work Without Permit - TBD						
Miscellaneous Permits (For work otherwise not specified)	COMMUNITY DEVELOPMENT	TBD	138.00	100%	N/A	100%
Temporary Certificate of Occupancy (1st time)	COMMUNITY DEVELOPMENT	105.00	130.00	24%	25.00	99%
Temporary Certificate of Occupancy (1st Extension)	COMMUNITY DEVELOPMENT	450.00	470.00	4%	20.00	100%
Temporary Certificate of Occupancy (Second Extension)	COMMUNITY DEVELOPMENT	900.00	940.00	4%	40.00	100%
Duplicate Copy of Certificate of Occupancy	COMMUNITY DEVELOPMENT	900.00	940.00	4%	40.00	100%
Duplicate Copy of Certificate of Occupancy	COMMUNITY DEVELOPMENT	25.00	27.00	8%	2.00	99%
PLANNING DIVISION						
Neighborhood Compatibility Design Review						
Level 3: SFR New - single story	COMMUNITY DEVELOPMENT	450.00	750.00	67%	300.00	72%
Level 4: SFR Addition - single story to 2-story	COMMUNITY DEVELOPMENT	1,000.00	1,300.00	30%	300.00	72%
Level 5: SFR Addition - 2-story to 2-story	COMMUNITY DEVELOPMENT	800.00	1,050.00	31%	250.00	75%
Level 6: SFR New - 2-story	COMMUNITY DEVELOPMENT	1,150.00	1,500.00	30%	350.00	83%
Level 7: Multifamily not subject to CUP	COMMUNITY DEVELOPMENT	1,250.00	1,700.00	36%	450.00	89%
Development Review Committee (DRC) Fees						
DRC Advisory Review (recommendation to PC)	COMMUNITY DEVELOPMENT	425.00	500.00	18%	75.00	57%
DRC Design Review (decision)	COMMUNITY DEVELOPMENT	1,000.00	1,200.00	20%	200.00	84%
DRC Sign Review - Master Sign	COMMUNITY DEVELOPMENT	350.00	400.00	14%	50.00	68%
DRC - Major Determination (non single family residential)	COMMUNITY DEVELOPMENT	290.00	450.00	55%	160.00	75%
DRC - Minor Determination (single family residential)	COMMUNITY DEVELOPMENT	130.00	135.00	4%	5.00	41%
DRC - Miscellaneous Review	COMMUNITY DEVELOPMENT	125.00	130.00	4%	5.00	54%
Minor Conditional Use Permit Review (DRC)	COMMUNITY DEVELOPMENT	650.00	700.00	8%	50.00	60%

FY 2021-22 Fees and Charges

> 3% Increase

Fee Type	Department	Current Fee	FY 2021-22 Proposed Fees	Proposed % Increase	Proposed \$ Increase	Cost Recovery
COMMUNITY DEVELOPMENT DEPARTMENT - BUILDING/ PLANNING/BUSINESS LICENSE						
PLANNING DIVISION						
Planning Commission						
Conditional Use Permit (CUP) Review - Use only	COMMUNITY DEVELOPMENT	1,500.00	1,600.00	7%	100.00	77%
Hillside Development Permit Review	COMMUNITY DEVELOPMENT	2,300.00	3,000.00	30%	700.00	35%
Variance Review	COMMUNITY DEVELOPMENT	1,850.00	1,950.00	5%	100.00	94%
Subdivision						
Lot Line Adjustment (DRC)	COMMUNITY DEVELOPMENT	800.00	900.00	13%	100.00	93%
General Plan/Specific Plan						
General Plan/Zoning Amendment	COMMUNITY DEVELOPMENT	5,300.00	5,600.00	6%	300.00	95%
Specific Plan	COMMUNITY DEVELOPMENT	6,000.00	7,000.00	17%	1,000.00	95%
Appeals/Miscellaneous Planning Fees						
Time Extension Review (non-HP)	COMMUNITY DEVELOPMENT	400.00	425.00	6%	25.00	74%
Administrative						
Covenant Preparation (other than secondary residential unit)	COMMUNITY DEVELOPMENT	350.00	400.00	14%	50.00	58%
Preapplication review	COMMUNITY DEVELOPMENT	1,000.00	1,100.00	10%	100.00	29%
Zoning Research Letter - Non-Standard	COMMUNITY DEVELOPMENT	150.00	175.00	17%	25.00	69%
Historic Preservation						
Historic Preservation - Cert. Appropriateness	COMMUNITY DEVELOPMENT	260.00	270.00	4%	10.00	35%
Historic Preservation - Historic Landmark Designation	COMMUNITY DEVELOPMENT	510.00	530.00	4%	20.00	33%
Historic Preservation - Mills Act Contract	COMMUNITY DEVELOPMENT	850.00	900.00	6%	50.00	71%
POLICE DEPARTMENT						
Fortune Telling Permit - New	POLICE	854.00	900.00	5%	46.00	99%
Fortune Telling Permit - Renewal	POLICE	381.00	400.00	5%	19.00	99%
Massage Practitioner Application	POLICE	515.00	540.00	5%	25.00	98%
Special Business Regulation Permit:						
New or Renewed Permit	POLICE	32.00	34.00	6%	2.00	99%
Parking Permits:						
Annual Parking Permit	POLICE	40.00	45.00	13%	5.00	93%
30 Day Temp Parking Permit	POLICE	20.00	30.00	50%	10.00	100%
Police False Alarm Response:						
4th Call in a 12-Month Period	POLICE	200.00	230.00	15%	30.00	92%
6th Call in a 12-Month Period	POLICE	400.00	425.00	6%	25.00	57%

FY 2021-22 Fees and Charges

> 3% Increase

Fee Type	Department	Current Fee	FY 2021-22 Proposed Fees	Proposed % Increase	Proposed \$ Increase	Cost Recovery
POLICE DEPARTMENT						
Records Check/Clearance Letter	POLICE	38.00	40.00	5%	2.00	94%
Taxi Service Driver License	POLICE	390.00	405.00	4%	15.00	93%
Police Photo Reproduction (on CD or thumb drive)	POLICE	40.00	45.00	13%	5.00	59%
Video/Audio Tape Reproduction	POLICE	82.00	85.00	4%	3.00	74%
911 Recording Reproduction	POLICE	70.00	90.00	29%	20.00	97%
Computer Records Search	POLICE	65.00	68.00	5%	3.00	99%
Microfilm Reproduction	POLICE	12.00	20.00	67%	8.00	35%
Vehicle Equipment Correction Inspection (Fix-it Ticket)						
Resident Fee	POLICE	20.00	25.00	25%	5.00	27%
Non-Resident Fee	POLICE	32.00	35.00	9%	3.00	37%
Vehicle / Traffic Accident Investigation Report Reproduction:						
1st Copy of Traffic Report (Non-Injury or Injury)	POLICE	35.00	40.00	14%	5.00	64%
Weapon Release	POLICE	30.00	35.00	17%	5.00	94%
Firearms Dealer Permit	POLICE	509.00	530.00	4%	21.00	98%
FINES:						
Parking Enforcement	POLICE	55.00	60.00	9%	5.00	89%
Inmate Worker Program						
Accepted Daily Fee	POLICE	100.00	125.00	25%	25.00	28%
Completion Letter	POLICE	36.00	38.00	6%	2.00	100%
PUBLIC WORKS DEPT - UTILITY & ENTERPRISE SERVICES						
Waste Impact Fee (AB939 Fee)						
Residential (Single Family & Multi-Family)	PUBLIC WORKS	2.82	2.94	4%	0.12	68%

FY 2021-22 Fees and Charges

Reduced Fees

Fee Type	Department	Current Fee	FY 2021-22 Proposed Fees	Proposed % Decrease	Proposed \$ Decrease	Cost Recovery
ADMINISTRATION						
<u>City Clerk</u> Document Retrieval & Reproductions CD or DVD	CMO / CITY CLERK	1.29	1.00	-22%	-0.29	100%
COMMUNITY SERVICES - LIBRARY						
DVD Overdue Fee (per day)	LIBRARY	1.00	0.15	-85%	-0.85	N/A

FY 2021-22 Fees and Charges

New Fees

New Fees introduced in FY 21-22:

Service Description	Department	New Fee	% Cost Recovery	Comments
ADMINISTRATION				
<u>City Clerk</u>				
Document Retrieval & Reproductions				
USB Flash Drive (16 GB)	CMO / CITY CLERK	2.75	100.0%	New fee to recover cost for purchasing UBS Flash Drive
COMMUNITY DEVELOPMENT DEPARTMENT - PLANNING				
Negative/Mitigated Negative Declaration (by Applicant)	COMMUNITY DEVELOPMENT	5,000.00	69.5%	New fee for City Staff to review Negative Declaration by applicant's request.
Reasonable Accommodation	COMMUNITY DEVELOPMENT	250.00	50.6%	New fee to process reasonable accommodation request pursuant to MMC 17.44.
Administrative Determinations	COMMUNITY DEVELOPMENT	250.00	44.6%	New fee to process administrative determinations pursuant to authority in Title 2 and Title 17 of the MMC
PUBLIC WORKS DEPT - UTILITY & ENTERPRISE SERVICES				
Encroachment Permit Extension	PUBLIC WORKS	135.00	100.0%	New fee to extend Encroachment Permit for 30 days.
COMMUNITY SERVICES - RECREATION				
NON-RESIDENT - Memorial Mutt Mitt Sponsorship (Includes Dog Waste Station and Custom Plaque Installation)	COMMUNITY SERVICES	835.00	100.0%	Cost recovery for Dog Waste Station and Custom Plaque Installation.
RESIDENT - Memorial Mutt Mitt Sponsorship (Includes Dog Waste Station and Custom Plaque Installation)	COMMUNITY SERVICES	417.50	100.0%	Cost recovery for Dog Waste Station and Custom Plaque Installation.
NON-RESIDENT - Memorial Plaque Only (Custom Plaque Installation on Memorial Bench, Tree or Mutt Mitt)	COMMUNITY SERVICES	405.00	50.0%	Cost recovery for Custom Plaque Installation only.
RESIDENT - Memorial Plaque Only (Custom Plaque Installation on Memorial Bench, Tree or Mutt Mitt)	COMMUNITY SERVICES	202.50	50.0%	Cost recovery for Custom Plaque Installation only.

FY 2021-22 Fees and Charges Eliminated Fees

Fee Type	Department	Current	Reason
COMMUNITY SERVICES - RECREATION			
Daddy / Daughter Dance	Community Services	\$50.00 Non-Resident / \$25.00 Resident	Obsolete - No longer charge this fee.
Historical Preservation Surcharge	Community Services	\$3.00	Obsolete - No longer charge this fee.

Ongoing Issues

While the Fiscal Year 2021-23 Budget is balanced, the following outstanding issues remain and will be an area of focus for staff in the upcoming year:

1. Outstanding/delinquent payments that have accumulated during the pandemic:
 - a) Fire Inspection Fees and False Alarms - \$19K
 - b) Water bill payments - \$285K
 - c) Police False Alarms and Other Fees - \$143K
 - d) Other outstanding debt - \$65K
2. Post-Bobcat Fire Claims Handling Process
3. Renewing employee MOU's that expire on June 30, 2022:
 - a) MFA, MPOA, MMEA, Mid-Managers and Executives

Next Steps

Formal Budget Approval:

Staff will present the proposed Fiscal Year 2021-23 Budget for formal approval at the City Council Meeting on June 15, 2021. However, an additional study session can be scheduled, if needed.

Ongoing Monitoring:

Staff will continue to monitor the financial situation closely and will return to City Council with quarterly updates throughout the year.

Questions?

