

City of Piedmont
COUNCIL AGENDA REPORT

DATE: June 20, 2022

TO: Mayor and Council

FROM: Sara Lillevand, City Administrator

SUBJECT: Public Hearing on Proposed Budget for 2022-23, Proposed Levy of the Municipal Services Special Tax, and Proposed Levy of the Special Municipal Sewer Tax and Consideration of the Proposed Operating and Other Funds Budgets, Schedule of Fees and Charges, and Appropriations (Gann) Limit

RECOMMENDATION

Take the following actions with regard to the proposed 2022-23 budget with a separate motion for each of the items:

- a. Adopt the following resolution which approves the 2022-23 Operating Budget and sets total appropriations at \$34,897,770 (Table 1).**

Resolved, that the City Council adopts the Proposed 2022-23 Operating Budget in the amount of \$34,897,770.

- b. Adopt the following resolution which approves the 2022-23 Other Funds Budget and sets total appropriations at \$18,561,942 (Table 1, bottom).**

Resolved, that the City Council adopts the Proposed 2022-23 Other Funds Budget in the amount of \$18,561,942.

- c. Adopt the following resolution which approves updates to the City's adopted Schedule of Fees and Charges as reflected in Attachment A.**

Resolved, that the City Council approves the updated fees and charges as set forth in the Schedule of Fees and Charges in Attachment A .

- d. Approve the following resolutions necessary to establish the annual appropriations limit for 2022-23 as presented in Attachment B.**

Resolved, that the population percentage increase for the County of Alameda be used for computing the 2022-23 appropriation limit for the City of Piedmont.

Be It Further Resolved, that the use of growth in the California Per Capita Personal Income be used for computing the appropriation limit for the City of Piedmont for 2022-23.

Be It Further Resolved, that following public notice of the availability of the documentation used in the determination of the appropriation limit pursuant to Section 7910 of the Government Code and Article X111(B) of the California Constitution, as amended by Proposition 111 and SB 88, the City Council does hereby establish the appropriation limit for 2022-23 of \$30,278,160.

e. Adopt the following resolution necessary to levy the Fiscal Year 2022-23 Municipal Services Special Tax.

WHEREAS, the City Council, in accordance with the provisions of Chapter 20B of the City Code, has held a public hearing relating to the need to assess the Municipal Services Special Tax for the 2022-23 tax year commencing July 1, 2022; and

WHEREAS, the City Council, after fully considering all of the information and materials before it, determines in accordance with Section 20B.2 of the City Code that the cost of providing the general municipal services for the 2022-23 tax year exceeds the amount of funds generated through other revenue and income for such services; and

WHEREAS, the City Council further determines that a general Municipal Services Special Tax must be levied for the 2022-23 tax year in order to provide the municipal services required by the residents of the City; and

WHEREAS, after reviewing the financial and tax data available, the City Council determines that the amount to be raised by the Municipal Services Special Tax is estimated at \$2,518,000 and that the tax should be set at the rates set forth hereafter.

NOW, THEREFORE, BE IT RESOLVED, that based upon the foregoing findings and determinations the City Council does hereby levy a general Municipal Services Special Tax in the estimated amount of \$2,518,000 for the 2022-23 tax year pursuant to Chapter 20B of the City Code at the rates set forth hereafter:

Single Family Residence	
0 to 4,999 sq. ft.	\$ 573
5,000 to 9,999 sq. ft.	\$ 644
10,000 to 14,999 sq. ft.	\$ 743
15,000 to 20,000 sq. ft.	\$ 849
Over 20,000 sq. ft.	\$ 967
Commercial Properties	
0 to 10,000 sq. ft.	\$ 967
Over 10,000 sq. ft.	\$1,450
Multi-Family Residence per unit	\$ 398
Parcels Divided by Tax Code Area Line	\$ 587

f. Adopt the following resolution necessary to levy the Fiscal Year 2022-23 Special Municipal Sewer Tax.

WHEREAS, the City Council, in accordance with the provisions of Chapter 20E.4 of the Piedmont Municipal Code, has held a public hearing relating to the need to assess the Special Municipal Sewer Tax for the 2022-23 tax year commencing July 1, 2022; and

WHEREAS, the City Council, after fully considering all of the information and materials before it, determines in accordance with Section 20E.2 of the City Code that the maximum amount to be raised by the Special Municipal Sewer Tax is \$2,919,000; and

WHEREAS, under the provisions of Section 20E.3, the tax for the fiscal year beginning July 1, 2022 shall be set forth hereafter; and

WHEREAS, that based upon the foregoing findings and determinations, the City Council does hereby levy a Special Municipal Sewer Tax with an estimated revenue of \$2,919,000 for the 2022-23 tax year pursuant to Chapter 20E of the Piedmont Municipal Code at the rates set forth hereafter.

NOW, THEREFORE, BE IT RESOLVED, that based upon the foregoing findings and determinations the City Council does hereby levy a Special Municipal Sewer Tax with an estimated revenue of \$2,919,000 for the 2022-23 tax year pursuant to Chapter 20E of the City Code at the rates set forth hereafter:

Single Family Residence	
0 to 4,999 sq. ft.	\$651
5,000 to 9,999 sq. ft.	\$741
10,000 to 14,999 sq. ft.	\$855
15,000 to 20,000 sq. ft.	\$997
Over 20,000 sq. ft.	\$1,174
Commercial Properties	
0 to 10,000 sq. ft.	\$1,174
Over 10,000 sq. ft.	\$1,619
Multi-Family Residence per unit	\$542
Parcels Divided by Tax Code Area Line	\$651

BACKGROUND

The City Charter requires that a public hearing be held prior to adoption of the budget, the levy of the Municipal Services Special Tax, and the proposed levy for the Special Municipal Sewer

Tax. This is the second of two scheduled public hearings, the first one was held on June 6, 2022. The City Council also held a special Saturday budget workshop on May 21, 2022. The City Council may make adjustments to the budget after the public hearing and staff will amend the proposed budget to reflect any changes.

DISCUSSION

GENERAL FUND REVENUES

The City is proposing General Fund revenues in 2022-23 of \$33,953,000 compared to the current 2021-22 projection of \$34,912,000. Revenue by category is shown in the table below

Category	2022-23		2021-22		\$ Change %	
	Proposed Budget	% of Budget	Projected	% of Total		
Property Related Taxes	\$ 24,247,000	71%	\$ 24,986,000	72%	\$ (739,000)	-3%
Recreation Related	\$ 3,184,000	9%	\$ 2,908,000	8%	\$ 276,000	9%
UUT & Franchise Fees	1,728,000	5%	1,768,000	5%	(40,000)	-2%
Other Agencies	1,557,000	5%	1,338,000	4%	219,000	16%
Building Permits & Planning Fees	1,462,000	4%	1,667,000	5%	(205,000)	-12%
Buisness and Sales Taxes	840,000	2%	825,000	2%	15,000	2%
Other	935,000	3%	1,420,000	4%	(485,000)	-34%
Total	\$ 33,953,000	100%	\$ 34,912,000	100%	\$ (959,000)	-3%

The major sources of revenue in each category are as follows:

Property Related Taxes

Property-related taxes are the City's primary revenue source and account for \$24,247,000 or 71% of General Fund revenues. This amount is a decrease of \$739,280 over the 2021-22 projected actual. The 2022-23 Proposed Budget consists of:

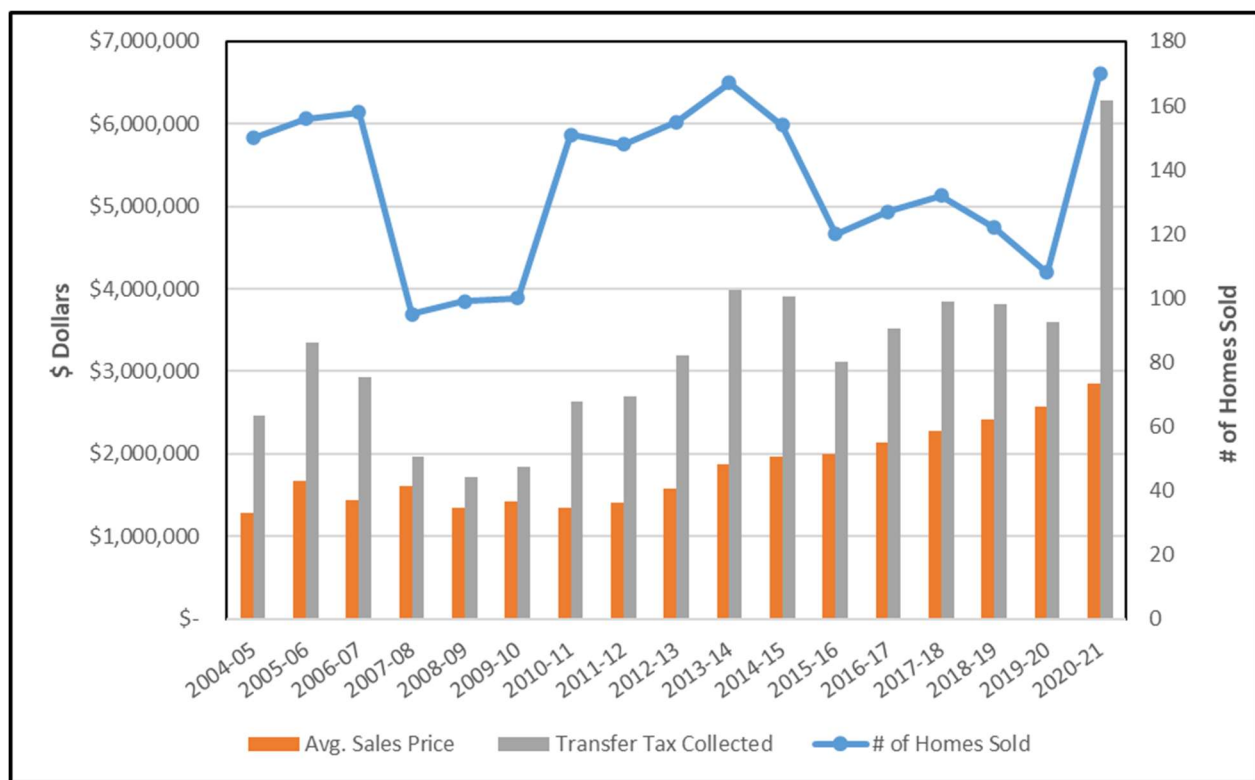
- Property Tax revenues, which consists of tax on secured and unsecured property, is budgeted at \$16,875,000, an increase of \$885,000 or 5.5% as compared to the 2021-22 projection. The increase is due to the following:
 - High volume of home sales at record high prices which increased the assessed valuation of those homes approximately 120%.
 - Properties not subject to an assessment step-up via a change of ownership returned to a maximum increase of 2.0%. This increase was lowered to 1.036% last year due to the economic strain caused by the pandemic.

- Real Property Transfer Tax revenue is budgeted at \$3,200,000. Staff is budgeting this cautiously due to its volatility and the high rate of home sales experienced in the last two fiscal years, which may indicate a peak and negatively affect future sales. In addition, the current trend of rising interest rates and high inflation may weaken the real estate market.
- Parcel Tax revenue, based on the measure approved by 83% of voters in March 2020, is estimated at \$2,522,000, an increase of \$97,000 or 4.0% over the 2021-22 projection. The tax was approved for four years, and future annual increases are limited to the lower of CPI or 4%.
- Property Tax in lieu of Motor Vehicle License Fee (MVLFF) is budgeted at \$1,570,000, a 5.1% increase over the prior year.

In 2004, the State Legislature permanently reduced the MVLFF rate from two percent to 0.65 percent and compensated cities and counties for their revenue loss with a like amount of property taxes, dollar-for-dollar. Typically, the annual change in this tax corresponds with the change in property tax.

The housing market continues to be strong and is a key factor in maintaining the stability of City revenues. There is no assurance this trend will continue as the overall economy faces serious headwinds with rising interest rates and inflation. Real Property Transfer Tax receipts have been higher than budget through the first nine months of the fiscal year and are trending to surpass the budget by approximately \$2.2 million. Below is a table which summarizes the volatility of the housing market over the last several years.

Annual Statistics Related to Real Property Transfer Tax Revenue



Recreation Related Revenue

Recreation related revenue consists of revenues generated from recreation programs and facility rentals and is budgeted at \$3,184,000 in 2022-23, an increase of \$276,000 from the prior year.

The major components are:

- Recreation Programs – Revenue is budgeted at \$2,024,000, an increase of \$31,000 over 2021-22 projection. Recreation program revenue has returned to a normal (pre-pandemic) state after being severely impacted by cancelled programs and reduced capacity in varying degrees between March 2020 and June 2021 due to COVID-19. Recreation staff did an outstanding job in navigating the fluctuating rules and guidelines issued by County and State Health officials. The FY 2022-23 budget assumes recreation programs will not be affected by COVID-19.
- Pre-School Program Revenue is budgeted at \$590,000, an increase of approximately \$165,000 over 2021-22 projection. Although programming was increased from 4-day to 5-day programs, revenue suffered as proposed holiday breaks programs were not offered and class sizes were reduced due to COVID-19 concerns. Next school year's programs are currently at full class size and staff expects this to continue throughout FY 2022-23.
- Facility Rentals – City facilities re-opened at the very end of FY 2020-21 and have remained open throughout FY 2021-22. Staff has budgeted \$570,000 for FY 2022-23 which assumes the facilities will be open the entire year. This is \$80,000 higher than the FY 2021-22 projection. Included in the proposed budget is \$45,000 in rentals for 801 Magnolia Avenue.

Utility User Taxes & Franchise Fees

Utility User Taxes are taxes collected from residents for the use of electric, gas, water, and telephone. Franchise Fees are contractual obligations collected from PG & E, Republic Services, and Comcast for the right to operate in the City.

- Utility User Taxes are budgeted at \$1,150,000 which is slightly less (4 %) than the current year projection. Staff expects this revenue stream to be challenged as utility usage declines along with the number of residents working from home as the effects of the pandemic subside.
- Franchise Fees are budgeted at \$578,000 which is relatively flat to FY 2021-22.

Building Permits and Planning Fees

This category consists of the following construction related activities: Building Permits, Planning Fees, Plan Check Fees, General Plan Maintenance Fee, and Records Management Fees.

Proposed Revenue for FY 2022-23 is proposed at \$1,462,000 compared to a projection of \$1,667,000 for the current fiscal year.

- This category continues to surprise as the construction & remodel market has exceeded all expectations. FY 2020-21 was a record year, increasing \$1,600,000 or 28%, over the prior year. The strength has continued into FY 2021-22 and staff is projecting to exceed the annual budget by \$200,000 (17%).
- Consistent with the City's overall budget philosophy, staff is budgeting for declines in revenue in all areas of this category as staff does not expect the high level of activity to continue as the city faces mounting economic uncertainty.

Business and Sales Taxes

Business taxes consist of Business License and Real Estate Rental taxes. Business Licenses have been relatively stable over the past several years while Rental taxes were increasing approximately 6% per year until leveling off in FY 2020-21. Sales taxes have fluctuated between \$200,000 and \$250,000 over the past five years.

Staff is budgeting \$840,000, an increase of \$15,000 or 2%, from the current year for this category.

Other Revenue

The major components of Other Revenue consist of these miscellaneous items: Ambulance Service Charges, Mutual Aid Assistance, Other Services and Lease Revenue.

Staff is budgeting \$935,000 for FY 2022-23 compared to a projection of \$1,420,000 in the current fiscal year, a decrease of \$485,000. The primary reason for the variance is the City earned \$510,000 in mutual aid revenue for the City's assistance in battling California wildfires in FY 2021-22. Due to the unpredictable nature of this revenue stream, staff does not budget for this item.

GENERAL FUND EXPENDITURES

The City is budgeting \$33,864,402 in General Fund expenditures, an increase of 7% from last years projected expenditures. In developing the Proposed Budget, the City continues efforts to control and contain operating costs in all departments. The following is a summary by cost categories.

General Fund Budget by Expenditure Category

Category	2022-23		2021-22		\$ Change	
	Proposed Budget	% of Budget	Projected	% of Total		
Personnel Costs	\$ 21,755,543	64%	\$ 20,729,310	66%	\$ 1,026,233	5%
Maintenance & Operations	8,603,388	25%	7,674,934	24%	928,454	12%
Non-Departmental	3,505,471	10%	3,211,471	10%	294,000	9%
Total	<u>\$ 33,864,402</u>	<u>100%</u>	<u>\$ 31,615,715</u>	<u>100%</u>	<u>\$ 2,248,687</u>	<u>7%</u>

Personnel Costs

Personnel related costs, which includes salaries & wages, benefits, and retirement costs, is the largest overall expenditure in the General Fund at \$21,755,543, which is \$1,026,233 (5%) higher than the prior year projection. Such costs make up 64% of the total FY 2022-23 General Fund budget.

The tables below summarize projected personnel costs by department and by type:

Personnel Budget by Department

Category	2022-23		2021-22		\$ Change	
	Proposed Budget	% of Budget	Projected	% of Total		
Administration	\$ 2,113,195	10%	\$ 1,773,325	9%	\$ 339,870	19%
Public Works	2,214,903	10%	2,113,120	10%	101,783	5%
Planning & Building	1,513,963	7%	1,362,595	7%	151,368	11%
Recreation	2,016,795	9%	1,968,678	9%	48,117	2%
Police	6,580,954	30%	6,443,700	31%	137,254	2%
Fire	7,315,733	34%	7,067,892	34%	247,841	4%
Total	<u>\$ 21,755,543</u>	<u>100%</u>	<u>\$ 20,729,310</u>	<u>100%</u>	<u>\$ 1,026,233</u>	<u>5%</u>

Personnel Budget by Type

Category	2022-23		2021-22		\$ Change	
	Proposed Budget	% of Budget	Projected	% of Total		
Salaries	\$ 14,862,826	68%	\$ 14,533,165	70%	\$ 329,661	2%
Health Insurance	2,036,401	9%	1,803,769	9%	232,632	13%
Retirement	3,998,311	18%	3,572,406	17%	425,905	12%
Other Benefits	858,005	4%	819,970	4%	38,035	5%
Total	\$ 21,755,543	100%	\$ 20,729,310	100%	\$ 1,026,233	5%

In FY 2020-21 during the height of pandemic uncertainty, the City negotiated a one-year contract extension with the Fire and Police unions, agreeing to a 3% salary increase and all cost sharing agreements remained intact.

In FY 2021-22 the City entered into four-year labor agreements with all City employees including its four unions as well as all unrepresented employees. With the goal of containing costs and setting total employee compensation to within -3 % of the median of Piedmont's comparator cities, the City agreed to the following major terms:

- Salary increases in each of the next four years as follows: 3%, 3%, 3.25% 3.25%
- Continue medical benefit cost sharing but reset base to FY 2020-21 level.
- Freeze employee cost sharing percentage for CalPERS at FY 2020-21 levels.

Salaries expense for FY 2022-23 is budgeted at \$14,862,826 which is a 2% increase compared to the FY 2021-22 projection. The increase is due to an assumed 3% across the board wage increase, one new full-time position (Communications Manager – approved in FY 2021-22 budget but not yet filled), two temporary part time employees in Planning and Building, and the assumption of full staffing. These factors are being offset by a decline in budgeted overtime, primarily in the Fire Department. Overtime in the Fire Department is budgeted at \$700,000 compared to \$1,037,000 projected in FY 2021-22, which included approximately \$350,000 of overtime related to strike team mutual aid. Strike team mutual aid is not included in the budget as it is unpredictable and is offset by mutual aid revenue.

In addition, as compared to the prior year projection, the most significant changes in personnel costs are as follows:

- Health Insurance – The proposed budget reflects an increase of \$232,632 over last year. The increase is primarily due to an assumed 6.0% increase in premium rates and the assumption of full staffing.

- Retirement - Employee retirement costs are projected to increase \$425,905 over last year. In FY 2018-19 CalPERS began phasing in the lowering of its discount rate from 7.5% to 7.0%. The full impact of this phase in will be completed in FY 2024-25. As a result, pension expense is expected to rise significantly during this period. In FY 2022-23, staff is projecting that the City's employer contribution and unfunded liability payments will increase by 12%, from \$3,572,406 (24.6% of salaries) in 2021-22 to \$3,998,311 (26.9% of salaries) in 2022-23.

Maintenance and Operations

Maintenance and operations costs are budgeted at \$8,603,388, amounting to 24% of the FY 2022-23 General Fund budget, and is an increase of \$928,454 as compared to the FY 2021-22 projection.

This category includes the following major expenses:

- Employee related – Conferences, travel, training, and memberships.
- Supplies – Department supplies
- Equipment – Vehicle maintenance and repair, fuel, and rentals.
- Contract Services – Third party recreational activity providers, legal, consulting, crossing guards.
- IT related – Computer Courage contract, Software licenses and Strategic Planning.
- Other – Public works services (including street patching, landscaping, and tree pruning)
- Utilities

The information on the following pages summarizes maintenance and operations costs by department.

Operations and Maintenance Budget by Department

Category	2022-23		2021-22		\$ Change	
	Proposed Budget	% of Budget	Projected	% of Total		
Administration	\$ 2,136,250	25%	\$ 1,873,860	24%	\$ 262,390	14%
Public Works	2,249,749	26%	2,093,500	27%	156,249	7%
Planning & Building	1,318,300	15%	1,011,500	13%	306,800	30%
Recreation	1,236,500	14%	1,167,863	15%	68,637	6%
Police	1,026,689	12%	982,257	13%	44,432	5%
Fire	635,900	7%	545,954	7%	89,946	16%
Total	\$ 8,603,388	100%	\$ 7,674,934	100%	\$ 928,454	12%

The most significant increases in Maintenance and Operations costs in the FY 2022-23 Proposed Budget as compared to the FY 2021-22 projection are as follows:

- Planning and Building – Staff is budgeting an increase of \$306,800, which is primarily due to an expansion of the Supplemental Planning Services and records management needs:
 - Supplemental Planning Services (\$214,000)
 - Third party permit inspection fees related to the Community Pool project (\$100,000)
 - Convert the residential property-based records from paper based to digital (\$91,000)
 - Environmental review required by the California Environmental Quality Act (CEQA) related to the Housing Element and Safety Element, and LHMP updates. (\$50,000)
 - Update of the General Plan Housing Element (\$39,000)

Offset by:

- Lower City Engineer costs (\$250,000) as temporary part time help has been hired to replace the need for Coastland's permit processing and inspection support utilized in FY 2021-22 to address the backlog of permit applications.
- Administration – Expenses are projected to be \$262,390 (14%) higher year over year. The increase is primarily due to:
 - Diversity\Equity\Inclusion related expenses (\$75,000).
 - IT related expenses – Increase in Strategic Plan initiatives (\$70,000) and Computer Courage staffing (\$29,000).
 - Election expenses (58,000)

- Audit fees, due to bi-annual requirement to perform complete valuations of the City's OPEB and Police & Fire Pension plans and the need to perform Single Audit procedures due to receipt of ARPA funds. (\$25,000).
- Fire – Staff is projecting an increase of \$89,946 over last year primarily due to Emergency Preparedness related expenses.

Non Departmental

Category	2022-23		2021-22		\$ Change	
	Proposed Budget	% of Budget	Projected	% of Total		
Insurance	\$ 2,235,000	64%	\$ 2,056,000	64%	\$ 179,000	9%
Retiree Medical Premiums	900,000	26%	770,000	24%	130,000	17%
Library	350,471	10%	350,471	11%	0	0%
Unemployment Ins.	20,000	1%	35,000	1%	(15,000)	-43%
Total	\$ 3,505,471	100%	\$ 3,211,471	100%	\$ 294,000	9%

Non-Departmental costs are budgeted at \$3,505,471, comprising 10% of the FY 2022-23 General Fund budget. The following costs are included:

- Insurance costs, which include General Liability and Workers Compensation, comprise \$2,235,000 and is a \$179,000 increase from the estimated 2021-22 expense. The increase is primarily due to higher premiums caused by increased payroll and overall actuarial adjustments to the risk pool. In FY 2022-23, the City will increase its General Liability self-insured retention from \$10,000 to \$25,000 per claim, which reduced the premium increase from 20% to 15% year over year.
- Retiree Medical Premiums - Premiums are budgeted at \$900,000 compared to \$770,000 last year. The increase is due to six retirements in FY 2021-22, a 6% budgeted increase in premium costs, and an estimated 4 retirements in FY 2022-23.
- Library services – \$350,471 is budgeted as a contribution to the City of Oakland, unchanged from prior years.
- Unemployment – The City is self-insured for unemployment costs. Staff is estimating the City will incur approximately \$20,000 in expense in FY 2022-23. This cost has returned to normal levels as the increased unemployment periods mandated during the pandemic expired in FY 2021-22.

GENERAL FUND BALANCE

The 2022-23 Proposed Budget projects an Operating Net Income of approximately \$966,000. Capital transfers are proposed for essential capital needs as follows:

- \$1,332,000 - Capital Improvements (ARPA Funds)
- \$1,300,000 - Facilities Maintenance, including sidewalk replacement\repair
- \$ 72,000 - Equipment Replacement Fund

After these transfers, the General Fund ending balance will be approximately \$5.7 million, or 17% of Operating Expenses. No further transfers are recommended at this time as the City's goal is to maintain a General Fund reserve of approximately 18% of Operating Expenses.

OTHER FUNDS

In addition to the General Fund, the City maintains several major funds to provide for the long-term capital needs of the organization.

Recreation Department \ Schoolmates \ Aquatics

While the Recreation Department is a component of the General Fund, two programs under its purview, Schoolmates and Aquatics, are accounted for in separate funds. On the following page is a recap of the proposed 2022-23 budget and the prior four years.

	FY Ended				Proposed	Projected	
	June-18	June-19	June-20	June-21	BUD 2023	FY 21-22	\$ VAR
RECREATION (GF)							
Revenue	\$ 3,083,138	\$ 2,832,816	\$ 1,261,674	\$ 1,761,020	\$ 3,216,684	\$ 2,929,290	\$ 287,394
Salaries	1,218,560	1,340,569	1,315,680	1,182,494	1,551,306	1,529,200	22,106
Benefits & Taxes	333,188	356,360	321,474	309,749	465,489	436,478	29,011
Operating Exp	1,302,146	1,215,631	1,028,856	912,727	1,236,500	1,167,863	68,637
Total Expenses	2,853,894	2,912,560	2,666,010	2,404,969	3,253,295	3,133,541	119,754
% of Revenue	93%	103%	211%	137%	101%	107%	42%
Net Income/(Loss)	\$ 229,245	\$ (79,743)	\$ (1,404,336)	\$ (643,950)	\$ (36,611)	\$ (204,251)	\$ 167,640
Cost Recovery %	108%	97%	47%	73%	99%	93%	
SCHOOLMATES							
Revenue	\$ 703,107	\$ 762,930	\$ 632,868	\$ 586,126	\$ 1,086,319	\$ 1,022,000	\$ 64,319
Salaries	469,281	448,901	459,301	495,839	680,832	503,000	177,832
Benefits & Taxes	178,764	131,893	104,243	92,880	162,252	111,600	50,652
Operating Exp	86,209	122,180	111,409	86,836	231,450	89,300	142,150
Total Expenses	734,254	702,973	674,953	675,555	1,074,534	703,900	370,634
% of Revenue	104%	92%	107%	115%			
Net Income/(Loss)	\$ (31,147)	\$ 59,957	\$ (42,085)	\$ (89,429)	\$ 11,785	\$ 318,100	\$ (306,315)
Cost Recovery %	96%	109%	94%	87%	101%	145%	
AQUATICS							
Revenue	\$ 549,492	\$ 495,806	\$ 338,829	\$ (1,034)	\$ -	\$ -	\$ -
Salaries	370,611	387,586	375,765	74,792	8,160	7,000	1,160
Benefits & Taxes	49,603	52,117	52,602	16,174	624	536	88
Operating Exp	196,714	254,239	190,320	45,293	6,500	12,500	(6,000)
Total Expenses	616,928	693,942	618,688	136,258	15,284	20,036	(4,752)
% of Revenue	112%	140%	183%	-13183%			
Net Income/(Loss)	\$ (67,436)	\$ (198,136)	\$ (279,859)	\$ (137,292)	\$ (15,284)	\$ (20,036)	\$ 4,752
Cost Recovery %	89%	71%	55%	0%	0%	0%	
TOTAL							
Revenue	\$ 4,335,738	\$ 4,091,553	\$ 2,233,371	\$ 2,346,112	\$ 4,303,003	\$ 3,951,290	\$ 351,713
Salaries	2,058,452	2,177,055	2,150,747	1,753,125	2,240,298	2,039,200	201,098
Benefits & Taxes	561,555	540,370	478,319	418,802	628,365	548,614	79,751
Operating Exp	1,585,069	1,592,050	1,330,585	1,044,856	1,474,450	1,269,663	204,787
Total Expenses	4,205,076	4,309,475	3,959,651	3,216,782	4,343,113	3,857,477	485,636
% of Revenue	97%	105%	177%	137%			
Net Income/(Loss)	\$ 130,662	\$ (217,922)	\$ (1,726,280)	\$ (870,670)	\$ (40,110)	\$ 93,813	\$ (133,923)
Cost Recovery %	103%	95%	56%	73%	99%	102%	

Staff has historically targeted the Recreation Department to be cost neutral. In 2021-22, staff is projecting 102% total department cost recovery after historic pandemic lows of 56% and 73% in 2019-20 and 2020-21 respectively. The primary driver of this substantial improvement is the

reopening of rental facilities and the closure of the Community Pool which had been operating at a loss prior to closure.

Recreation Department Staffing Adjustments: Schoolmates assistant site leads (3) and the lead facilities attendant will remain part-time positions but will work more than 1,000 hours in a fiscal year. As a result, the staff will be enrolled in CalPERS, eligible to enroll in the City's medical insurance plan and be offered the PEMHCA minimum payment for medical benefits as required by law.

In 2022-23, staff is projecting Schoolmates cost recovery to be 101%. In 2021-22, staff is projecting 145% cost recovery. This cost recovery figure well above the target of just over 100% was due to the delay of Schoolmates related maintenance projects until FY 2022-23.

In the Aquatics Fund, Staff has included \$20,000 of expense to cover utilities and other maintenance expenses for the permanently closed Community Pool facility.

Street Infrastructure Maintenance & Replacement

The City's FY2022-23 budget for street infrastructure maintenance and replacement, including sidewalk repair, is \$1.6 million. Funding sources include Gas Tax, SB1, Measure BB, and Measure F. These sources are funded by Sales and Gasoline taxes. The budget is based on estimates received from the County. The majority of available funding is dedicated to street resurfacing, with the balance dedicated to important sub-categories such as the implementation of projects prioritized by the approved Pedestrian & Bicycle Master Plan, and those related to the Complete Streets program.

The PCI (Pavement Condition Index) for the streets within the City of Piedmont will be 65 after the completion of the 2021 pavement project. This is down from the 67 reported to the City Council in July of 2020 and up slightly from the 64 reported in 2017. This keeps the City's overall average within the "Good" range.

<u>PCI Range</u>	<u>Description</u>	<u>Rating</u>		
		<u>2022</u>	<u>2019</u>	<u>2017</u>
	OVERALL	65%	67%	64%
>70	Very Good	58%	49%	53%
50-69	Good	17%	28%	20%
24-49	Poor	20%	20%	16%
0-24	Very Poor	5%	3%	11%

In order to maintain a PCI of 67 over the next 5 years, approximately \$1.5 million in funding for maintenance and repairs would be needed annually. To increase the PCI to 72 over the next 5 years, approximately \$2.2 million in funding for maintenance and repairs would be needed annually.

In addition to \$100,000 from Gas Tax revenue sources, staff is requesting a General Fund appropriation of \$700,000 for sidewalk repair. Piedmont's sidewalks have become increasingly in disrepair. It is very important to repair sidewalks as soon as possible to reduce the liability associated with accidents caused by unsafe sidewalks. The City currently does not have the tools to adequately track the required maintenance of sidewalks. Staff has included in the IT plan over the next two years, funds for the purchase and implementation of a software program to satisfy this and other maintenance related needs.

Below is a recap of the proposed 2022-23 budget and the prior three years of activity within the street related funds.

Summary Street Report									
	Measure BB	Gas Tax	SB 1	Measure F	Measure B	Traffic Congestion	Total Sources	General Fund	Grand Total
ACTUAL 2019-20									
Beginning Balance	\$ 250,966	\$ 554,588	\$ 79,050	\$ 39,255	\$ 136,758	\$ 25,590	\$ 1,086,207		
Total Revenues	440,405	263,233	205,828	46,241	469,276	12,839	1,437,822		
Streets	(690,927)	(286,979)	-	(51,485)	(308,912)	-	(1,338,303)	(905,378)	(2,243,681)
Sidewalks		(425,117)	-		(295,198)	-	(720,315)		(720,315)
Total Expenditures	(690,927)	(712,096)	-	(51,485)	(604,110)	-	(2,058,618)	(905,378)	(2,963,996)
Ending Balance	\$ 444	\$ 105,725	\$ 284,878	\$ 34,011	\$ 1,924	\$ 38,429	\$ 465,411		
ACTUAL 2020-21									
Total Revenues	477,253	255,941	211,734	46,073	511,170	-	1,502,170		
Streets	(5,011)	(8,330)	(48,250)	(6,719)	(205,722)	-	(274,032)		(274,032)
Sidewalks		(346,198)	-			-	(346,198)	(522,707)	(868,905)
Total Expenditures	(5,011)	(354,528)	(48,250)	(6,719)	(205,722)	-	(620,230)	(522,707)	(1,142,937)
Ending Balance	\$ 472,686	\$ 7,138	\$ 448,362	\$ 73,365	\$ 307,372	\$ 38,429	\$ 1,347,351		
PROJECTED 2021-22									
Total Revenues	545,833	293,000	223,000	40,000	357,698	-	1,459,531		
Streets	(1,000,000)		(650,000)	(90,000)	(665,070)	(38,429)	(2,443,499)		(2,443,499)
Sidewalks		(299,408)					(299,408)	(900,000)	(1,199,408)
Total Expenditures	(1,000,000)	(299,408)	(650,000)	(90,000)	(665,070)	(38,429)	(2,742,907)	(900,000)	(3,642,907)
Ending Balance	\$ 18,519	\$ 730	\$ 21,362	\$ 23,365	\$ (0)	\$ -	\$ 63,975		
PROPOSED 2022-23									
Total Revenues	942,000	331,853	257,488	40,000	-	-	1,571,341		
Streets - Committed	(567,625)						(567,625)		(567,625)
Streets - Available	(390,000)	(230,000)	(275,000)	(60,000)			(955,000)		(955,000)
Sidewalks		(100,000)					(100,000)	(700,000)	(800,000)
Total Expenditures	(957,625)	(330,000)	(275,000)	(60,000)	-	-	(1,622,625)	(700,000)	(2,322,625)
Ending Balance	\$ 2,894	\$ 2,583	\$ 3,850	\$ 3,365	\$ (0)	\$ -	\$ 12,691		

Facilities Maintenance Fund

The City Council established the Facilities Maintenance Fund in 2013 to provide a long-term plan for addressing City-owned facilities. In 2014, responsibility for facilities was transferred from the Recreation Department to the Public Works Department. Since that time staff has been working to develop a thorough and well-documented plan that addresses deferred maintenance, on-going maintenance, and repair, and, importantly, the desire to build reserves to address long-term, life-cycle maintenance and replacement costs. The plan will continue to evolve and improve as staff closely monitors City needs.

In 2019-20, staff removed janitorial type expenses from this fund and are now accounting for them in the General Fund. Further, in order to allow us to better identify and quantify long term capital needs as opposed to ongoing maintenance costs, beginning in FY 2022-23 staff is splitting this fund into two separate funds:

- Facilities Maintenance Fund (111) – Repairs and maintenance, and scheduled maintenance, and sidewalk replacement\repair will be funded annually by transfers from the General Fund as needed. Maintenance of Schoolmates facilities will be funded by the Schoolmates fund.
- Facilities Capital Projects (112) – Capital projects for all city facilities including parks. Funding will be determined each year based on budget surplus, if any.

The following schedule summarizes the current Facilities Maintenance Fund plan. It is a roll up of scheduled maintenance and estimated repairs and maintenance for each City facility, as well as sidewalk replacement\repair.

	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
FACILITIES MAINTENANCE					
Beginning Balance	\$ 839,708	\$ 357,304	\$ 276,097	\$ 214,608	\$ 172,183
General Fund Subsidy	\$ 600,000	\$ 1,300,000	\$ 1,500,000	\$ 1,100,000	\$ 1,000,000
Schoolmates Subsidy	87,500	\$ 64,450	\$ 126,923	\$ 30,419	\$ 30,940
Other Funding (ARPA)					
Interest	21,596	\$ 24,243	\$ 1,584	\$ 1,227	\$ 967
Total Revenue	\$ 709,096	\$ 1,388,693	\$ 1,628,506	\$ 1,131,645	\$ 1,031,907
Expenditures:					
Sidewalks	\$ (900,000)	\$ (700,000)	\$ (600,000)	\$ (600,000)	\$ (600,000)
Annual Maintenance	(181,000)	(191,900)	(201,495)	(211,570)	(222,148)
Scheduled Maintenance	(110,500)	(578,000)	(888,500)	(362,500)	(270,500)
Total Expenditures	\$ (1,191,500)	\$ (1,469,900)	\$ (1,689,995)	\$ (1,174,070)	\$ (1,092,648)
Ending Balance	\$ 357,304	\$ 276,097	\$ 214,608	\$ 172,183	\$ 111,441

The following schedule summarizes the current Facilities Capital Fund plan. It is a roll up of capital projects for all city facilities, including parks. Supporting schedules which details each project are included in the Facility Maintenance plan documents.

	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025 & Beyond
FACILITIES CAPITAL PROJECTS					
Beginning Balance	\$ 8,500,000	\$ 8,975,000	\$ 6,291,864	\$ 3,721,864	\$ 973,864
General Fund Subsidy	\$ -				
Schoolmates Subsidy	-	60,000	-	-	-
ARPA Funding	1,050,000	1,331,864			
Contributions \ Other Funding					
Interest					
Total Revenue	\$ 1,050,000	\$ 1,391,864	\$ -	\$ -	\$ -
Expenditures:					
Facilities	\$ (200,000)	\$ (2,660,000)	\$ (1,000,000)	\$ (320,000)	\$ (52,085,425)
Parks	(75,000)	(1,065,000)	(370,000)	(2,058,000)	(13,659,000)
Park Pathways	(25,000)	(100,000)	(100,000)	(100,000)	(100,000)
Tennis Courts	(125,000)	-	(270,000)	(270,000)	(540,000)
Sustainability	(150,000)	(250,000)	(830,000)	-	-
Green Infrastructure	-	-	-	-	(1,300,000)
Total Expenditures	\$ (575,000)	\$ (4,075,000)	\$ (2,570,000)	\$ (2,748,000)	\$ (67,684,425)
Ending Balance	\$ 8,975,000	\$ 6,291,864	\$ 3,721,864	\$ 973,864	\$ (66,710,561)

The Facilities Capital Fund is estimated to have a Fund balance of approximately \$8.975 million as of June 30, 2022. Funding will be primarily from the General and Schoolmates Funds, when available. American Rescue Plan Act (ARPA) funds are being allocated here for use on the Police Dispatch project in accordance with City Council direction.

Annual funding is determined based on available funds in the General Fund after consideration of the needs of the equipment replacement fund, facilities maintenance fund, and maintaining a General Fund reserve of approximately 18%. Due to escalating pension, retiree medical and insurance expenses, staff is not proposing any General Fund transfers for FY 2021-22 and FY 2022-23.

The Facilities Capital Fund includes major capital improvements currently being evaluated by the City in the column “FY 2025 & Beyond”. High-level assessments of the Police Department and Fire Department reveal significant deficiencies in these Essential Services Buildings which must be addressed. As prioritized use of American Rescue Plan Act (ARPA) funds, we are currently working on options and costs associated with relocation of the dispatch center to be followed by a master planning effort for the entire Police/Veterans/Fire/City Hall area.

Beyond the Essential Services Buildings, City staff believes the renovation of the City Hall basement and Recreation Center are critical as well due to the accessibility and fire/life safety issues of these facilities which need to be addressed. Major improvements to Linda Beach and Coaches Field have also been evaluated. The total cost of all these projects may be upward of

\$65 million and is reflected in the column “FY 2025 & Beyond”. Based on ten-year projections for the General Fund, the City does not have adequate funding for any of these projects nor the recreation related conceptual plans developed in recent years. A master planning effort to understand opportunities, challenges and funding strategies for our City facilities will be a high priority for staff in FY 22-23.

Capital Improvement Projects Fund

The Capital Improvement Fund is used to account for resources that are restricted and committed to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Previously, prior to creation of the Facilities Maintenance Fund and the Equipment Replacement Fund, the Capital Improvement Projects Fund was used to account for a very wide range of projects and activities.

Historically, appropriation of resources to this Fund are typically considered following a receipt of a report on projects recommended by the Capital Improvement Projects Review Committee. The Committee, on an annual basis, initiated a process to solicit community input, conduct site visits, analyze the merits of potential projects, and make recommendations to the City Council as to which projects should be funded. The Capital Improvement Projects Review Committee suspended its activity due to COVID-19. Staff is working to create a timeline and framework to reimagine and re-engage this important committee in support of substantial capital project needs.

Equipment Replacement Fund

The Equipment Replacement Fund sets aside funds in anticipation of the orderly replacement of City vehicles, heavy equipment, general equipment, as well as IT infrastructure. A replacement schedule has been developed detailing all equipment including the estimated year of replacement and estimated replacement cost.

Proposed expenditures for FY 2022-23 are \$2,279,100. This is higher than anticipated as the replacement of all radios for both Fire and Police has been accelerated due to the pending discontinuation of maintenance on existing equipment (\$560,000) and the delay of the upgrade of KCOM equipment (\$400,000). In addition, staff adjusted all purchase prices due to inflationary pressures.

The following is the detail of proposed Equipment Replacement expenditures for 2022-23 of \$2,279,100:

Equipment Replacement Fund Expenditures

Description	\$ Amount
<u>Administration (KCOM):</u>	
Broadcast & Streaming Equip.	\$ 400,000
<u>Public Works:</u>	
Backhoe	180,000
<u>Recreation</u>	
Utility Van	56,000
<u>Police:</u>	
Radio's	195,000
CAD\CRM Licences	75,000
Patrol Vehicles (2)	187,000
Vehicle - Captain's	55,000
Vehicle - Parking Enforcement	50,000
Mobile Radar Units	9,000
<u>Fire:</u>	
Radio's	365,000
City Vehicle	90,000
<u>IT:</u>	
Applications & Systems	415,000
Infrastructure & Operations	100,000
Hardware	65,100
<u>OTHER:</u>	
Copy Machines	37,000
Total Proposed Expenditures	\$ 2,279,100

Sewer Fund

The Sewer Fund is used to account for costs related to the inspection, maintenance, repair, and replacement of the sanitary sewer and storm sewer system in the City. In July 2014, the City and other East Bay jurisdictions entered into a Consent Decree (CD) mandated by the U.S. Environmental Protection Agency (EPA) which requires the City to complete a rehabilitation of the sewer system and to establish a comprehensive monitoring of system performance. With the CD finalized, and all the mandated improvement measures identified, the City has moved forward with definitive plans to achieve full compliance.

To this end, the City Council previously approved loans totaling \$800,000 to the Sewer Fund from the Equipment Replacement Fund and the Facilities Maintenance Fund. These loans made

the need for increasing the Sewer Tax or Real Property Transfer Tax unnecessary and provided the resources needed to initiate the next phase of required sewer rehabilitation.

With the approval of a low-interest loan by the State Water Resources Control Board (SWRCB), construction of Phase V of the sewer rehabilitation project began in 2017-18 and was completed in the first quarter of FY 2018-19. Thereafter, Phase VI design work began in FY 2018-19 with construction anticipated to begin in FY 22-23. All phases of rehabilitation are projected to be completed over the next decade, ahead of the schedule established under the CD.

A significant benchmark affirming Piedmont's strategy for compliance to the EPA Consent Decree was reinforced in April of 2018. After the first EPA performance review of all participants, it was determined that Piedmont was complying and would not be assessed any stipulated penalties.

Sewer Fund Recap

SEWER FUND	Projected 2021-22	Proposed Budget 2022-23	Projected			
			2023-24	2024-25	2025-26	2026-27
Beginning Balance	\$3,231,632	\$ 3,645,317	\$ 1,564,077	\$ 1,510,359	\$ 2,514,717	\$ 673,994
Sewer Service Charges \ Interest	2,812,000	2,930,100	3,008,165	3,088,313	3,170,599	3,255,080
Loan Proceeds	0	0	2,481,865	2,481,865	0	844,963
Total Revenue	2,812,000	2,930,100	5,490,030	5,570,178	3,170,599	4,100,043
Operating Costs	1,150,000	1,347,000	1,397,500	1,450,275	1,505,389	1,561,908
<u>Capital Costs:</u>						
General Sewer Replacement	100,000	400,000	420,000	441,000	463,050	486,203
Capital Equipment	338,975	40,000	0	0	0	0
Storm Drain	0	565,000	330,000	850,000	0	0
Phase VI	0	1,850,000	2,731,250	0	0	0
Phase VII	0	0	0	1,000,000	2,379,850	0
Debt Service	809,340	809,340	664,998	824,546	663,033	877,952
Total Expenditures	2,398,315	5,011,340	5,543,748	4,565,821	5,011,322	2,926,063
Ending Balance	\$ 3,645,317	\$ 1,564,077	\$ 1,510,359	\$ 2,514,717	\$ 673,994	\$ 1,847,974

In addition to the construction of rehabilitation projects, the Sewer Fund reimburses the General Fund for sewer related expenses charged to the General Fund. Public Works and Finance have refined expense estimates and capture actual costs related to personnel, supplies and services. Based on the data collected, the proposed transfer for 2022-23 is projected at \$837,000, an increase of \$37,000 over last fiscal year.

Pension Rate Stabilization Fund

In 2017-18, the City established a Pension Rate Stabilization Fund. The City partnered with the Public Agency Retirement Services (PARS) to establish a Section 115 Trust. The trust will allow us to smooth the effect of rising pension costs which are expected to more than double over the next ten years. Through the deposit of funds into the Section 115 Trust Program, the City could expect to earn a rate of return greater than what would be attained through the City's investment with the State of California Local Agency Investment Fund (LAIF). The higher return is made possible because the Section 115 Trust Program is not prohibited by the State law from making purchases of higher yield equities.

In May 2018, the City transferred \$2.0 million from the General Fund into the Pension Rate Stabilization Fund and an additional transfer of \$750,000 in November 2018. In February 2021, the City engaged actuarial firm Bartel & Associates to refresh the City's ten-year pension expense projections. The projections increased approximately \$3.0 million as compared to the long-range plan. The increase is due to CalPERS lower than expected investment results in FY 2019-20 and the effect of the changes in its amortization policy. Amortization periods for the Unfunded Accrued Liability have been shortened from 30 years to 20 years, which lowers overall liability, but increases annual payments. Due to this, an additional \$1.0 million was transferred to PARS in October 2021.

CalPERS portfolio performance rebounded in FY 2020-21 with a 21.7% increase. This triggered its "Funding Risk Mitigation Policy". This policy requires CalPERS to reassess the portfolio's asset allocation to lower its risk and to decrease the discount rate. Accordingly, CalPERS realigned its asset allocation to decrease volatility and lowered the discount rate from 7.0% to 6.8%. This will lower employer costs by 1% - 2% beginning in FY 2023-24. However, it should be noted that financial markets have been weak this fiscal year which will most likely adversely impact pension costs after FY 2023-24.

The City's long-term plan now indicates that the City may need to draw down on the PARS fund as early as FY 2023-24 in order to pay annual pension payments and maintain a reasonable General Fund reserve (18%).

MUNICIPAL SERVICES SPECIAL TAX

On March 3, 2020, Piedmont voters approved Measure T (Municipal Services Special Tax), authorizing the City Council to levy a parcel tax for a four-year period beginning with FY 2021-22. The rate for Fiscal Year 2021-2022 was set by the voters when they passed the tax. Commencing with FY 2022-23, the rate for Measure T may be adjusted by the lower of 4.0% or the annual percentage change in the Consumer Price Index for all Urban Consumers for San Francisco-Oakland-San Jose, California as published by the United States Department of Labor, Bureau of Labor Statistics. The percentage change in this index for the year ended December 2021 was 4.2%. Accordingly, the rate adjustment for FY 2020-21 is 4.0%. After applying this rate adjustment, the proposed rate was rounded down to the nearest whole dollar for ease of assessment.

Municipal Services Special Tax Rate Schedule

	Adopted Rate 2021-22	Proposed Rate 2022-23
Single Family Residences		
0 to 4,999	\$ 551	\$ 573
5,000 to 9,999	\$ 620	\$ 644
10,000 to 14,999	\$ 715	\$ 743
15,000 to 20,000	\$ 817	\$ 849
Over 20,000	\$ 930	\$ 967
Commercial Properties		
0 to 10,000	\$ 930	\$ 967
Over 10,000	\$ 1,395	\$ 1,450
Multi-Family Residential: per unit	\$ 383	\$ 398
Dual Jurisdiction Parcels: per unit	\$ 565	\$ 587
Estimated Revenue	\$ 2,422,000	\$ 2,518,000

SPECIAL MUNICIPAL SEWER TAX

The proposed Sewer Fund budget assumes that revenues increase based on changes in the CPI that are needed to maintain sewer services and rehabilitation of the sewer system. The proposed rate increase of 4.2% for FY 2022-23 is recommended.

The City Council is authorized (Municipal Code Chapter 20, Section 20E.3) to adjust the rate based upon changes in the Consumer Price Index (CPI) for All Urban Consumers for the San Francisco-Oakland-San Jose, California (December) as published by the United States Department of labor, Bureau of Labor Statistics. Based upon the change in this index, the rate adjustment for FY 2022-23 is 4.2%. After applying this rate adjustment, the proposed rate was rounded down to the nearest whole dollar for ease of assessment.

Special Municipal Sewer Tax Rate Schedule

	Adopted Rate	Proposed Rate
	2021-22	2022-23
Single Family Residences		
0 to 4,999	\$ 625	\$ 651
5,000 to 9,999	\$ 712	\$ 741
10,000 to 14,999	\$ 821	\$ 855
15,000 to 20,000	\$ 957	\$ 997
Over 20,000	\$ 1,127	\$ 1,174
Commercial Properties		
0 to 10,000	\$ 1,127	\$ 1,174
Over 10,000	\$ 1,554	\$ 1,619
Multi-Family Residential: per unit	\$ 521	\$ 542
Dual Jurisdiction Parcels: per unit	\$ 625	\$ 651
Estimated Revenue	\$ 2,802,000	\$ 2,919,000

Table 1 – City of Piedmont Budget Summary

CITY OF PIEDMONT				
FY 2022-2023 BUDGET SUMMARY				
<u>OPERATING BUDGET</u>				
	CURRENT	ESTIMATED	PROPOSED	BUDGET
	BUDGET	EXPENDITURES	BUDGET	%
EXPENDITURES:	2021-22	2021-22	2022-23	CHANGE
ADMINISTRATION & KCOM	\$ 3,794,299	\$ 3,647,185	\$ 4,248,445	12.0%
PUBLIC WORKS	3,929,074	4,206,620	4,465,652	13.7%
PLANNING & BUILDING	2,648,814	2,374,095	2,832,263	6.9%
RECREATION	2,686,816	3,136,541	3,253,295	21.1%
POLICE	7,412,674	7,425,957	7,607,643	2.6%
FIRE	7,712,094	7,612,247	7,951,633	3.1%
NON-DEPARTMENTAL	3,095,471	3,311,471	3,505,471	13.2%
TOTAL GENERAL FUND	31,279,242	31,714,116	33,864,402	8.3%
OTHER OPERATING FUNDS				
AQUATICS FUND	40,000	20,036	15,284	-61.8%
SCHOOLMATES FUND	742,946	733,900	1,018,084	37.0%
TOTAL OTHER OPERATING EXPENDITURES	782,946	753,936	1,033,368	32.0%
TOTAL OPERATING EXPENDITURES	\$ 32,062,188	\$ 32,468,052	\$ 34,897,770	8.8%
<u>OTHER FUNDS BUDGET</u>				
EXPENDITURES:				
SPECIAL REVENUE FUNDS				
ABANDONED VEHICLE FUND	\$ 8,500	\$ 8,500	\$ 8,500	0.0%
ATHLETIC FACILITY PRESERVATION FUND	10,000	25,000	25,000	150.0%
COPS FUND	785,831	542,831	132,250	-83.2%
JUVENILE OFFICER GRANT FUND	191,090	-	-	-100.0%
TRAFFIC CONGESTION FUND	-	38,429	-	NA
TRAFFIC SAFETY FUND	-	-	16,400	NA
GAS TAX FUND	900,000	299,408	330,000	-63.3%
ROAD MAINTENANCE AND REHABILITATION	420,000	650,000	275,000	-34.5%
MEASURE B FUND	760,000	664,358	-	-100.0%
MEASURE BB FUND	575,000	1,000,000	957,625	66.5%
MEASURE D FUND	35,000	-	30,000	-14.3%
MEASURE F - VRF	55,000	90,000	60,000	9.1%
SIDEWALK REPAIR FUND	10,000	-	-	-100.0%
TOTAL SPECIAL REVENUE FUNDS	3,750,421	3,318,526	1,834,775	-51.1%
CAPITAL PROJECT FUNDS				
AQUATICS PROJECT FUND	-	1,253,100	3,753,825	NA
EQUIPMENT REPLACEMENT FUND	1,698,812	1,296,356	2,279,100	34.2%
FACILITY CAPITAL PROJECT FUND	-	575,000	4,075,000	NA
FACILITY MAINTENANCE FUND	1,270,500	1,191,500	1,469,900	15.7%
TOTAL CAPITAL PROJECT FUNDS	2,969,312	4,315,956	11,577,825	289.9%
DEBT SERVICE FUND				
AQUATICS BOND FUND	-	224,792	975,000	NA
TOTAL DEBT SERVICE FUND	-	224,792	975,000	NA
ENTERPRISE FUND				
SEWER FUND	2,991,341	1,598,315	4,174,342	39.5%
TOTAL ENTERPRISE FUND	2,991,341	1,598,315	4,174,342	39.5%
TOTAL OTHER FUNDS	\$ 9,711,074	\$ 9,457,589	\$ 18,561,942	91.1%
GRAND TOTAL	\$ 41,773,262	\$ 41,925,641	\$ 53,459,712	28.0%

APPROPRIATIONS (GANN) LIMIT

State law approved by the voters and known as the Gann Initiatives places limits on the amount of tax-generated revenue (Proceeds of Taxes) that cities can receive and appropriate each year. The limit is based on actual appropriations during 1978-79 and is adjusted annually by cost-of-living and population growth factors. Only specific revenues are classified as Proceeds of Taxes.

The passage of Proposition 4 in November 1979 established the annual appropriation limit requirement beginning in 1980-81 (using 1978-79 as the base) for state and local entities. If an entity received excess funds (over the limit) in any one year, it could only use the funds in the subsequent year if below the Appropriations Limit that year.

Senate Bill 1359 provided for implementing Proposition 4. The State Department of Finance is required each year to notify local governments of the changes in the cost of living or change in California Per Capita Income, whichever is lower, along with the population change from the prior calendar year. Using this data, the City Council would then adopt a resolution stating the amount of the appropriation limit for the new fiscal year.

Proposition 111 and SB 88 modified Proposition 4 to allow the annual adjustment factors to be altered beginning with the 1990-91 calculation. Rather than using the lesser of California Per Capita Income or U.S. CPI to measure inflation each year, the city may choose to use the growth in the California Per Capita Income or the growth in the non-residential assessed valuation due to new construction within the city. Also, rather than using only the population growth of the city, each city may choose to use the population growth within its county.

The Calculation of Appropriation Subject to Limit for 2022-23 is attached. This computation includes the calculations necessary to determine the City's appropriation limitation for 2022-23. The carry forward 2021-22 Appropriation Limit, adjusted by the Cost of Living factor of 1.0755% and the population factor of .9938% (from the Department of Finance) establishes the 2022-23 Appropriation Limit at \$30,278,160. The City's appropriations subject to limit totals \$27,692,000, which is \$2,586,160 below the calculated limit.

FEES & CHARGES

The City annually reviews its fee schedule and adopts updates to certain specific fees and charges where determined necessary. It is generally City policy to establish fees and charges for City services which fully reimburse the City for the associated costs of providing services, and thus planning permit fees, building fees, and other fees for services are adjusted on a regular basis. Staff review existing fees and charges annually in conjunction with the review of the City's budget to insure that they are adequate and to relate them to their associated program cost. Based on increases in costs, including related staff costs, staff are recommending a 4.2% increase in the following categories of fees in the Planning & Building Department:

Building Division Fees

- Building Permit and Inspection Fees
- Plan Check Fees

- Other Fees and Permits
- Title 24 Plan Check

Planning Division Fees

- Design Review Permit – Expedited Review
- Design Review Permit – Director Review
- Design Review Permit – Planning Commission Review
- Variance
- Conditional Use Permit
- Other Review
- Subdivision/Map Act
- California Environmental Quality Act (CEQA)
- Filming Permit
- Other Fees

In addition, we are proposing to raise the General Plan Maintenance Fee from \$0.012 to \$0.013 of the cost of construction projects. This will generate approximately \$25,000 in additional fees and is needed to cover the costs of the new Housing Element work and other General Plan and Zoning Code updates in the coming years.

Fees in the categories above have been adjusted, but all fees are shown in the schedule for ease of reference. Based on staff estimates of City costs of service, the amounts recommended for fees and charges, including increases, do not exceed the reasonable cost of providing the services.

By: Michael Szczech, Finance Director

Attachment A - Schedule of Fees and Charges

Attachment B - Calculation of Appropriation Subject to Limit (Schedules 1 – 3)

Attachment C - Department of Finance Price & Population Information

SCHEDULE OF FEES AND CHARGES

I. ADMINISTRATION		
DESCRIPTION	FEE	COMMENTS
Home Occupation Permit Application Fee	\$100	
Street Use Permit Application Fee	\$50	
State Disability Access Fee	\$4	Added to Business Licenses pursuant to GC4467
Bank Non-Sufficient Funds Fee	\$35	
Bank Stop Payment Fee	\$31	

2022-23 Proposed Budget

SCHEDULE OF FEES AND CHARGES**II. PUBLIC WORKS**

DESCRIPTION	FEE	COMMENTS
Banner Hanging Fee	\$105	Piedmont Groups
Banner Hanging Fee	\$300	Outside Piedmont Groups
Encroachment Permits (Work in Right-of-Way)	\$410 ¹	Depending on project site and scope, and deposit might be required
Encroachment Permits with Engineering Review	\$717 ¹	
Revocable Encroachment Permit (for semi-permanent improvements in the Right-of-Way or within easements)	\$960	
Sidewalk Inspection	\$153	
Sewer	\$410	
Solid Waste Self Haul Permit	\$311 ¹	
Exemption from Curbside Placement of Solid Waste Carts	No Fee	Requires annual renewal

¹ Includes a \$27 Records Management Fee.

III. PLANNING AND BUILDING**Building Division Fees**

DESCRIPTION	FEE	COMMENTS
Building Permit & Inspection Fees		
Job Value of work being done:		Fee based on value of work
\$1 to \$500	Base Fee of \$71	
\$501 to \$2,000	Base Fee of \$76 + (\$4.04 for every \$100)	
\$2,001 to \$25,000	Base Fee of \$137 + (\$19.61 for every \$1,000)	
\$25,001 to \$50,000	Base Fee of \$616 + (\$14.05 for every \$1,000)	
\$50,001 to \$100,000	Base Fee of \$987 + (\$9.69 for every \$1,000)	
\$100,001 to \$500,000	Base Fee of \$1,504 + (\$7.79 for every \$1,000)	
\$500,001 to \$1,000,000	Base Fee of \$4,526 + (\$6.59 for every \$1,000)	
Over \$1,000,000	Base Fee of \$8,329 + (\$4.20 for every \$1,000)	
Plan Check Fee		
Job Value of work being done:		Fee based on value of work
\$1 to \$500	Base Fee of \$23	
\$501 to \$2,000	Base Fee of \$28 + (\$2.95 for every \$100)	

City of Piedmont

Fee Schedule

2022-23 Proposed Budget

III. PLANNING AND BUILDING		
Building Division Fees		
DESCRIPTION	FEE	COMMENTS
\$2,001 to \$25,000	Base Fee of \$66 + (\$12.69 for every \$1,000)	
\$25,001 to \$50,000	Base Fee of \$376 + (\$9.52 for every \$1,000)	
\$50,001 to \$100,000	Base Fee of \$621 + (\$6.32 for every \$1,000)	
\$100,001 to \$500,000	Base Fee of \$953 + (\$5.07 for every \$1,000)	
\$500,001 to \$1,000,000	Base Fee of \$2,925 + (\$4.25 for every \$1,000)	
Over \$1,000,000	Base Fee of \$5,392 + (\$2.83 for every \$1,000)	
General Plan Maintenance Fee	Job value x \$0.013	Fee based on value of work. Solar PV projects exempt.
Records Management Fee	5% of Permit & Inspection Fee	Sewer and Solar PV projects exempt
Strong Motion Instrumentation & Seismic Hazard Mapping Program (SMIP)		
Job Value of work being done:		Fee based on value of work
\$1 to \$3,850	Base Fee of \$0.50	
Over \$3,850	Base Fee of \$0.50 + ([Job Value - \$3,850] / \$1*\$0.0001)	
Calif SB 1473 Fee (Determined by State Effective 1/1/2009)		
Job Value of work being done:		Fee based on value of work
\$1 to \$25,000	Base Fee of \$1.00	
\$25,001 to \$50,000	Base Fee of \$2.00	
\$50,001 to \$75,000	Base Fee of \$3.00	
\$75,001 to \$100,000	Base Fee of \$4.00	
Over \$100,000	Base Fee of \$4.00 + ([Job Value - \$100,001] / \$25,000*\$1.00)	
Other Fees & Permits		
Change in Approved Building Permit (CAP)	\$84 ¹	
Solar Energy Related Permits	\$368 ¹	
Change of Address Fee	\$102 ¹	
Drop Box	\$67 ¹	
Garage Sale Permit	\$32	
Hourly Rates:		
Building Official	\$85 hr.	
Planning & Building Director	\$130 hr.	
Plans Examiner	\$85 hr.	
Housing Records Search	\$93 ¹	
New Sewer Connection	\$1,332 ¹	
Penalty Fee - Starting Construction without Permit	50%	Permit/Inspection Fee + 50%

City of Piedmont

Fee Schedule

2022-23 Proposed Budget

III. PLANNING AND BUILDING		
Planning Division Fees		
DESCRIPTION	FEE	COMMENTS
Planning Commission Mailing List	No Fee	
Residential Rental Safety Inspection	\$227	
Title 24 Plan Check		
Prescriptive Compliance	\$93 ¹	
No increase in conditioned floor area	\$156 ¹	
Addition area only	\$190 ¹	
Addition plus existing area combined	\$254 ¹	
New home or structure	\$287 ¹	
¹ Includes \$27 Records Management Fee		
Design Review Permit – Expedited Review		
General Applications	\$233 ⁴	
Windows & Doors	\$267 ⁴	
Changes to Previously Approved Permits	\$365 ⁴	
Design Review Permit - Director Review		
Construction <\$6,460	\$479 ³	
Construction \$6,461 - \$58,155	\$713 ³	
Construction \$58,156 - \$109,845	\$871 ³	
Construction \$109,846 - \$161,350	\$1,286 ³	
Sequential DRP-DRs referred to PC	\$142 Surcharge	
Design Review Permit - Planning Commission Review		
Construction \$161,351 - \$226,150	\$1,705 ³	
Construction \$226,151 or more	\$2,037 ³	
New House	\$5,006 ³	
Variance		
One Variance with Design Review	\$999	
One Variance without Design Review	\$1,350 ³	
Each Additional Variance	\$490	
Conditional Use Permit		
Conditional Use Permit	\$2,528 ³	
Conditional Use Permit (Minor Modification)	\$822 ³	

2022-23 Proposed Budget

III. PLANNING AND BUILDING

Planning Division Fees		
DESCRIPTION	FEE	COMMENTS
Other Review		
Administrative Extension	\$381 ⁴	
Appeal	\$795 ⁴	
Accessory Dwelling Unit Permit (with or without Exception)	\$943 ⁴	
Modification to Approved ADU Permit	\$365 ⁴	
Fence, Retaining Wall or Site Feature Design Review Permit	\$613 ⁴	
Sign Design Review Permit	\$1,018 ⁴	
Short-Term Rental Permit	\$371 ⁴	
AB 939 Information Report	\$142 ⁴	
Zoning Amendment	\$2,986 ³	
Subdivision/Map Act		
Parcel Merger deposit/cost to process	\$1,735 ³	Deposit for cost to process ¹
Lot Line Adjustment	\$2,063 ³	Deposit for cost to process ¹
Parcel Map	\$4,345 ³	Deposit for cost to process ¹
Tentative Map	\$7,487 ³	Deposit for cost to process ¹
California Environmental Quality Act (CEQA)		
Initial Study/Negative Declaration	\$50,000 ³	Deposit for cost to process ¹
Environmental Impact Report (EIR)	\$100,000 ³	Deposit for cost to process ¹
CA Dept. of Fish & Wildlife ³ Fee	Fee per CA DFW ² + \$469 City processing fee	
Filming Permit		
Still Photography	\$1,652 ⁴	
Commercial Video	\$2,011 ⁴	
Motion Picture Video	\$2,501 ⁴	
Wireless Communication Facility (WCF) Permit		
WCF Permit for small cell facilities located in the City right-of-way	\$4,168 per site ³	
Eligible Facility Request Permit	\$2,500 ³	
WCF Permit for all facilities other than small cell in City right-of-way	\$11,500 ³	Deposit for cost to process ¹
WCF Independent Technical Review for all facilities other than small cell in City right-of-way	\$11,000 ³	Deposit for cost to process ¹

City of Piedmont

Fee Schedule

2022-23 Proposed Budget

III. PLANNING AND BUILDING

DESCRIPTION	FEE	COMMENTS
Other Fees		
Reasonable Accommodation	No Fee	Fee(s) required for other related permit(s)
Zoning Compliance Letter	\$88	
Development Agreement	\$6,250 ³	Deposit for cost to process ¹ + admin. fee
Applications and Reviews not listed above	\$3,402 ³	Deposit for cost to process ¹

¹ An initial deposit is required at application submittal. If the deposit declines to less than \$1,000, an additional deposit is required. Applicant may apply for return of unused funds at completion of project.

² DFW is the California Department of Fish and Wildlife, which requires a separate, additional fee.

³ Includes \$54 Records Management Fee

⁴ Includes \$27 Records Management Fee

IV. RECREATION			
DESCRIPTION	Current Fee	Proposed FY 2022-23	Last Adjustment
Tennis Fees			
Adult Tennis Decal	\$50.00	\$50.00	6/3/2019
Youth Tennis Decal	\$28.00	\$28.00	6/3/2019
Weekday Tennis Court	\$6.25/hr	\$6.25/hr	7/1/2018
Weekend Tennis Court	\$8.25/hr	\$8.25/hr	7/1/2018
Weekend Tennis Court - Youth	\$6.00/hr	\$6.00/hr	7/1/2017
Weekday Tennis Court - Youth	\$0.00/hr	\$0.00/hr	7/1/1994
Community Non-Profit	\$7.00/hr	\$7.00/hr	N/A
Annual Tennis Team Fee	\$195.00	\$195.00	6/3/2019
City Recreation Facilities - Fields and Picnic Area			
Mont Resident	\$180.00	\$180.00	7/1/2018
Piedmont Non-Profit	\$150.00	\$150.00	7/1/2018
Piedmont Resident - Business Use	\$350.00	\$350.00	7/1/2018
Community Hall			
Weekday (Monday-Thursday and Friday before 3:00 pm) 2 hour minimum; No Weddings			
Base Rental Rate	\$210.00/hr	\$220.00/hr	7/1/2018
Resident Discount Rate	\$160.00/hr	\$170.00/hr	7/1/2018
Non-Profit Rate	\$100.00/hr	\$105.00/hr	1/1/2016
Friday Evening and Sunday - (8 hours)			
Base Rental Rate	\$4,500.00	\$4,725.00	6/3/2019
Additional time	\$200.00/hr	\$220.00/hr	1/1/2016
Resident Discount Rate	\$2,900.00	\$3,045.00	7/1/2018
Additional time	\$150.00/hr	\$170.00/hr	1/1/2016
Additional time requested within 7 days of rental	\$250.00/hr	\$265.00/hr	1/1/2016
Saturday - (8 hours)			
Base Rental Rate	\$5,000.00	\$5,250.00	6/3/2019
Additional time	\$250.00/hr	\$265.00/hr	1/1/2016
Resident Discount Rate	\$3,200.00	\$3,412.00	7/1/2018
Additional time	\$200.00/hr	\$215.00/hr	1/1/2016
Additional time requested within 7 days of rental	\$300.00/hr	\$315.00/hr	1/1/2016
Deposit	\$1,000.00	\$1,000.00	1/1/2016
DESCRIPTION			
Tea House			
In conjunction with Community Hall rental	\$450.00	\$475.00	7/1/2018
3 hour base rate	\$650.00	\$675.00	7/1/2018
Amphitheater			
With Hall Rental			
Base Rate	\$350.00	\$375.00	7/1/2018
Resident Discount Rate	\$275.00	\$300.00	7/1/2018
Without Hall Rental (Monday-Thursday only)			
Base Rate	\$450.00	\$475.00	7/1/2018
Resident Discount Rate	\$375.00	\$400.00	7/1/2018

IV. RECREATION			
DESCRIPTION	Current Fee	Proposed FY 2022-23	Last Adjustment
Excedra Plaza (4 hours and up to 200 chairs)			
With Hall Rental (Community or Veterans)			
Base Rate	\$500.00	\$525.00	7/1/2018
Resident Discount Rate	\$400.00	\$450.00	7/1/2018
Without Hall Rental			
Base Rate	\$600.00	\$625.00	1/1/2016
Resident Discount Rate	\$425.00	\$450.00	1/1/2016
Piedmont Veterans' Memorial Building			
Weekday (Monday-Thursday and Friday before 3:00 pm) 2 hour minimum			
Base Rental Rate	\$175.00/hr	\$185/hr	1/1/2016
Resident Discount Rate	\$125.00/hr	\$135/hr	1/1/2016
Non-Profit Rate	\$90.00/hr	\$95/hr	1/1/2016
Friday 3:00 pm-Sunday (8 hours)			
Base Rental Rate	\$2,500.00	\$2,625.00	6/3/2019
Additional time	\$200.00/hr	\$210/hr	1/1/2016
Resident Discount Rate	\$1,500.00	\$1,705.00	1/1/2016
Additional time	\$150.00/hr	\$160/hr	1/1/2016
Additional time requested within 7 days of rental	\$250.00/hr	\$265/hr	1/1/2016
Deposit	\$750.00	\$750.00	1/1/2016
801 Magnolia Main Hall			
Piedmont Community Based Organization		\$30.00/hr	
Community Based Organization		\$50.00/hr	
Private Rental Resident		\$80.00/hr	
Private Rental Non-Resident		\$125.00/hr	
Deposit		\$500.00	
Schoolmates Programs			
Schoolmates Monthly Registration (2 days/week, 3 days/week, 5 days/week options)	\$11.50/hr	\$11.20/hr	7/1/2020
Minimates TK Program (2 days/week, 3 days/week or 5 days/week options)	\$10.75/hr	\$11.20/hr	7/1/2017
KinderKonnex Program (2 days/week, 3 days/week or 4 days/week options)	\$11.50/hr	\$11.20/hr	9/1/2021
Pre-School Programs			
First Step*	\$16.75/hr	\$17.75/hr	6/3/2019
Tiddlywinks* (Catapillars & Butterflies)	\$16.75/hr	\$17.75/hr	6/3/2019
Hillside Playschool*	\$16.75/hr	\$17.75/hr	6/3/2019
Pre-K *	\$16.75/hr	\$17.75/hr	6/3/2019
Skipping Stones*	\$16.75/hr	\$17.75/hr	6/3/2019
* Non Residents are charged an additional \$30/month			

City of Piedmont

Fee Schedule

2022-23 Proposed Budget

V. POLICE			
DESCRIPTION	Current Fee	Proposed 2022/23	Comments
Animal Control Services			
Animal Releases	\$46	\$46	
Dog License Fees			
Spayed/Neutered:			
1 year	\$17	\$17	
2 year	\$28	\$28	
3 year	\$38	\$38	
Senior (55 years or older)/Disabled	\$5	\$5	
Non-spayed/Non-neutered:			
1 year	\$33	\$33	
2 year	\$55	\$55	
3 year	\$77	\$77	
Senior (55 years or older)/Disabled	\$10	\$10	
Lost Dog License Replacement	\$10	\$10	
Lost Dog License Replacement (55 years or older)/Disabled	\$3	\$3	
<i>Late Fees as stated in section 4.26 of Piedmont City Ordinance</i>			
Off Leash Area License Fees			
Spayed/Neutered:			
1 year	\$18	\$18	
2 year	\$28	\$28	
3 year	\$38	\$38	
Non-spayed/Non-neutered:			
1 year	\$43	\$43	
2 year	\$65	\$65	
3 year	\$87	\$87	
Lost License Replacement	\$10	\$10	
Out of Jurisdiction – Off Leash Area:			
Annually Non-spayed	\$70	\$70	
Annually Spayed	\$38	\$38	
Off Leash Fines			
	1ST P/A	2ND P/A	2ND P/A
Violation of off Leash Provisions Resolution 67-8	\$100	\$100	\$100
Civil Court Subpoenas			
Police Employees	\$275	\$275	Deposit and actual cost after appearance

City of Piedmont

Fee Schedule

2022-23 Proposed Budget

V. POLICE

DESCRIPTION	Current Fee	Proposed 2022/23	Comments
False Alarm Responses			
1-3 in any 12-month period	\$0	\$0	
4 in any 12-month period	\$55	\$55	
5 in any 12-month period	\$155	\$155	
6 in any 12-month period	\$310	\$310	
7 or more in any 12-month period (\$100 increase for each subsequent false alarm)			
LiveScan Fingerprinting			
Resident	\$31	\$31	
Non-Resident	\$56	\$56	
Additional Non-Piedmont PD Fee:			
Department of Justice	\$33	\$33	
Federal Bureau of Investigation	\$20	\$20	
Firearms	\$29	\$29	
Child Abuse	\$15	\$15	
Non-listed Agency fees upon request			
Police Clearances			
Alien/U.S. Immigration	\$26	\$26	
Naturalization Service	\$26	\$26	
U.S. Citizenship/Travel Abroad	\$26	\$26	
Alcoholic Beverage Control	\$26	\$26	
Police Reports			
Traffic Accident Reports	.10 /page	.10/page	
Public Records	.10/page	.10/page	
Police Photographs			
Photographs	\$5.00 each	\$5.00 each	
Digital Images	\$5.00 each	\$5.00 each	
Video/Audio Duplication	Actual cost	\$15	
Safekeeping			
Weapons	\$50	\$50	
(Family Codes 6218 & 6304 and Penal Code 12021.3)			
Vehicle Release			
Vehicle	\$110	\$110	

City of Piedmont

Fee Schedule

2022-23 Proposed Budget

V. POLICE			
DESCRIPTION	Current Fee	Proposed 2022/23	Comments
Repossession Release			
Vehicle	\$15	\$15	
(Government Code 41612)			
Solicitors/Sidewalk Vendor Permit (requires City Business License)	\$52	\$52	(Direct cost for LiveScan)
Party Responses			
Multiple Responses	Hourly Rate - \$1,000 limit	Hourly Rate - \$1,000 limit	
Driving Under the Influence Emergency Response Cost Recovery			
Per Accident caused by DUI	Officer(s) Rate + Expenses -	Officer(s) Rate + Expenses -	
Charged to arrestee	\$12,000 limit	\$12,000 limit	
Administrative Citation			
Piedmont City Ordinance	\$100	\$100	

V. POLICE**PARKING PENALTY SCHEDULE**

Section	Description	1st P/A	1st P/A	2nd P/A
11.38	Obedience to Signs	\$61	\$61	\$76
11.47a	Within divisional island unless marked	\$61	\$61	\$76
11.47b	Within 15' of property line of another street	\$61	\$61	\$76
11.47d	Public steps, public walks when indicated by signs/red paint	\$71	\$71	\$86
11.47e	As indicated by sign or red curb	\$71	\$71	\$86
11.48	Parking within allotted space	\$61	\$61	\$76
11.5	Park wrong way on one-way street	\$61	\$61	\$76
11.51	Parked inside limit markers for funeral service	\$61	\$61	\$76
11.52	Park for consecutive	\$76	\$76	\$92
11.53	Parked on street to be	\$61	\$61	\$76
11.55	Parked on grades exceeding 3%	\$61	\$61	\$76
11.56	Parallel parking	\$61	\$61	\$76
11.57	Angle parking	\$61	\$61	\$76
11.58	Parking for more than 10 minutes 6:00 p.m. to 5:00 a.m.	\$61	\$61	\$76
11.59	Temporary, emergency "No Parking" signs	\$71	\$71	\$86
11.6	Repairing, greasing vehicle in street	\$61	\$61	\$76
11.61	Parking on private property	\$128	\$128	\$148
11.62	Parking more than legal time	\$71	\$71	\$86
11.64	Green curb marking	\$71	\$71	\$86
11.65	Yellow curb marking	\$71	\$71	\$86
11.66	White curb marking	\$71	\$71	\$86
	Special passenger loading Zone	\$71	\$71	\$86
11.68	Loading zone generally	\$71	\$71	\$86
11.75.1	Removal of key from unattended vehicle	\$61	\$61	\$76
11.82	Parking District Violation	\$61	\$61	\$76
21.5	Vehicles over 80" wide between 10:00 p.m. and 6:00 a.m.	\$61	\$61	\$76
21.7	Parked commercial vehicle in residential	\$61	\$61	\$76
11.84	Blocking Driveway in Civic Center Area	\$128	\$128	\$148

City of Piedmont

Fee Schedule

2022-23 Proposed Budget

V. POLICE**California Vehicle Code**

Section	Description	1st P/A	1st P/A	2nd P/A
21113(a)	Parking on School Grounds	\$61	\$61	\$76
22500 (A-H,J,K)	Illegal Parking	\$61	\$61	\$76
22500 (I)	Bus Zone	\$306	\$306	\$335
22500 (L)	Disabled Ramps	\$306	\$306	\$335
22502	Improper Curb Parking	\$61	\$61	\$76
22507.8 (A-C)	Disabled Zone	\$306	\$306	\$335
	Second offense of 22507.8	\$556	\$556	\$582
	Third offense of 22507.8	\$791	\$791	\$816
22511.56 (b)	Misuse of Disabled Permit	\$306	\$306	\$335
22514	Blocking Fire Hydrant	\$61	\$61	\$76
22515	Unattended Vehicles	\$61	\$61	\$76
22516	Locked Vehicle	\$61	\$61	\$76
22522	Access Ramps	\$306	\$306	\$335
Fine and Penalty Assessment following issuance of written notice to pay fine.				
Fine and Second Penalty Assessment 30 days after notice and forward to Department of Motor Vehicles for collection on registration payment.				

City of Piedmont

Fee Schedule

2022-23 Proposed Budget

VI. FIRE			
DESCRIPTION	Current Fee	Proposed 2022/2023	Comments
Ambulance Fees			
Base Rate	\$2,508.21	\$2,828.01	Fees effective as of 07/01/2021, set by Alameda County Board of Supervisors
Mileage	\$56.59	\$63.81	
Oxygen	\$187.38	\$211.27	
Treatment/Non-Transport	\$503.03	\$567.17	

						SCHEDULE 1	
CITY OF PIEDMONT							
Calculation of Appropriation Subject to Limit							
Proposed Budget							
Fiscal Year Ended June 30, 2023							
2022-23 Appropriation Limit						30,278,160	
						schedule 2	
Total Appropriation		2022-23					
Operation							
Administration		4,248,445					
Public Works		4,465,652					
Planning & Bldg.		2,832,263					
Recreation		3,253,295					
Police		7,607,643					
Fire		7,951,633					
Non-Departmental		4,538,839		34,897,770			
Other & Capital Projects							
Abandoned Vehicle Fund		8,500					
Athletic Facility Preservation		25,000					
COPS & Juvenile Officer Grant Fund		132,250					
Community Development Projects		16,400					
Equipment Replacement		2,279,100					
Facility Maintenance Fund		5,544,900					
Gas Tax		330,000					
Measure D		30,000					
Sewer Projects		4,174,342					
Aquatics Project and Bond		4,728,825					
Streets Projects		1,292,625		18,561,942		53,459,712	
Less:							
Non-Proceeds of Taxes		13,396,090					
Appropriated Reserves		12,371,622				25,767,712	
2022-23 Appropriations Subject to Limit						27,692,000	
						schedule 3	
2022-23 Amount below Appropriation Ceiling						2,586,160	

CITY OF PIEDMONT						SCHEDULE 3
Summary of Estimated Revenue by Category						
Appropriation Limitation						
Fiscal Year Ended June 30, 2023						
			Proceeds	Non-Proceeds From Taxes		
			From	Users	Federal	
			Taxes	Fee	& State	Other
TAXES						
Property Taxes			16,875,000			
Sales & Use Taxes			225,000			
Franchises:						
Pacific Gas & Electric				110,000		
Waste Management				260,000		
Cable TV				208,000		
Property Transfer Tax			3,200,000			
Muni Tax			2,522,000			
Ad Valorem Tax for Pool			1,280,000			
Business License & Rental Tax			615,000			
Utility Users Tax:						
Gas & Electric			900,000			
Telephone			205,000			
Water			45,000			
Sub-Total			25,867,000	578,000	0	0
LICENSES & PERMITS						
Dog License				22,000		
Building and Other Permits				602,000		
Sub-Total			0	624,000	0	0
FINES & FORFEITURES						
Vehicle Code Fines						30,000
Sub-Total			0	0	0	30,000
REVENUE FROM USE OF						
MONEY OR PROPERTY						
General Fund						
Community Hall Rental				475,000		
Veterans Hall Rental				50,000		
Other Rentals				206,559		
Equipment Replacement -Int. Earnings				23,049		
Facilities Maintenance Fund				24,243		
Sewer Fund - Interest Earnings				10,100		
Sub-Total			0	788,951	0	0

				SCHEDULE 3 (Continued)		
				Proceeds	Non-Proceeds From Taxes	
				From	Users	Federal
				Taxes	Fee	& State
						Other
REVENUE FROM OTHER AGENCIES						
State of California						
Motor Vehicle License Fee				1,570,000		
1/2 Cent Sales Tax (Public Safety)				105,000		
Gasoline Taxes and SB1 RMRP						589,341
Homeowners Property Tax Relief				80,000		
P.O.S.T.						5,000
State Grants: COPS						100,000
Miscellaneous Federal, State and County Grants						1,556,864
Alameda County						
County Paramedic Tax				70,000		
ACTC Sales Tax (Measure BB)						942,000
Measure D					35,000	
Measure F						40,000
Sub-Total				1,825,000	35,000	2,251,205
CHARGES FOR CURRENT SERVICES						
Variance/Design Review					225,000	
Plan Check Fees					280,000	
General Plan Maintenance Fee					325,000	
Record Management Fee					30,000	
Emeryville Animal Control					120,000	
Sewer Service Charges					2,920,000	
Athletic Facility Preservation Fund					55,000	
Ambulance Service Charges					300,000	
Recreation (Incl. Athlethi, Schoolmate, Aquatics)					3,700,319	
Other: Police Service,Variance Appeal					55,000	
Sub-Total				0	8,010,319	0
OTHER REVENUE						
Other Revenue						96,615
Sub-Total						96,615
Proceeds From Taxes				27,692,000	10,036,270	2,251,205
Non-Proceeds From Taxes				13,396,090		1,108,615
TOTAL REVENUE				41,088,090		



DEPARTMENT OF
FINANCE
OFFICE OF THE DIRECTOR
May 2022

Gavin Newsom ■ Governor
1021 O Street, Suite 3110 ■ Sacramento CA 95814 ■ www.dof.ca.gov

Dear Fiscal Officer:

Subject: Price Factor and Population Information

Appropriations Limit

California Revenue and Taxation Code section 2227 requires the Department of Finance to transmit an estimate of the percentage change in population to local governments. Each local jurisdiction must use their percentage change in population factor for January 1, 2022, in conjunction with a change in the cost of living, or price factor, to calculate their appropriations limit for fiscal year 2022-23. Attachment A provides the change in California's per capita personal income and an example for utilizing the price factor and population percentage change factor to calculate the 2022-23 appropriations limit. Attachment B provides the city and unincorporated county population percentage change. Attachment C provides the population percentage change for counties and their summed incorporated areas. The population percentage change data excludes federal and state institutionalized populations and military populations.

Population Percent Change for Special Districts

Some special districts must establish an annual appropriations limit. California Revenue and Taxation Code section 2228 provides additional information regarding the appropriations limit. Article XIII B, section 9(C) of the California Constitution exempts certain special districts from the appropriations limit calculation mandate. The code section and the California Constitution can be accessed at the following website: <http://leginfo.ca.gov/faces/codes.xhtml>.

Special districts required by law to calculate their appropriations limit must present the calculation as part of their annual audit. Any questions special districts have on this requirement should be directed to their county, district legal counsel, or the law itself. No state agency reviews the local appropriations limits.

Population Certification

The population certification program applies only to cities and counties. California Revenue and Taxation Code section 11005.6 mandates Finance to automatically certify any population estimate that exceeds the current certified population with the State Controller's Office. **Finance will certify the higher estimate to the State Controller by June 1, 2022.**

Please Note: The prior year's city population estimates may be revised. The per capita personal income change is based on historical data.

If you have any questions regarding this data, please contact the Demographic Research Unit at (916) 323-4086.

KEELY MARTIN BOSLER
Director
By:

ERIKA LI
Chief Deputy Director

Attachment

May 2022

Attachment A

- A. **Price Factor:** Article XIII B specifies that local jurisdictions select their cost of living factor to compute their appropriation limit by a vote of their governing body. The cost of living factor provided here is per capita personal income. If the percentage change in per capita personal income is selected, the percentage change to be used in setting the fiscal year 2022-23 appropriation limit is:

Per Capita Personal Income	
Fiscal Year (FY)	Percentage change over prior year
2022-23	7.55

- B. Following is an example using sample population change and the change in California per capita personal income as growth factors in computing a 2022-23 appropriation limit.

2022-23:

Per Capita Cost of Living Change = 7.55 percent

Population Change = -0.30 percent

Per Capita Cost of Living converted to a ratio:

$$\frac{7.55 + 100}{100} = 1.0755$$

Population converted to a ratio:

$$\frac{-0.30 + 100}{100} = 0.997$$

Calculation of factor for FY 2022-23:

$$1.0755 \times 0.997 = 1.0723$$

Fiscal Year 2022-23

Attachment B
Annual Percent Change in Population Minus Exclusions*
January 1, 2021 to January 1, 2022 and Total Population, January 1, 2022

County City	<u>Percent Change</u>	<u>--- Population Minus Exclusions ---</u>		<u>Total Population</u>
	2021-2022	1-1-21	1-1-22	1-1-2022
Alameda				
Alameda	-0.62	76,855	76,377	77,784
Albany	5.38	20,542	21,648	21,648
Berkeley	2.72	121,269	124,563	124,563
Dublin	-0.31	71,930	71,706	72,932
Emeryville	-0.95	12,617	12,497	12,497
Fremont	0.26	228,872	229,476	229,476
Hayward	-0.71	161,744	160,591	160,591
Livermore	-1.42	87,388	86,149	86,149
Newark	0.15	47,157	47,229	47,229
Oakland	-1.31	430,100	424,464	424,464
Piedmont	-1.45	11,138	10,977	10,977
Pleasanton	-1.67	78,924	77,609	77,609
San Leandro	-1.69	89,926	88,404	88,404
Union City	-1.66	69,301	68,150	68,150
Unincorporated	-1.59	151,853	149,445	149,506
County Total	-0.62	1,659,616	1,649,285	1,651,979

*Exclusions include residents on federal military installations and group quarters residents in state mental institutions, state and federal correctional institutions and veteran homes.