



# *City Council Agenda*

City of Campbell, 70 N. First St., Campbell, California

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**NOTE:** To protect our constituents, City officials, and City staff, the City requests all members of the public follow the guidance of the California Department of Health Services', and the County of Santa Clara Health Officer Order, to help control the spread of COVID-19. Additional information regarding COVID-19 is available on the City's website at [www.campbellca.gov](http://www.campbellca.gov).

This Study Session and Executive Session City Council meeting will be conducted via telecommunication and is compliant with provisions of the Brown Act and Executive Order N-29-20 issued by the Governor.

The following Councilmembers of the Campbell City Council are listed to permit them to appear electronically or telephonically at the Study Session/Executive Session City Council meeting on April 28, 2020: Councilmember Rich Waterman, Councilmember Anne Bybee, Councilmember Paul Resnikoff, Vice Mayor Elizabeth "Liz" Gibbons, and Mayor Susan M. Landry.

Members of the public will not be able to attend meetings at the Campbell City Council Chamber physically. The City Council meeting will be live-streamed on YouTube at (<https://www.youtube.com/user/CityofCampbell>).

Public comment for the City Council meetings will be accepted via email at [ClerksOffice@campbellca.gov](mailto:ClerksOffice@campbellca.gov) during the meeting, prior to the close of public comment on an item. Please note that the City cannot guarantee that any emails sent during the meeting will be received by the close of the public comment, so to ensure Council's consideration, it is recommended that all comments be submitted prior to the meeting. If you choose to email your comments during the meeting, please indicate in the subject line "FOR PUBLIC COMMENT" Comments will be read during the comment period for the item and will be subject to the two-minute time limitation (approximately 250 words). Written comments received by 12:00 p.m. on the day of the meeting will be posted on the website and distributed to the Council before the meeting.

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## **STUDY SESSION MEETING OF THE CAMPBELL CITY COUNCIL**

Tuesday, April 28, 2020 1:00 p.m.  
City Hall – 70 N. First Street

**CALL TO ORDER**

**ROLL CALL**

## **PUBLIC COMMENT**

### **NEW BUSINESS**

1. **Work Plan Update, Discussion on Strategies to Address the Economic Impacts of COVID-19 for FY 2019-20 and FY 2020-21, and Review of Strategic Plan and Priorities for FY 2019-20 and FY 2020-21**  
Recommended Action: Receive a status update of adopted FY 2019-20 Work Plan items; review strategies to address economic impacts of COVID-19 in FY 2019-20 and FY 2020-21 and provide feedback to staff; and review strategic plan and priorities for FY 2019-20 and FY 2020-21 and provide feedback to staff.

### **ADJOURN**

#### **CITY COUNCIL EXECUTIVE SESSION**

**Tuesday, April 28, 2020**

**\*\* Immediately following the Study Session City Council meeting  
City Hall – 70 N. First Street**

- A. **Personnel**
- B. **Litigation**
- C. **Real Property**
- D. **Labor Negotiations** - Pursuant to G.C. Section 54957.6: Conference with Labor Negotiator - Agency Designated Representatives: City Council, City Manager, Human Resources Manager, and Finance Director  
Employee Organizations: Campbell Municipal Employees Association (CMEA); Campbell Police Civilian Employees Association (CPCEA); Campbell Peace Officers' Association (CPOA); Carpenters; Management Employees; and Confidential Employees

**IMPORTANT NOTICE:** Materials related to an item on this agenda submitted to the City Council after distribution of the agenda packet are available for public inspection with the agenda packet in the lobby of City Clerk's Office, 70 N. First Street, Campbell, CA 95008, during normal business hours. These materials will also be available on the City website at <https://www.ci.campbell.ca.us/agendacenter> with the agenda packet following the last item of the agenda, subject to staff's ability to post the documents prior to the meeting. All documents not posted prior to the meeting will be posted the next business day.

In compliance with the Americans with Disabilities Act, listening assistive devices are available for all meetings held in the City Council Chambers. If you require accommodation, please contact the City Clerk's Office, (408) 866-2117, at least one week in advance of the meeting.



*City  
Council  
Report*

**Item:** 1  
**Category:** NEW BUSINESS  
**Meeting Date:** April 28, 2020

**TITLE:** Work Plan Update, Discussion on Strategies to Address the Economic Impacts of COVID-19 for FY 2019-20 and FY 2020-21, and Review of Strategic Plan and Priorities for FY 2019-20 and FY 2020-21

**RECOMMENDED ACTION**

Receive a status update of adopted FY 2019-20 Work Plan items; review strategies to address economic impacts of COVID-19 in FY 2019-20 and FY 2020-21 and provide feedback to staff; and review strategic plan and priorities for FY 2019-20 and FY 2020-21 and provide feedback to staff.

**DISCUSSION**

Staff will provide an update on the status of each department's adopted Fiscal Year (FY) 2019-20 Work Plans (Attachment 1). Proposed FY 2020-21 Work Plans will be presented to City Council at the May 22 Budget Study Session and will be based upon discussions at the April 28 Budget Study Session as well as any discussions over the next month.

As a continuation of discussions at the April 21 Council meeting, staff will provide Council with additional details for strategies to address economic impacts of COVID-19 in FY 2019-20 and in FY 2020-21 (*to be discussed separately*) and requests further feedback. These additional details will be sent to Council separately by April 27.

Materials to be sent will include:

- Summary of each strategy, initial cost estimates, and basis for cost estimates
- FY 2019-20 revenue assumptions for COVID-19
- FY 2020-21 revenue assumptions for COVID-19
- Overview of City's General Fund Reserves
- Potential trigger points of progressive corrective budget actions in FY 2020-21

Staff will also review with Council the strategic plan and priorities for FY 2019-20 (Attachment 2) and requests feedback regarding desired strategic priorities for FY 2020-21. As part of this discussion, staff also requests feedback regarding operating initiatives, and capital projects Council would like staff to focus on to achieve updated priorities given potentially limited resources.

A Study Session on the draft Proposed FY 2020-21 Operating and Capital Improvement Plan (CIP) Budget, and Work Plans is scheduled for May 22. The Proposed FY 2020-21 Operating and CIP Budget are scheduled for formal introduction at the regular City Council meeting on Tuesday, June 2 and for adoption at the regular City Council meeting on Tuesday, June 16. Both dates are subject to change should staff and Council need additional time to address the fiscal impacts of COVID-19. As a reminder, the City's fiscal year starts on July 1 and ends on June 30 every year and no public agency within California may spend public funds without the legal authorization to do so. Thus, to continue services and projects, the City of Campbell must adopt its FY 2020-21 Operating and CIP Budget by June 30, 2020.

Prepared by:



Will Fuentes, Finance Director

Approved by:



Brian Loventhal, City Manager

**Attachment:**

- a. FY 2019-20 Citywide Workplan Status Update
- b. FY 19-20 Adopted Priorities

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Comments
<b>CITY MANAGER'S OFFICE</b>													
<b>COMPLETE</b> --- Rosemary Permit Parking Pilot Program Update						3							
<b>COMPLETE</b> --- Transition to District Based Elections - Mid-Year Budget Adjustment									3				Budget to pay for Registrar of Voters services and City communication to residents.
<b>COMPLETE</b> --- Water Tower and Flag Policies								18					Added lighting day in June recognizing Pride Month.
<b>COMPLETE</b> --- Carpenters Side Letter					19								
<b>Measure O Implementation (Fin/PW)</b>													
Project Update / Tax Levy Authorization	16												
Project Update (Scope / Design Discussions)								4					Approved the issuance of RFP's for library and police projects, staff will return to seek Council approval to issue a contract to the successful proposer.
Project Update / Debt Management Policies Adoption/Oversight								18					
Award Design Contracts for Police and Library Projects											19		May be moved to June 2.
Issue RFP for CEQA CEQA Environmental Services											19		
Authorization to sell bonds / <b>Set Tax Levy</b>													Council action scheduled on 7/21/20. Set tax levy in anticipation of August bond issuance. Sale in Aug. 2020.
Final Sale Results Report to Council Oversight Committee													Final sales report on 9/15/20 (tent.) Appointment in Fall; first meeting in January 2021.
Legislation Updates						3							Legislative Advocacy Principles Council Policy (12/3). End of Session (Oct- Info Memo); Beg. of Session ( <del>3/17</del> ). <b>Legislative Session is on hold until May 4 with a likely reduced package of bills to discuss- all TBD.</b>
<b>COMMUNITY DEVELOPMENT</b>													
<b>COMPLETE</b> --- ADU Ordinance			20		5								Ordinance changes adopted and to be effective 12/20/19. Item completed.
<b>COMPLETE</b> --- Downtown C-3 Zoning Update					19			18					Ordinance adopted.
<b>COMPLETE</b> --- RHNA Subregion Formation													On 10/10/19 the Cities Association Board of Directors voted to support the formation of a planning collaborative and forgo the formation of a formal sub-region. Staff participates in monthly meetings.
<b>General Plan Update (CMO)</b>													
GPAC review of Admin Draft General Plan													June 2020.
Present Admin Draft General Plan to Council													July 2020.
Draft EIR													August 2020.
Draft Climate Action Plan													September 2020.
Public Review of GP and DEIR													December (Planning Commission review in November 2020).
Final EIR and Final General Plan to Council (adoption)													Ordinance changes have been drafted and provided to the City Attorney for review. Upon approval from City Attorney, staff will process item through the Planning Commission and return to Council upon recommendation (date TBD).
Housing Objective Standards - Short Term (Implementing State Housing Laws)													RFP- 9/3; Hiring of a consultant in May 2020. Work to be completed in FY 21.
<b>Moved to FY 21 Work Plan</b> -- Housing Objective Standards - Long Term (Implementing State Housing Laws)			3									2	Follow up on non P-F Zoned Properties. Planning Commission and City Council hearing in July/August timeframe.
<b>Moved to FY 21 Work Plan</b> -- Camping Ordinance (City Attorney)													

Attachment: FY 2019-20 Citywide Workplan Status Update (Strategic Plan and Economic Impacts of

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Comments
<b>FINANCE</b>													
<b>COMPLETE</b> --- CalPERS Salary Table (HR)		20											
<b>COMPLETE</b> --- Financial Audit Services Multi-Year Contract - RFP					5								Moved to 11/5 ( <del>10/15</del> ) due to In N Out appeal.
<b>COMPLETE</b> --- Study the Potential Use of a Payroll Processing Service (HR/CMO) - RFP						3							Per 12/3 Council action, staff will install the electronic timesheet function already owned by the City. Future Council discussion/action to be scheduled as necessary.
Review Current Reserve Policies										28	22	16	Initial discussion on 4/28; Continued discussion on 5/22 (Budget Study Session); Changes to reserve levels to be approved as part of the budget adoption on 6/16.
Moved to FY 21 Work Plan-- Review Business License Process													Staff is currently in discussions to procure software to allow online applications and renewals. Council action to approve purchase in late FY 20 or early FY 21.
Moved to FY 21 Work Plan-- Unfunded Pension and OPEB Liabilities & Pay Down Options													Analysis of options to begin after PERS ends its fiscal year and determines how its investments compared to its anticipated returns- this information will tell the City if rates will start to increase in FY 23.
Moved to FY 21 Work Plan-- Review Sales Tax Audit Process													
Moved to FY 21 Work Plan --- Citywide Capital Asset Physical Inventory and Valuation (Rec/PW) - RFP													
<b>INFORMATION TECHNOLOGY (IT)</b>													
<b>COMPLETE</b> --- Deploy internal Web Site using Microsoft SharePoint													
<b>COMPLETE</b> --- Deploy enterprise permit system (CDD)													
<b>COMPLETE</b> --- Deploy full cloud backup of data - RFP													
<b>COMPLETE</b> --- Provide public access to LaserFiche documents													
<b>COMPLETE</b> ---Deploy City phone system - RFP						3							Item moved to 12/3 ( <del>Nov.</del> )
<b>COMPLETE</b> --- Replace City Council computer offerings													
<b>COMPLETE</b> ---Provide public access to most GIS mapping layers													Lynx hosts GIS info. for City and provides this mapping data.
<b>COMPLETE</b> --- Deploy PRA automation for CM/Clerks office -RFP													
Replace public meeting video and recording system - RFP												2	Moving to 6/2 in order to manage I.T. workload related to the implementation of several new software systems.

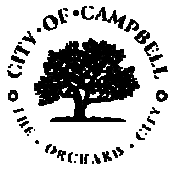
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Comments
<b>PUBLIC WORKS</b>													
<b>COMPLETE</b> --- Vehicle and Equipment Acquisitions	16	20						18					Approved on 2/18.
<b>COMPLETE</b> --- Parkland Impact Fee Study (Rec)			17		19								Update (Sep.) Adoption of new Ordinance (Nov.)
<b>COMPLETE</b> --- Small Cell Wireless Telecommunications					5								Approved on November 5.
<b>Design of the All Inclusive Playground at JDM (Budd)</b>													
City Council Conceptual Input								4					Input provided.
Approval of Conceptual Design											19		
Approval of Plans and Specs (August 2020)													
<b>Campbell Park Improvements</b>													
City Council Conceptual Input			17										
Approval of Conceptual Design													Council action in August 2020.
Approval of Plans and Specs													
<b>On Hold</b> -- Develop the East Campbell Avenue Plan Line				1									Project on hold and pending budget discussions, project may continue in FY 21 or may be put on the Unfunded List.
<b>Moved to FY 21 Work Plan</b> -- City Standard Specifications and Details for Public Works Construction													Coordinating with the City Attorney to determine completion date. Item to be continued to FY 21.
<b>RECREATION</b>													
<b>COMPLETE</b> --- CIC Beautification Grant Program			17										
<b>COMPLETE</b> --- Recreation Software - RFP					5								Moved to 11/5 ( <del>10/1</del> ). RFP & Specs. are still under development.
<b>COMPLETE</b> --- CIC Neighborhood Grant Requirements					5								Moved to 11/5 ( <del>10/15</del> ) due to In N Out appeal.
<b>COMPLETE</b> ---Leasing Policy Update					19								
<b>COMPLETE</b> --- CIC Street Name Criteria						3							CIC Review on 11/14. Moved to 12/3 ( <del>11/19</del> ).
Parkland Dedication Fund Annual Update											22		To be discussed in conjunction with Proposed FY 21-25 CIP.
Building Use Policy Update												2	To be discussed in conjunction with Fee Schedule adoption.
Field Use Policy Update												2	
<b>Moved to FY 21 Work Plan</b> -- Heritage Theater Maintenance and Enhancement Projects			3										On hold due to Building Maintenance staffing vacancies.
<b>Moved to FY 21 Work Plan</b> --- 3-Year Action Plan to Support Age Friendly City Initiative													Coordinating with World Health Organization re: renewal requirements. Council action TBD.

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Comments
<b>DEVELOPMENT PROJECTS</b>													
<b>COMPLETE--- In N Out Application</b>													
Final EIR Released (July 24, 2019)	24												
Planning Commission Hearing ( <del>August 27, 2019</del> )			10										Moved to 9/10 due to a lack of quorum on 8/27.
City Council (only on appeal)				15									Appealed rejected by City Council - project denied.
<b>COMPLETE--- Cresleigh Homes</b>													
SARC		13											
CEQA Completion		30											
Planning Commission Hearing				22									Planning Commission 10/22 (9/24).
City Council						3							City Council approved on 12/3.
<b>COMPLETE--- Dolinger - 1700 Dell Avenue</b>													
CEQA Completion			3										
SARC				8/22									
Planning Commission					26	10							
City Council							4	3					Continued to 3/3 to approve a zoning map amendment, planned development permit and tree removal permit.
<b>COMPLETE--- Chick-Fil-A</b>													
CEQA Completion			30										
SARC				22									
Planning Commission					12								
City Council							21	18					2/18 Resolution to Deny the Application Adopted.

**KEY:**

- Council Action/Review
- Major Milestone/Review (Non-Council)
- Completion of a work product impacting the public





## City Council 2019-20 Priorities

Strategic Objectives	Council Adopted Priorities	Comments by Council Members
Community Participation	Housing Legislation	Keeping the City Council and Community informed about State legislation that would impact the City. Examples of priority legislation are: <ul style="list-style-type: none"> <li>• ADU's</li> <li>• SB 50</li> </ul>
	Legislation (all other categories)	Keeping the City Council and Community informed about State legislation that would impact the City.
Land Use/ Financial Health	General Plan Update (FY 2019-20)	
	Measure O Implementation	
Open Space/ Cultural/ Historical	Open Space	<ul style="list-style-type: none"> <li>• Parks</li> <li>• Playgrounds</li> <li>• Trails</li> </ul>

**MEMORANDUM**



**City of Campbell**

**City Clerk's Office**

To: Honorable Mayor and City Council

Date: April 27, 2020

From: Andrea Sanders, Deputy City Clerk

Via: Brian Loventhal, City Manager

Subject: **Desk Item 1 – Supplemental Attachments**

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Included with Item 1 are attachments c – i provided as supplemental material for the 4/28/2020 Study Session.

FY 2019-20 Recommended Strategies to Address Fiscal Impacts of COVID-19

Strategy	Enacted?	Estimated Cost Savings		
		Annual	Monthly	By Year-End
<b>A. Limited Hiring Freeze</b>	YES	\$ 2,570,000	\$ 214,167	\$ 1,181,385
Recreation and Community Service Director (eff. 02/19/20)		331,000	27,583	120,942
Associate Planner (eff. 01/14/20)		196,000	16,333	90,462
Parks Supervisor (eff. 01/14/20)		214,000	17,833	98,769
Building Maintenance Supervisor (eff. 11/29/20)		206,000	17,167	118,846
Building Maintenance Worker (eff. as 01/23/20)		158,000	13,167	68,365
Deputy City Manager (eff. 04/03/20)		251,000	20,917	57,923
Chief Building Official (eff. 06/01/20)		254,000	21,167	19,538
Recreation Specialist (eff. 02/12/20)		119,000	9,917	44,625
Assistant Engineer (eff. 03/06/18)		196,000	16,333	196,000
Police Officer #1 (eff. 10/31/19)		215,000	17,917	134,375
Police Officer #2 (eff. 11/20/19)		215,000	17,917	124,038
Police Officer #3 (eff. 12/30/19)		215,000	17,917	107,500

**Strategy Summary** - On a case-by-case basis to be determined by the City Manager in coordination with the Executive Team and with guidance from the City Council, keep certain vacant positions open so as to realize cost savings.

**Cost Savings Basis** - Estimated total compensation costs displayed for FY 2020-21 so as to show ongoing costs impacts into next fiscal year should positions be held vacant indefinitely. FY 2019-20 total compensation costs are slightly less. Total compensation includes base salary and City paid benefits such as healthcare, retirement, worker's compensation, Medicare, etc. Actual year-to-date savings per position varies based upon when position became vacant. See parenthesis above for when positions became vacant. Please note that Police Officer positions will be filled shortly and thus, "By Year-End" estimated cost savings is only for the time period these positions are expected to remain open. Please also note that the FY 2019-20 Adopted Budget includes \$757,200 in assumed vacancy savings for normal attrition over the course of the fiscal year. Vacancy savings for the above positions, which are currently open, plus any other positions that were open in FY 2019-20 (but have since been filled) will go against budgeted vacancy savings. At this point, using only the currently open positions above, actual vacancy savings could exceed estimated vacancy savings in the FY 2019-20 Adopted Budget. However, \$150,000 of annual vacancy savings are also shown as an offset to Public Work's Project Overhead revenue losses in Charges for Services in the April 21, 2020 staff report.

FY 2019-20 Recommended Strategies to Address Fiscal Impacts of COVID-19

Strategy	Enacted?	Estimated Cost Savings		
		Annual	Monthly	By Year-End
<b>B. Release of All Temporary Part-Time Employees</b>	YES	\$ 2,158,000	\$ 179,833	\$ 456,500
<p><b>Strategy Summary</b> - Release all part-time employees as of April 10, 2020. Most part-time temporary employees are in fee-based Recreation programs. Please note that FY 2019-20 savings for part-time temporary employees is shown in April 21, 2020 staff report as an offset to the estimated FY 2019-20 revenue loss in Charges for Services due to COVID-19. Thus, it should not be counted twice.</p>				
<p><b>Cost Savings Basis</b> - Cost savings in last column assume that positions will be released at least through June 30, 2020. Costs for part-time temporary employees are based upon historical averages for the four (4) payroll periods from February 20 to April 2, 2020. Costs during this time averaged \$83,000 per pay period. Please note that these pay periods do not include the summer months of June through August, which normally have much higher temporary part-time costs. Thus, savings will likely be higher per month starting in June 2020; partially and almost fully offset by any revenue losses in Recreation program and event Charges for Services fees.</p>				
<b>C. Use of Employee Accrued Leave Time as of April 8, 2020</b>	YES	TBD	TBD	TBD
<p><b>Strategy Summary</b> - For any employee who cannot remain fully productive during the current shelter in place orders through May 3, either at their regular job site or teleworking, and who is not a necessary emergency worker, they are now required to augment their hours with their accrued leave banks.</p>				
<p><b>Cost Savings Basis</b> - Since time not worked is augmented with accrued leave banks, resulting in an employee receiving their normal full paycheck, the amount of current and ongoing savings is to be determined. Use of accrued leave banks decreases hours that can be cashed out annually per current City policy and also decreases accrued leave liability. It also has the benefit of paying employees at current pay rates which are likely to be lower than if paid in the future at potentially higher pay rates.</p>				

FY 2019-20 Recommended Strategies to Address Fiscal Impacts of COVID-19

Strategy	Enacted?	Estimated Cost Savings		
		Annual	Monthly	By Year-End
<b>D. Use of the General Fund Emergency Reserve</b>	TBD	TBD	TBD	TBD
<p><b>Strategy Summary</b> - As of the fiscal year ending June 30, 2019, the City had \$5.59 million in its General Fund Emergency Reserve. Per Section 20.V.A. of the Council Financial Policies, this reserve is based on 10% of General Fund revenue. It will only be used in the case of dire need as a result of physical or financial emergency as determined by the City Council. Emergencies of physical nature include but are not limited to: natural disasters such as earthquakes, fire, flooding, or severe weather-related damage, resulting in significant loss of infrastructure or damage to City property requiring material expenditures for repair or replacement of essential City equipment or structures. e.g., police or other emergency vehicles, computer systems infrastructure, City Hall, Community Center, service center buildings, and equipment required to deliver essential city services. Emergencies of a financial nature would include but not be limited to material onetime statutory reductions in revenue or unexpected/unbudgeted losses due to judgments or liability claims in excess of the liability claims reserve balance. Mitigation of unexpected and significant revenue losses due to a global pandemic and COVID-19 could be an appropriate use of this reserve account. Staff recommends its use only up to what is required to balance the General Fund at the end of FY 2019-20; to be known with greater accuracy once the City closes its unaudited financial books late August 2020. Council may authorize use of this reserve in concept or up to a certain amount prior to the close of the City's financial books, but staff recommends making a final determination as to amount once the City's financial books are closed.</p>				
<b>Cost Savings Basis</b> - N/A				
<b>E. FEMA Community Disaster Loan (CDL) Program</b>	TBD	TBD	TBD	TBD
<p><b>Strategy Summary</b> - The Stafford Act authorizes FEMA to provide direct loans to local governments who have suffered a substantial loss as a result of a major presidentially declared disaster and it can demonstrate a need for Federal financial assistance in order to perform its governmental functions. Cities such as Campbell may apply for these loans up to \$5 million, and they are payable back over a five-year period, which can also be extended to 10 years. The interest rate for the five-year maturities are determined by the Secretary of the Treasury on the date the promissory note is executed by FEMA, adjusted to the nearest 1/8th percent. This is a cash flow tool only until revenue levels return to normal and should be used only if the City projects that cash flow will not be sufficient to meet expected obligations. A more thorough long-term cash flow analysis will be performed by staff before requesting application to this program.</p>				
<b>Cost Savings Basis</b> - N/A				

FY 2019-20 Recommended Strategies to Address Fiscal Impacts of COVID-19

Strategy	Enacted?	Estimated Cost Savings		
		Annual	Monthly	By Year-End
<b>F. Restriction of Expenditures to Only Those which are Essential</b>	TBD	TBD	TBD	TBD
<p><b>Strategy Summary</b> - Limit the purchase of all supplies and the payment of all outside services to only those which are essential (definition of "essential" to be determined by formal policy or determined on a case-by-case basis) or required by contractual obligation. See below for maximum cost savings potential. This strategy will require every department to review the general ledger accounts under their control, see which encumbrances can be closed out, and determine supplies that still need to be purchased and outside services paid through June 30, 2020. If legally possible, some contractual obligations may be able to be cancelled.</p>				
<p><b>Cost Savings Basis</b> - The amended FY 2019-20 General Fund Budget for Supplies and Services is \$18,816,081 (of which \$9,126,693 is for the Fire Services contract with Santa Clara County FPD). Encumbrances Outstanding equal \$5,022,422 and Year-To-Date (YTD) actual expenditures through March 30, 2020 equal \$11,572,636; thereby leaving a remaining budgeted balance of \$2,221,024 as of March 30, 2020. When Encumbrances Outstanding are combined with remaining balance, that equals \$7,243,446 through March 30, 2020 that has not actually been spent and is the maximum potential amount that could be saved if all spending on supplies and services were paused. \$3,096,406 of this is expected remaining payments for the Fire Services contract and thus, the maximum potential savings decreases to \$4,147,040. The amount of actual savings will be dependent on what essential supplies need to be purchased and services paid through June 30, 2020.</p>				

## FY 2020-21 Recommended Strategies to Address Fiscal Impacts of COVID-19

Strategy	Enacted	Estimated Cost Savings		
		Annual	Monthly	July 1 - Sep 30
<b>A. Limited Hiring Freeze</b>	YES	\$ 2,570,000	\$ 214,167	\$ 580,288
Recreation and Community Service Director (eff. 02/19/20)		331,000	27,583	89,115
Associate Planner (eff. 01/14/20)		196,000	16,333	52,769
Parks Supervisor (eff. 01/14/20)		214,000	17,833	57,615
Building Maintenance Supervisor (eff. 11/29/20)		206,000	17,167	55,462
Building Maintenance Worker (eff. as 01/23/20)		158,000	13,167	42,538
Deputy City Manager (eff. 04/03/20)		251,000	20,917	67,577
Chief Building Official (eff. 06/01/20)		254,000	21,167	68,385
Recreation Specialist (eff. 02/12/20)		119,000	9,917	32,038
Assistant Engineer (eff. 03/06/18)		196,000	16,333	52,769
Police Officer #1 (eff. 10/31/19) (may be filled by 08/01/20)		215,000	17,917	20,673
Police Officer #2 (eff. 11/20/19) (may be filled by 08/01/20)		215,000	17,917	20,673
Police Officer #3 (eff. 12/30/19) (may be filled by 08/01/20)		215,000	17,917	20,673

**Strategy Summary** - On a case-by-case basis to be determined by the City Manager in coordination with the Executive Team and with guidance from the City Council, keep certain vacant positions open so as to realize cost savings. This is a strategy started in FY 2019-20 and could continue through FY 2020-21.

**Cost Savings Basis** - Total compensation includes base salary and City paid benefits such as healthcare, retirement, worker's compensation, Medicare, etc. Actual annual savings over the course of FY 2020-21 dependent on how long a vacant position remains open. Police Officer positions savings reflect anticipated fill dates, but are subject to change.

<b>B. Release of All Temporary Part-Time Employees</b>	YES	\$ 2,158,000	\$ 179,833	\$ 581,000
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**Strategy Summary** - Continued shelter in place orders which require the continued postponement, closure, or cancellation of Recreation programs and events would allow this strategy from FY 2019-20 to continue. Most part-time temporary employees are in fee-based Recreation programs and any costs savings are almost fully offset by revenue losses in Charges for Services fees.

**Cost Savings Basis** - Cost savings in last column assume that positions will be released at least through September 30, 2020, which covers 7 pay periods in FY 2020-21. Please note that pay periods in the summer months of June through August, which normally have much higher temporary part-time costs, could increase cost savings. Again though, cost savings are partially and almost fully offset by any losses in Recreation program and event Charges for Services fees revenue.

FY 2020-21 Recommended Strategies to Address Fiscal Impacts of COVID-19

Strategy	Enacted	Estimated Cost Savings		
		Annual	Monthly	July 1 - Sep 30
<b>C. Use of Employee Accrued Leave Time</b>	YES	TBD	TBD	TBD
<p><b>Strategy Summary</b> - For any employee who cannot remain fully productive during the current shelter in place orders through May 3, either at their regular job site or teleworking, and who is not a necessary emergency worker, they are now required to augment their hours with their accrued leave banks. This is a strategy started in FY 2019-20 and could continue through FY 2020-21.</p>				
<p><b>Cost Savings Basis</b> - Since time not worked is augmented with accrued leave banks, resulting in an employee receiving their normal full paycheck, the amount of current and ongoing savings is to be determined. Use of accrued leave banks decreases hours that can be cashed out annually per current City policy and also decreases accrued leave liability. It also has the benefit of paying employees at current pay rates which are likely to be lower than if paid in the future at potentially higher pay rates.</p>				
<b>D. Use of the General Fund Economic Fluctuations Reserve</b>	TBD	TBD	TBD	TBD
<p><b>Strategy Summary</b> - As of the fiscal year ending June 30, 2019, the City had \$9.19 million in its General Fund Economic Fluctuations Reserve. Per Section 20.V.C. of the Council Financial Policies, this reserve shall be maintained, with a target of two months (16.67%) of General Fund operating expenditures, to provide budget stabilization during an economic downturn that could otherwise result in significant reductions in service levels and/or organizational staffing. Economic conditions that could require the use of this reserve include, but are not limited to: material decreases in property or sales tax revenues due to economic downturns lasting at least a minimum period of six months; loss of businesses generating significant proportions of sales/use tax; reductions in revenue due to actions by state, federal, or other governmental agencies or legislation. This Reserve shall not be less than \$2 million. If the reserve balance falls below \$4 million, or the City's five-year financial projections indicate the reserve will fall below this minimum requirement at any time during this period, City staff shall present to Council, by the following year's budget adoption, a plan to return to the target amount within five years. Mitigation of unexpected and significant revenue losses due to a global pandemic and COVID-19 could be an appropriate use of this reserve account. Staff recommends its use only up to what is required to balance the General Fund in FY 2020-21 after all other budget strategies are implemented. Since reserve can not fall below \$2 million per Council Financial Policy, could use up to \$7.19 million in this reserve account in FY 2020-21.</p>				
<p><b>Cost Savings Basis</b> - N/A</p>				



FY 2020-21 Recommended Strategies to Address Fiscal Impacts of COVID-19

Strategy	Enacted	Estimated Cost Savings		
		Annual	Monthly	July 1 - Sep 30
<b>E. Limited use of the Capital Improvements Reserve (CIPR) for Capital Projects</b>	TBD	\$ 1,000,000	\$ 83,300	\$ 250,000

**Strategy Summary** - As of the end of the fiscal year ending June 30, 2019, there was \$1.98 million in the CIPR General Fund reserve account. This reserve provides the primary General Fund support for misc. capital projects that aren't supported by grant funds or other outside sources such as State Gas Tax, Private Development Fees, Park In-Lieu Fees, etc. Upon review by staff, \$1.1 million in the CIPR could safely be held back, returned back to the General Fund unreserved fund balance, or be used to replenish the General Fund Emergency Reserve and/or the General Fund Economic Fluctuations Reserve in FY 2020-21, while still allowing the City to undertake some highly essential misc. capital projects. Please see Attachment E **Preliminary Proposed Uses of CIPR in FY 2020-21**. Projects in bold are newly proposed projects in the 2021-2025 CIP. To the greatest extent possible, staff has limited proposed uses in FY 2020-21 so as to preserve flexibility and not lock the City into long-term capital projects and obligations. Where feasible, projects are deferred to FY 2021-22 and beyond. To preserve unreserved General Fund monies, staff also proposes not transferring anything to the CIPR in FY 2019-20 or FY 2020-21. Transfers to the CIPR are normally the result of General Fund operating surplus and at this point, it is unlikely that there would be operating surpluses to transfer in FY 2019-20 or FY 2020-21, regardless of staff recommendation.

**Cost Savings Basis** - N/A

<b>F. Restriction of Expenditures to Only Those which are Essential</b>	TBD	TBD	TBD	TBD
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**Strategy Summary** - Limit the purchase of all supplies and the payment of all outside services to only those which are essential (definition of "essential" to be determined by formal policy or determined on a case-by-case basis) or required by contractual obligation. See below for maximum cost savings potential. This strategy will require every department to review the general ledger accounts under their control and determine supplies that still need to be purchased and outside services paid through June 30, 2021. If legally possible, some contractual obligations may be able to be cancelled. This is a continuation of a proposed strategy from FY 2019-20 and could be kept in place for as long as the economic impacts of COVID-19 were felt. Once those economic impacts decreased to an acceptable level, staff could return to Council in the future to request additional budgetary appropriations as needed and appropriate.

**Cost Savings Basis** - The amended FY 2019-20 General Fund Budget for Supplies and Services is \$18,816,081 (of which \$9,126,693 is for the Fire Services contract with Santa Clara County FPD). The amount proposed for FY 2020-21 was still being developed when the economic impacts of COVID-19 began to be felt in FY 2019-20. Assuming normal inflationary growth of 3%, Supplies and Services could equal \$19.38 million in FY 2020-21. The amount of actual savings by reducing these accounts will be dependent on what essential supplies need to be purchased and services paid through June 30, 2021. Staff in all departments will analyze their initial budget requests and see which purchases and services could be deferred or eliminated. Some outside services may be able to be brought in-house and performed by City staff. Staff will return to Council at the May 22 budget study session with more definitive proposed savings in these accounts.

**CIP Cash Flow Analysis  
FY 19-20 Through FY 24-25**

ATTACHMENT E

**CIPR - Designated Fund Balance - Fund 101**

	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 20-25
Designated CIP Fund Balance--July 1	\$ 1,984,450	\$ 1,579,450	\$ 1,114,450	\$ 823,337	\$ 342,224	\$ 71,112	\$ 1,984,450
Add Projected Revenues:							
CIPR Financial Policy Transfer (\$1.5M/yr Target)	-	-	191,437	191,437	191,438	191,438	765,750
Total Projected Resources	-	-	191,437	191,437	191,438	191,438	765,750
Less Projected Expenditures:							
Five Year CIP Proposed	405,000	465,000	482,550	672,550	462,550	262,550	2,750,200
Sub-Total Expenditures	405,000	465,000	482,550	672,550	462,550	262,550	2,750,200
<b>Projected Available Fund Balance</b>	<b>\$ 1,579,450</b>	<b>\$ 1,114,450</b>	<b>\$ 823,337</b>	<b>\$ 342,224</b>	<b>\$ 71,112</b>	<b>\$ -</b>	<b>\$ -</b>

**Project # FIVE YEAR CIP PROPOSED--RECAP BY PROJECT**

19BB	ADA Transition Plan	\$ 50,000	\$ -	\$ 50,000	\$ -	\$ 50,000	\$ -	\$ 150,000
20BB	Annual Street Maintenance	200,000	200,000	200,000	200,000	200,000	200,000	1,200,000
20GG	Harriet Avenue Sidewalks	-	-	-	150,000	-	-	150,000
19LL	Sidewalk / Curb and Gutter Improvements	25,000	-	-	-	-	-	25,000
17VV	Silicon Valley Radio Communications System	70,000	-	-	-	-	-	70,000
19KK	Traffic & Street Sign Replacement	60,000	60,000	60,000	60,000	-	-	240,000
	<b>City Hall Main Breaker Replacement</b>	-	<b>55,000</b>	-	-	-	-	<b>55,000</b>
	<b>City Hall UPS for Emergency Phones &amp; Computers</b>	-	<b>60,000</b>	-	-	-	-	<b>60,000</b>
	<b>Community Center C-Wing Breezway Reroofing</b>	-	-	<b>50,000</b>	-	-	-	<b>50,000</b>
	<b>Community Center Transformer Replacement</b>	-	-	-	<b>200,000</b>	-	-	<b>200,000</b>
	<b>General Hazardous Materials Survey of CC Buildings</b>	-	<b>90,000</b>	<b>60,000</b>	-	-	-	<b>150,000</b>
	<b>Lenco Bearcat (Armored Rescue Vehicle)</b>	-	-	<b>62,550</b>	<b>62,550</b>	<b>62,550</b>	<b>62,550</b>	<b>250,200</b>
	<b>Service Pistol Replacement</b>	-	-	-	-	<b>150,000</b>	-	<b>150,000</b>
	Totals	\$ 405,000	\$ 465,000	\$ 482,550	\$ 672,550	\$ 462,550	\$ 262,550	\$ 2,750,200

FY 2019-20 General Fund Revenue Estimates (By Category)									
Revised Due to COVID-19									
v 04-21-20									
				FY 2018-19	FY 2019-20	FY 2019-20			
ACCOUNT TITLE	GL ACCT.	CATEGORY	DEPT	YE ACTUALS	MID-YEAR ADJUST.	COVID-19 ESTIMATE	\$ VARIANCE	% VARIANCE	BASIS FOR CHANGE
PROP TAXES - CURR SECURE	101.535.4001	A - Property Tax	FN	13,399,976	15,100,000	15,100,000	-	0%	No change. Expect to be stable.
PROP TAXES - CURR UNSECR	101.535.4002	A - Property Tax	FN	670,583	704,000	704,000	-	0%	No change. Expect to be stable.
PROP TAXES - PRIOR YR SE	101.535.4003	A - Property Tax	FN	1,601	-	-	-	N/A	No change. Expect to be stable.
OTHER PROPERTY TAXES	101.535.4005	A - Property Tax	FN	20,743	-	-	-	N/A	No change. Expect to be stable.
PROPERTY TAX PASS THRU	101.535.4007	A - Property Tax	FN	50,409	50,000	50,000	-	0%	No change. Expect to be stable.
RESIDUAL RPTTF DISTRIBUT	101.535.4008	A - Property Tax	FN	641,987	632,000	632,000	-	0%	No change. Expect to be stable.
PROP TAXES - ERAF	101.535.4011	A - Property Tax	FN	822,019	446,000	446,000	-	0%	No change. Expect to be stable.
		<b>A - Property Tax Total</b>		<b>15,607,316</b>	<b>16,932,000</b>	<b>16,932,000</b>	<b>-</b>	<b>0%</b>	
SALES AND USE TAXES	101.535.4110	B - Sales Tax	FN	12,747,628	12,584,000	11,324,080	(1,259,920)	-10%	Sector by sector sales tax analysis plus \$157,000 misc. negative adjustment from sales tax consultant. See attached analysis by sector (Attachment J).
TRANSACTIONS & USE TAX	101.535.4112	B - Sales Tax	FN	2,936,594	2,923,000	2,724,610	(198,390)	-7%	Sector by sector sales tax analysis plus \$21,000 misc. positive adjustment from sales tax consultant. See attached analysis by sector (Attachment K).
PROP 172 PUBLIC SAFETY	101.535.4113	B - Sales Tax	FN	-	384,400	384,400	-	0%	Forecast from sales tax consultant, Avenu/MuniServices
		<b>B - Sales Tax Total</b>		<b>15,684,222</b>	<b>15,891,400</b>	<b>14,433,090</b>	<b>(1,458,310)</b>	<b>-9%</b>	
FRANCHISES - ELECTRIC	101.535.4120	C - Franchise Taxes	FN	401,067	450,000	450,000	-	0%	No change. Expect to be stable.
FRANCHISES - GAS	101.535.4121	C - Franchise Taxes	FN	97,180	119,000	119,000	-	0%	No change. Expect to be stable.
FRANCHISES - CABLE TV	101.510.4122	C - Franchise Taxes	CM	588,416	635,000	635,000	-	0%	An increase in franchise and PEG fees due to increased demand in streaming and cable services is possible. However, rising unemployment rate could impact the ability of subscribers to continue with telecom services. No change recommended.
FRANCHISES - GARBAGE	101.740.4123	C - Franchise Taxes	PW	2,089,673	2,160,000	2,160,000	-	0%	No change.
FRANCHISES - SAN JOSE WT	101.701.4124	C - Franchise Taxes	PW	241,006	248,800	248,000	(800)	0%	No change.
AT&T FRANCHISE FEE	101.510.4125	C - Franchise Taxes	CM	98,205	124,000	124,000	-	0%	See Franchises - Cable TV
		<b>C - Franchise Taxes Total</b>		<b>3,515,547</b>	<b>3,736,800</b>	<b>3,736,000</b>	<b>(800)</b>	<b>0%</b>	
TRANSIENT OCCUPANCY TAX	101.535.4150	D - Transient Occupancy Tax	FN	4,768,870	4,785,400	3,287,879	(1,497,521)	-31%	15% occupancy rate / 10% room rate decrease thru June 2020
		<b>D - Transient Occupancy Tax Total</b>		<b>4,768,870</b>	<b>4,785,400</b>	<b>3,287,879</b>	<b>(1,497,521)</b>	<b>-31%</b>	
CONSTRUCTION TAX	101.554.4151	E - Other Taxes	CD	26,451	95,000	47,771	(47,229)	-50%	Shelter in place
BUSINESS LICENSE TAX	101.535.4152	E - Other Taxes	FN	693,263	726,000	716,925	(9,075)	-1%	5% closure rate in Q2 2020.
REAL PROP TRANSFER TAX	101.535.4153	E - Other Taxes	FN	519,407	800,000	782,000	(18,000)	-2%	9% decreased sales activity Q2 2020.
FARMERS MARKET IN LIEU	101.556.4155	E - Other Taxes	CD	15,625	12,500	9,375	(3,125)	-25%	Shelter in place
		<b>E - Other Taxes Total</b>		<b>1,254,746</b>	<b>1,633,500</b>	<b>1,556,071</b>	<b>(77,429)</b>	<b>-5%</b>	
CONSTRUCTION PERMITS	101.554.4210	F - Licenses & Permits	CD	1,391,341	1,600,000	1,377,494	(222,506)	-14%	YTD Activity/shelter in place
ADVANCED PLAN CHECK FEE	101.554.4211	F - Licenses & Permits	CD	426,433	427,000	402,538	(24,462)	-6%	YTD Activity/shelter in place
GENERAL REVENUE-BLDG DEP	101.554.4212	F - Licenses & Permits	CD	34,640	31,000	43,999	12,999	42%	YTD Activity/shelter in place
PLN CHECK-TITLE 24 ENER	101.554.4213	F - Licenses & Permits	CD	41,958	70,000	47,303	(22,697)	-32%	Shelter in place
TECHNOLOGY ENHANCEMNT FE	101.554.4214	F - Licenses & Permits	CD	17,392	57,000	31,112	(25,888)	-45%	Shelter in place
FIRE PERMITS	101.610.4241	F - Licenses & Permits	PS	149,752	170,300	95,200	(75,100)	-44%	From SCC FPD.
BICYCLE LICENSES	101.603.4242	F - Licenses & Permits	PS	200	200	-	(200)	-100%	We are no longer do bicycle licensing (even before COVID-19).
TRUCK PERMITS	101.720.4271	F - Licenses & Permits	PW	370	1,000	300	(700)	-70%	Permit volume lower than normal.
		<b>F - Licenses &amp; Permits Total</b>		<b>2,062,086</b>	<b>2,356,500</b>	<b>1,997,946</b>	<b>(358,554)</b>	<b>-15%</b>	
VEHICLE CODE FINES-CITY	101.604.4310	G - Fines & Forfeitures	PS	61,558	100,000	50,000	(50,000)	-50%	Reduction in proactive enforcement due to COVID-19.

FY 2019-20 General Fund Revenue Estimates (By Category)									
Revised Due to COVID-19									
v 04-21-20									
				FY 2018-19	FY 2019-20	FY 2019-20			
ACCOUNT TITLE	GL ACCT.	CATEGORY	DEPT	YE ACTUALS	MID-YEAR ADJUST.	COVID-19 ESTIMATE	\$ VARIANCE	% VARIANCE	BASIS FOR CHANGE
VEHICLE CODE FINES-COUNT	101.604.4320	G - Fines & Forfeitures	PS	125,838	136,000	35,000	(101,000)	-74%	Reduction in proactive enforcement due to COVID-19.
VEHICLE CODE FINES-STATE	101.604.4330	G - Fines & Forfeitures	PS	53,551	100,000	38,300	(61,700)	-62%	Reduction in proactive enforcement due to COVID-19. YTD shown.
CODE ENFORCEMENT FINES	101.554.4371	G - Fines & Forfeitures	CD	33,531	26,300	26,300	-	0%	No change
		<b>G - Fines &amp; Forfeitures Total</b>		<b>274,478</b>	<b>362,300</b>	<b>149,600</b>	<b>(212,700)</b>	<b>-59%</b>	
INVESTMENT EARNINGS	101.535.4410	H- Investment Income	FN	545,267	461,000	461,000	-	0%	No change. Wait and see. Fixed income mainly.
UNREALIZED GAINS/LOSSES	101.535.4431	H- Investment Income	FN	442,006	1,000	1,000	-	0%	No change. Wait and see. Fixed income mainly.
OTHER INTEREST	101.535.4450	H- Investment Income	FN	11,173	16,000	16,000	-	0%	No change. Wait and see. Fixed income mainly.
		<b>H - Investment Income Total</b>		<b>998,446</b>	<b>478,000</b>	<b>478,000</b>	<b>-</b>	<b>0%</b>	
SUPPLEMENTAL LAW ENFORCE	101.605.4526	I - Intergovernmental Revenue	PS	-	-	-	-	N/A	No change.
DOJ GRANT (BVP)	101.604.4531	I - Intergovernmental Revenue	PS	3,133	-	-	-	N/A	No change.
OTHER STATE GRANTS	101.535.4543	I - Intergovernmental Revenue	FN	(209)	-	-	-	N/A	No change.
OTHER STATE GRANTS	101.604.4543	I - Intergovernmental Revenue	PS	209	-	-	-	N/A	No change.
TRANSIT SHELTER ADVERTIS	101.720.4544	I - Intergovernmental Revenue	PW	19,013	6,000	6,000	-	0%	No change. On pace.
ARSON CONTRACT TRAINING	101.601.4558	I - Intergovernmental Revenue	PS	-	4,000	4,000	-	0%	No change.
ARSON_COUNTY FIRE DPT	101.604.4559	I - Intergovernmental Revenue	PS	414,000	420,000	420,000	-	0%	No change.
RATTF REIMBURSEMENT	101.604.4560	I - Intergovernmental Revenue	PS	125,706	137,000	137,000	-	0%	No change.
SR NUTRITION REIMBURSEMN	101.525.4561	I - Intergovernmental Revenue	RC	73,854	70,470	70,470	-	0%	No change, still operating.
STATE MTR VEH IN LIEU TA	101.535.4580	I - Intergovernmental Revenue	FN	20,494	45,000	45,000	-	0%	No change yet. Renewals can take place online.
ST HOMEOWNERS PROP TAX R	101.535.4581	I - Intergovernmental Revenue	FN	39,549	35,000	35,000	-	0%	No change. Expect to be stable.
ABANDONED VEHICLE FEES	101.604.4582	I - Intergovernmental Revenue	PS	37,027	75,000	50,000	(25,000)	-33%	AVASA program temporarily discontinued due to COVID-19.
REIMBURSE-MANDATED COSTS	101.535.4584	I - Intergovernmental Revenue	FN	7,500	84,000	84,000	-	0%	No change. Forms already submitted for reimb.
POST REIMBURSEMENTS	101.601.4588	I - Intergovernmental Revenue	PS	20,840	39,000	26,300	(12,700)	-33%	Trainings canceled resulting in decreased reimbursement. YTD shown.
		<b>I - Intergovernmental Revenue Total</b>		<b>761,116</b>	<b>915,470</b>	<b>877,770</b>	<b>(37,700)</b>	<b>-4%</b>	
PROGRAM REVENUE-MUSEUM	101.528.4609	J - Charges for Service	RC	31,037	30,600	19,098	(11,502)	-38%	Based on expected amounts due.
AINSLEY HOUSE RENTAL	101.528.4610	J - Charges for Service	RC	36,085	27,000	10,030	(16,970)	-63%	Based on refunds in progress/cancelled events for FY20.
ADMISSION FEES-MUSEUM	101.528.4611	J - Charges for Service	RC	8,042	7,000	6,500	(500)	-7%	Based on YTD actuals.
ADULT SERVICES - CLASSES	101.526.4612	J - Charges for Service	RC	224,082	226,000	176,000	(50,000)	-22%	Based on estimates after refunds.
PROGRAM FEES-SPORTS	101.531.4613	J - Charges for Service	RC	460,380	513,735	350,000	(163,735)	-32%	Based on estimates after refunds.
PROGRAM FEES-AQUATICS	101.531.4614	J - Charges for Service	RC	189,261	220,987	130,000	(90,987)	-41%	Based on estimates after refunds.
PROGRAM FEES-PICNIC FEES	101.527.4616	J - Charges for Service	RC	27,231	26,400	14,000	(12,400)	-47%	Estimated refunds March-May
PROGRAM FEES-DAY CAMPS	101.532.4617	J - Charges for Service	RC	444,692	437,000	50,000	(387,000)	-89%	Based on estimates - Summer programming currently suspended through FY20.
PROGRAM FEES-TRIPS/TOURS	101.532.4618	J - Charges for Service	RC	-	-	-	-	N/A	No change.
PROGRAM FEES-CLASSES	101.532.4619	J - Charges for Service	RC	491,399	496,600	311,000	(185,600)	-37%	Based on actuals and future refunding.
PROGRAM FEES-PRESCHOOL	101.532.4620	J - Charges for Service	RC	368,677	370,700	266,000	(104,700)	-28%	Based on actuals and future refunding.
PROGRAM FEES-SPEC EVENTS	101.532.4621	J - Charges for Service	RC	-	2,000	1,050	(950)	-48%	Unknown Account based on actuals.
PROGRAM FEES-FITNESS	101.531.4622	J - Charges for Service	RC	169,113	170,000	130,000	(40,000)	-24%	Based on estimates after refunds.
PROGRAM FEES-FITNESS	101.532.4622	J - Charges for Service	RC	(1,140)	-	-	-	N/A	No change.
FUND RAISING	101.526.4625	J - Charges for Service	RC	646	-	-	-	N/A	No change.
ADULT SERVICES - PROGRAM	101.526.4626	J - Charges for Service	RC	147,082	123,700	86,125	(37,575)	-30%	Based on estimates after refunds
VENDING MACHINE SALES	101.527.4627	J - Charges for Service	RC	2,613	2,400	2,600	200	8%	Based on YTD actuals.
SKATE PARK INCOME	101.531.4628	J - Charges for Service	RC	33,740	35,000	21,000	(14,000)	-40%	Based on YTD actuals.
DROP IN CLASSES	101.531.4629	J - Charges for Service	RC	144,656	162,300	120,000	(42,300)	-26%	Based on current actuals and future estimates.

FY 2019-20 General Fund Revenue Estimates (By Category)									
Revised Due to COVID-19									
v 04-21-20									
				FY 2018-19	FY 2019-20	FY 2019-20			
ACCOUNT TITLE	GL ACCT.	CATEGORY	DEPT	YE ACTUALS	MID-YEAR ADJUST.	COVID-19 ESTIMATE	\$ VARIANCE	% VARIANCE	BASIS FOR CHANGE
COMM GRP SPON-SPEC EVENT	101.527.4630	J - Charges for Service	RC	4,120	5,225	3,650	(1,575)	-30%	Based on actuals, future events not guaranteed.
COMM GRP SPON-SPEC EVENT	101.604.4630	J - Charges for Service	PS	43,400	50,000	48,100	(1,900)	-4%	Special event cancelations (**refer to account 101.610.4704). YTD shown.
THEATER REVENUE	101.529.4631	J - Charges for Service	RC	3,146	2,000	1,554	(446)	-22%	Based on YTD actuals.
THEATER PRESERVATION CHG	101.529.4632	J - Charges for Service	RC	57,961	59,000	23,320	(35,680)	-60%	Based on estimates after refunds.
THEATRE FACILITY FEE	101.529.4633	J - Charges for Service	RC	19,464	21,922	11,680	(10,242)	-47%	Based on estimates.
FACILITY RENTAL SURCHARG	101.527.4634	J - Charges for Service	RC	11,063	25,000	17,000	(8,000)	-32%	Based on refunds and minimal rentals/program revenue being collected.
CONCESSION & MERCHANDISE	101.529.4643	J - Charges for Service	RC	3,819	3,900	1,479	(2,421)	-62%	Based on YTD actuals.
THEATER TICKET SALES	101.529.4644	J - Charges for Service	RC	251,290	247,634	245,500	(2,134)	-1%	Based on actuals, and future estimates waiting to be posted.
SPONSORSHIP INCOME	101.527.4645	J - Charges for Service	RC	5,000	1,350	5,000	3,650	270%	Kaiser Permanente Sponsorship amount.
SPONSORSHIP INCOME	101.529.4645	J - Charges for Service	RC	45,188	45,000	41,500	(3,500)	-8%	Based on estimates.
THEATER PROGRAM ADS	101.529.4646	J - Charges for Service	RC	5,875	7,000	6,725	(275)	-4%	Based on estimates.
ZONING FEES	101.551.4660	J - Charges for Service	CD	627,328	600,000	401,474	(198,526)	-33%	Shelter in place
MICROFILM FEES	101.554.4661	J - Charges for Service	CD	31,837	40,000	25,952	(14,048)	-35%	Shelter in place
RENTAL DISPUTE RES FEE	101.550.4663	J - Charges for Service	CD	60,604	65,800	65,800	-	0%	No change.
HAZELWOOD/ROSEMARY EVENT	101.532.4667	J - Charges for Service	RC	-	29	29	-	0%	Unknown Account based on actuals.
STORM WATER IMPACT FEE	101.554.4669	J - Charges for Service	CD	784	-	-	-	N/A	No change.
GENERAL PLAN MAINT FEE	101.552.4670	J - Charges for Service	CD	76,825	160,000	235,702	75,702	47%	Gen Plan Maint Fee + HCD Grant
OTHER FILING FEES	101.603.4690	J - Charges for Service	PS	5,010	7,300	5,200	(2,100)	-29%	Reduction in permit applications. YTD shown.
SPEC POLICE DEPT SERVICE	101.603.4691	J - Charges for Service	PS	48,571	55,000	40,800	(14,200)	-26%	Reduction in reports, arrests, impounds, etc. YTD shown.
HAZARDOUS WASTE CLEANUP	101.610.4692	J - Charges for Service	PS	131,662	132,600	140,900	8,300	6%	From SCC FPD.
FALSE ALARM FEES-PD	101.602.4693	J - Charges for Service	PS	5,303	5,000	5,000	-	0%	No change.
COST RECOVERY-PD DUI	101.604.4698	J - Charges for Service	PS	-	12,000	13,600	1,600	13%	Raised to YTD actuals.
COST RECOVERY-PW	101.780.4701	J - Charges for Service	PW	-	121	200	79	65%	Small variation. Reflects YTD Activity.
COST RECOVERY-PD	101.604.4704	J - Charges for Service	PS	10,249	14,000	1,700	(12,300)	-88%	Special event cancelations (**refer to account 101.610.4704)
COST RECOVERY-PD	101.605.4704	J - Charges for Service	PS	-	30,000	9,300	(20,700)	-69%	**This account seems to be redundant with 604-4704 & 604-4630
CAL NENA REIMBURSEMENT-P	101.602.4707	J - Charges for Service	PS	-	10,000	5,000	(5,000)	-50%	Trainings canceled resulting in decreased reimbursement.
ENGR & SUBDIV FILING FEE	101.730.4722	J - Charges for Service	PW	(225)	-	-	-	N/A	No change.
ENGR & SUBDIV FILING FEE	101.740.4722	J - Charges for Service	PW	558,995	408,000	350,000	(58,000)	-14%	April - June 2020 will be low due to COVID-19.
PROJECT OVERHEAD OFFSET	101.720.4725	J - Charges for Service	PW	10,444	30,000	10,000	(20,000)	-67%	Lower CIP activity for Traffic (720)
PROJECT OVERHEAD OFFSET	101.730.4725	J - Charges for Service	PW	236,534	545,000	360,000	(185,000)	-34%	Project delay: Winchester Resurfacing
TRAFFIC ENGINEERING FEES	101.720.4728	J - Charges for Service	PW	950	5,000	10,000	5,000	100%	High development activity in 19/20
METRICOM ENCHR AGREEMENT	101.720.4730	J - Charges for Service	PW	14	-	-	-	N/A	No change.
COMMUNITY GARDEN FEES	101.745.4735	J - Charges for Service	PW	3,528	3,600	3,600	-	0%	No change.
SALE-MAPS & PUBLICATIONS	101.730.4760	J - Charges for Service	PW	1,035	2,000	1,500	(500)	-25%	Small variation
		<b>J - Charges for Service Total</b>		<b>5,037,369</b>	<b>5,444,903</b>	<b>3,784,668</b>	<b>(1,660,235)</b>	<b>-30%</b>	
RENTS/LEASES (REAL & PER	101.510.4810	K - Other Revenue	CM	(20)	11,000	13,900	2,900	26%	Raised to YTD.
RENTS/LEASES (REAL & PER	101.527.4810	K - Other Revenue	RC	1,637,957	1,675,544	1,657,000	(18,544)	-1%	One tenant lost business; two tenants making 1/2 payments.
RENTS/LEASES (REAL & PER	101.540.4810	K - Other Revenue	FN	1,200	2,000	2,000	-	0%	No change.
RENTS/LEASES (REAL & PER	101.550.4810	K - Other Revenue	CD	124,463	110,000	110,000	-	0%	No change.
RENTS/LEASES (REAL & PER	101.701.4810	K - Other Revenue	PW	21,600	21,600	21,600	-	0%	No change.

FY 2019-20 General Fund Revenue Estimates (By Category)									
Revised Due to COVID-19									
v 04-21-20									
				FY 2018-19	FY 2019-20	FY 2019-20			
ACCOUNT TITLE	GL ACCT.	CATEGORY	DEPT	YE ACTUALS	MID-YEAR ADJUST.	COVID-19 ESTIMATE	\$ VARIANCE	% VARIANCE	BASIS FOR CHANGE
DONATIONS-HIST MUSEUM	101.528.4812	K - Other Revenue	RC	-	1,610	1,775	165	10%	Based on YTD actuals.
DONATIONS-MEALS	101.525.4816	K - Other Revenue	RC	12,532	14,500	14,500	-	0%	No change, still operating.
DONATIONS-MISC	101.510.4817	K - Other Revenue	CM	-	1,000	1,100	100	10%	Raised to YTD.
DONATIONS-MISC	101.535.4817	K - Other Revenue	FN	-	1,000	1,000	-	0%	No change.
OTHER RENTAL INCOME	101.527.4819	K - Other Revenue	RC	712,153	730,000	580,000	(150,000)	-21%	Large number of refunds March-May and limited ability to rent in the future.
OTHER RENTAL INCOME	101.529.4819	K - Other Revenue	RC	416,336	451,455	173,967	(277,488)	-61%	Based on estimates after refunds.
DONATIONS-YOUTH SCHOLAR	101.524.4821	K - Other Revenue	RC	6,096	6,951	6,951	-	0%	No change.
DONATION-RECREATION	101.524.4825	K - Other Revenue	RC	1,700	-	-	-	N/A	No change.
SA ROPS ADMIN REIMB	101.535.4890	K - Other Revenue	FN	19,000	20,000	20,000	-	0%	No change. ROPS already approved.
TRANSACTION PROCESS FEE	101.540.4910	K - Other Revenue	FN	-	-	6,000	6,000	N/A	YTD figures + a little more.
NOTICE/IMPROVE/OBLIGATIO	101.730.4924	K - Other Revenue	PW	2,995	6,100	-	(6,100)	-100%	No applications filed
SALE OF REAL/PERS PROP	101.535.4960	K - Other Revenue	FN	-	2,000	2,000	-	0%	No change.
INSURANCE CLAIMS REIMB	101.535.4962	K - Other Revenue	FN	1,168	130,500	130,500	-	0%	No change. Will go up if submit more claims.
INS CLAIMS REFUNDS - WC	101.535.4963	K - Other Revenue	FN	-	-	-	-	N/A	No change.
OTHER REVENUE	101.510.4965	K - Other Revenue	CM	10,479	-	-	-	N/A	No change.
OTHER REVENUE	101.527.4965	K - Other Revenue	RC	1,315	2,000	200	(1,800)	-90%	Based on YTD actuals.
OTHER REVENUE	101.529.4965	K - Other Revenue	RC	-	-	273	273	N/A	Based on YTD actuals.
OTHER REVENUE	101.535.4965	K - Other Revenue	FN	105,233	128,000	128,000	-	0%	No change, but watch.
OTHER REVENUE	101.540.4965	K - Other Revenue	FN	4,270	2,000	2,000	-	0%	No change.
OTHER REVENUE	101.554.4965	K - Other Revenue	CD	1,583	24	24	-	0%	No change.
OTHER REVENUE	101.601.4965	K - Other Revenue	PS	-	-	-	-	N/A	No change.
OTHER REVENUE	101.604.4965	K - Other Revenue	PS	255	5,831	5,900	69	1%	Raised to YTD actuals.
PRINCIPAL REPAYMENT	101.535.4966	K - Other Revenue	FN	35	-	-	-	N/A	No change.
EXPENSE ABATE-MISC	101.535.4968	K - Other Revenue	FN	-	476	476	-	0%	No change.
TREE IN LIEU FEE	101.701.4971	K - Other Revenue	PW	25,320	25,000	25,000	-	0%	No change.
		<b>K - Other Revenue Total</b>		<b>3,105,671</b>	<b>3,348,591</b>	<b>2,904,166</b>	<b>(444,425)</b>	<b>-13%</b>	
CASH OVER/SHORT	101.545.6070	L - Other Funding Sources	FN	20	-	-	-	N/A	No change.
OPERATING TRANSFERS IN	101.980.6899	L - Other Funding Sources	FN	1,294,226	1,380,016	1,380,016	-	0%	No change. Establish by adopted budget.
		<b>L - Other Funding Sources Total</b>		<b>1,294,246</b>	<b>1,380,016</b>	<b>1,380,016</b>	<b>-</b>	<b>0%</b>	
		<b>Grand Total</b>		<b>54,364,113</b>	<b>57,264,880</b>	<b>51,517,206</b>	<b>(5,747,674)</b>	<b>-10%</b>	
<i>Below the Line Adjustments</i>									
1. Personnel and Associated Savings Due to Recreation Program and Event Closures and Cancellations (Offset to Charges for Services Losses)							633,000		
2. Vacancy Savings for Public Works Positions Normally Charged to Capital Projects (Offset to Charges for Services Losses)							150,000		
<b>ADJUSTED GRAND TOTAL</b>							<b>(4,964,674)</b>		

## FY 2020-21 General Fund Revenue Estimates (By Category)

Revised Due to COVID-19

v 04-21-20

<b>LOW IMPACT SCENARIO</b>	<b>FY 2019-20</b>	<b>FY 2019-20</b>	<b>FY 2020-21</b>	<b>FY 2020-21</b>		
<b>CATEGORY</b>	<b>MID-YEAR ADJUST.</b>	<b>COVID-19 EST.</b>	<b>PRE-COVID-19 EST.</b>	<b>COVID-19 EST.</b>	<b>\$ VARIANCE</b>	<b>% VARIANCE</b>
A - Property Tax	16,932,000	16,932,000	17,758,500	17,758,500	-	0.00%
B - Sales Tax	15,891,400	14,433,090	16,401,500	15,171,388	(1,230,113)	-7.50%
C - Franchise Taxes	3,736,800	3,736,000	3,852,219	3,852,219	-	0.00%
D - Transient Occupancy Tax	4,785,400	3,287,879	4,943,800	4,202,230	(741,570)	-15.00%
E - Other Taxes	1,633,500	1,556,071	1,468,135	954,288	(513,847)	-35.00%
F - Licenses & Permits	2,356,500	1,997,946	1,744,300	1,133,795	(610,505)	-35.00%
G - Fines & Forfeitures	362,300	149,600	611,000	611,000	-	0.00%
H- Investment Income	478,000	478,000	478,000	382,400	(95,600)	-20.00%
I - Intergovernmental Revenue	915,470	877,770	914,875	731,900	(182,975)	-20.00%
J - Charges for Service	5,444,903	3,784,668	5,105,243	4,849,981	(255,262)	-5.00%
K - Other Revenue	3,348,591	2,904,166	3,379,774	3,379,774	-	0.00%
L - Other Funding Sources	1,380,016	1,380,016	1,348,756	1,317,496	(31,260)	-2.32%
<b>TOTAL</b>	<b>57,264,880</b>	<b>51,517,206</b>	<b>58,006,102</b>	<b>54,344,970</b>	<b>(3,661,132)</b>	<b>-6.29%</b>

(1) Scenario most closely mirrors impact to Great Recession in FY 2008-09; which was only impacted from September 2008 or about 83.3% of year.

<b>MODERATE IMPACT SCENARIO</b>	<b>FY 2019-20</b>	<b>FY 2019-20</b>	<b>FY 2020-21</b>	<b>FY 2020-21</b>		
<b>CATEGORY</b>	<b>MID-YEAR ADJUST.</b>	<b>COVID-19 EST.</b>	<b>PRE-COVID-19 EST.</b>	<b>COVID-19 EST.</b>	<b>\$ VARIANCE</b>	<b>% VARIANCE</b>
A - Property Tax	16,932,000	16,932,000	17,758,500	17,758,500	-	0.00%
B - Sales Tax	15,891,400	14,433,090	16,401,500	14,761,350	(1,640,150)	-10.00%
C - Franchise Taxes	3,736,800	3,736,000	3,852,219	3,852,219	-	0.00%
D - Transient Occupancy Tax	4,785,400	3,287,879	4,943,800	3,460,660	(1,483,140)	-30.00%
E - Other Taxes	1,633,500	1,556,071	1,468,135	807,474	(660,661)	-45.00%
F - Licenses & Permits	2,356,500	1,997,946	1,744,300	959,365	(784,935)	-45.00%
G - Fines & Forfeitures	362,300	149,600	611,000	611,000	-	0.00%
H- Investment Income	478,000	478,000	478,000	334,600	(143,400)	-30.00%
I - Intergovernmental Revenue	915,470	877,770	914,875	640,413	(274,463)	-30.00%
J - Charges for Service	5,444,903	3,784,668	5,105,243	4,765,583	(339,660)	-6.65%
K - Other Revenue	3,348,591	2,904,166	3,379,774	3,379,774	-	0.00%
L - Other Funding Sources	1,380,016	1,380,016	1,348,756	1,317,496	(31,260)	-2.32%
<b>TOTAL</b>	<b>57,264,880</b>	<b>51,517,206</b>	<b>58,006,102</b>	<b>52,648,434</b>	<b>(5,357,668)</b>	<b>-6.29%</b>

(2) Scenario most closely mirrors impact to Great Recession in over both FY 2008-09 and FY 2009-10 to get a truer sense of all at once impacts.

**FY 2020-21 General Fund Revenue Estimates (By Category)**

Revised Due to COVID-19

v 04-21-20

<b>HIGH IMPACT SCENARIO</b>	<b>FY 2019-20</b>	<b>FY 2019-20</b>	<b>FY 2020-21</b>	<b>FY 2020-21</b>		
<b>CATEGORY</b>	<b>MID-YEAR ADJUST.</b>	<b>COVID-19 EST.</b>	<b>PRE-COVID-19 EST.</b>	<b>PRE-COVID-19 EST.</b>	<b>\$ VARIANCE</b>	<b>% VARIANCE</b>
A - Property Tax	16,932,000	16,932,000	17,758,500	17,758,500	-	0.00%
B - Sales Tax	15,891,400	14,433,090	16,401,500	14,105,290	(2,296,210)	-14.00%
C - Franchise Taxes	3,736,800	3,736,000	3,852,219	3,852,219	-	0.00%
D - Transient Occupancy Tax	4,785,400	3,287,879	4,943,800	2,966,280	(1,977,520)	-40.00%
E - Other Taxes	1,633,500	1,556,071	1,468,135	587,254	(880,881)	-60.00%
F - Licenses & Permits	2,356,500	1,997,946	1,744,300	697,720	(1,046,580)	-60.00%
G - Fines & Forfeitures	362,300	149,600	611,000	611,000	-	0.00%
H- Investment Income	478,000	478,000	478,000	310,432	(167,568)	-35.06%
I - Intergovernmental Revenue	915,470	877,770	914,875	548,925	(365,950)	-40.00%
J - Charges for Service	5,444,903	3,784,668	5,105,243	4,765,583	(339,660)	-6.65%
K - Other Revenue	3,348,591	2,904,166	3,379,774	3,379,774	-	0.00%
L - Other Funding Sources	1,380,016	1,380,016	1,348,756	1,317,496	(31,260)	-2.32%
<b>TOTAL</b>	<b>57,264,880</b>	<b>51,517,206</b>	<b>58,006,102</b>	<b>50,900,473</b>	<b>(7,105,629)</b>	<b>-6.29%</b>

*(2) Based on more severe impacts to revenue sources of Sales Tax, TOT, Other Taxes, Licenses & Permits, Investment Income, and Intergovernmental.*



## General Fund Reserves

As of Fiscal Year Ended June 30, 2019

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	<u>YE Balance*</u>	<u>Description</u>	<u>Staff Recommendation</u>
<b>Restricted <sup>(1)</sup>:</b>			
None	-		N/A
<b>Committed <sup>(2)</sup>:</b>			
General Plan Update	559,757	For General Plan update.	No recommendation. Subject to General Plan completion.
City Council Reserve	417,380	For Council designated annual initiatives, capital projects, etc.	Establish formal policy or move to Assigned.
Civic Center Plan	241,150	For Council designated annual initiatives, capital projects, etc.	Establish formal policy or move to Assigned.
Compensated Absences	1,117,642	To be maintained at 50% of the noncurrent liability.	Keep as is, but level may decrease with staff use of leaves.
Economic Fluctuations	9,192,787	City Council Policy - 16.67% of Operating Expenditures; min. \$2M.	Partial use in FY 2020-21. To be included in Prop. Budget.
Liability Insurance	148,591	Determined by actuarial evaluation or City's TPA, subject to a min level equal to 100% of SIR.	Keep as is.
Capital Improvements Reserve (CIPR)	1,984,450	Misc. capital projects funded by General Fund. Target \$5M. Annual set aside target \$1.5M.	Limited use in FY 2020-21. Hold \$1.1M bal. or move to other reserves.
Capital Projects (Carryovers)	1,702,509	For carryover of unexpended, but appropriated budget balances for ongoing capital projects.	Reduce balance and closeout projects where possible.
Workers' Compensation	433,065	Level adequate to meet projected liabilities as determined by actuarial eval. every 2 years.	Keep as is.
Heritage Theater	360,301	For Theater Preservation.	Establish formal policy for use.
Emergency	5,586,316	City Council Policy - 10.00% of Operating Revenues.	Partial use in FY 2019-20. To be finalized Aug/Sep 2020.
<b>Sub-Total Committed</b>	<b>21,743,948</b>		
<b>Assigned <sup>(3)</sup>:</b>			
Capital Projects (Construction Tax)	1,001,003	Assigned by Council during the annual Budget Approval Process for Construction Tax CIPs.	Make acct. adj. (\$236,459) in FY 2019-20; limited \$100K use FY 2020-21.
Unemployment Insurance	60,000	Assigned by Council during the annual Budget Approval Process based on estimated need.	Adjust based on projected need in FY 2020-21.
PERS (Pension)	2,252,000	Assigned by Council	Place in Section 115 trust, pay to CalPERS, or use for rate mitigation.
OPEB (Retiree Healthcare Benefits)	295,000	Assigned by Council during the annual Budget Approval Process to fully fund ARC.	Keep as is. OPEB plan is closed and funding is in good shape.
Other (Operating Carryovers)	649,112	Operating Encumbrance Carryovers for unexpended, but still open Purchase Orders.	Reduce balance and closeout Purchase Orders as much as possible.
<b>Sub-Total Assigned</b>	<b>4,257,115</b>		
<b>Unassigned <sup>(4)</sup>:</b>			
Unassigned	1,026,759	Available to be spent on any purpose, committed, or assigned.	Use to offset revenue losses in FY 2019-20 before using committed reserves.
<b>Total Fund Balance</b>	<b>27,027,822</b>		

Notes:

\* Fund balances for Fiscal Year Ending June 30, 2020 will be adjusted to reflect either City Policy, Council authorization to use a reserve, or applicable revenues and expenditures over the fiscal year.

(1) - Restricted by outside agencies; most commonly for grants which are placed into Special Revenue Funds.

(2) - Committed by City Policy or City Council action outside the normal budget process.

(3) - Assigned by Council during the annual Budget Approval Process.

(4) - Available to be spent on any purpose, committed, or assigned.

Acronyms:

CIP - Capital Improvement Plan

ARC - Annual Required Contribution (as determined by Actuarial Valuation)

TPA - Third Party Administrator

**Potential Trigger Points of Corrective Budget Actions in FY 2020-21**

Pre-COVID-19 General Fund Revenue Estimate: \$ 58,006,102

		<u>\$ Revenue Loss*</u>	<u>% Revenue Loss</u>
<b>Level 1 Threshold:</b>	Up to	\$2,500,000	4.31%

*Potential Actions (To Be Determined During April 28 Study Session)*

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<b>Level 2 Threshold:</b>	Up to	\$5,000,000	8.62%
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*Potential Actions (To Be Determined During April 28 Study Session)*

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<b>Level 3 Threshold:</b>	Up to	\$7,500,000	12.93%
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*Potential Actions (To Be Determined During April 28 Study Session)*

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<b>Level 4 Threshold:</b>	Up to or over	\$10,000,000	17.24%
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*Potential Actions (To Be Determined During April 28 Study Session)*

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*\*Note: Thresholds are suggested guidelines only, but could also be adjusted if requested.*