



CITY OF MENIFEE

SUBJECT: City of Meniffee Fiscal Year 2022/2023 Budget Adoption

MEETING DATE: June 1, 2022

TO: Mayor and City Council

PREPARED BY: Margarita Cornejo, Financial Services Manager

REVIEWED BY: Wendy Preece, Deputy Finance Director

APPROVED BY: Armando G. Villa, City Manager

RECOMMENDED ACTION

1. Adopt a Resolution approving the Fiscal Year 2022/2023 Budget; and
2. Adopt a Resolution approving the GANN Appropriations Limit; and
3. Adopt a Resolution approving the Classification and Compensation Plan known as the Authorized Position Listing.

DISCUSSION

As a municipal government, the City of Meniffee currently operates on a Fiscal Year (FY) budget cycle of July 1st through June 30th. Each year the City prepares a budget plan identifying the projected revenues and expenditures for the upcoming fiscal year, analyzed, organized, and recommended to best serve the needs of the diverse Meniffee community.

In development of the annual budget, the City's principal foundation is to produce a recommended structurally balanced budget that deliberately concentrates on the City's strategic priorities and fiscal policies. The following key components of the process are reviewed and analyzed:

- Economic outlook and impacts to the proposed budget (national, regional, and local trends)
- Long Term Financial Planning
- Revenue Analysis (current year's trends, forecast increases/decreases or changes)
- Expenditure Analysis
- Staffing/personnel requests
- Proposed CIP Program and upcoming 5-Year CIP Program
- American Rescue Plan (ARP) Funds*
- Strategic Plan Implementation

*As presented in June 2021, the City has received just over \$13 million in direct federal assistance as part of the American Rescue Plan (ARP) program. Funding is to be used to address the impacts of COVID-19. This staff reports provides a summary of the City's ARP expenditures to date, and a preliminary plan for use of a portion of the remaining funds.

Budget Development Process & Timeline

The City's annual budget process/timeline is summarized in Table 1 below.

TABLE 1: Budget Development Timeline

| Description | Month |
|----------------------|--|
| Early January | Citywide Budget Kickoff Meeting |
| February | Preliminary Revenue Estimates |
| March-April | City Department Submittals & Review |
| April | Preliminary Budget Finalized |
| May | Quality of Life (Measure DD) Committee Meeting, Budget Workshop, Planning Commission |
| June | Budget Adoption |

Commission/Committee Recommendations

Annually, the Quality of Life (Measure DD) proposed budget is presented to the Quality of Life (Measure DD) Committee and the Capital Improvement Program (CIP) is presented to the Planning Commission for conformance to the City's General Plan.

Recommendations from the City's Commissions and/or Committees are included below as follows:

- On April 26, 2022, the Quality of Life (Measure DD) Committee voted 5-0 to recommend the City Council approve, as proposed, the Quality of Life (Measure DD) Budget for FY 2022/2023
- On May 11, 2022, the Planning Commission voted 4-0-1 to determine the FY 2022-23 Capital Improvement Program (CIP) is consistent with the City's General Plan (one commissioner absent).

Economic Outlook

The proposed FY 2022/2023 budget illustrates revenue projections and baseline projections for the new fiscal year reflective of continued economic growth, albeit at a more moderate pace, for the regional and local economy.

Nationally, the economy continues to face historic 40-year record inflation and price increases. As the economy faces the impacts of geopolitical conflicts affecting key markets, including the energy, steel, iron, wheat, and fertilizer, in conjunction with continued supply and labor market shortages and bottlenecks, overall economic forecasts point to strong but slowing economic growth, with anticipated 2022 of 4.3% and 2023 of 2.8% Gross Domestic Product (GDP) growth compared to the 2021 growth of 5.7% (UCLA Anderson Forecast, March 2022). Consumer

pessimism continues to increase as high inflation persists. As the Federal Reserve looks to reigning in inflation by increasing interest rates, the economy as a whole could experience decreased economic growth.

Regionally, the Inland Empire's labor market continues to steadily recover from the COVID-19 pandemic, adding 185,600 jobs since it hit bottom in April 2020 (gaining back roughly 83% of total jobs lost between February and April of last year), but has not fully recovered to pre-pandemic levels. The regional unemployment rate has improved to 6.2% but has not reached the 4% rate prior to the pandemic. Overall, the UCR Center for Economic Forecasting near-term outlook for business activity is positive with steady growth. Transportation and warehousing have particularly contributed to the region's recovery over the past year.

During FY 2021/2022, the City continues to experience consistent and robust growth in both residential and commercial development activity.

Economic conditions will continue to be closely monitored and factored during the implementation of the adopted Operating and Capital Budgets for FY 2022/2023. During the mid-year review process, tentatively scheduled for January/February 2023, the City will review any significant changes in economic conditions and their respective impact on the City's revenues.

Long Term Financial Planning

Year to year, and even in times of economic prosperity, the City's concerted approach to its spending plans continue to be that of fiscal prudence and assessing the needs of the Menifee community now and in the future. Therefore, in its budgetary oversight and implementation of the City's vision to build a safe, thriving and premier place to live, work and call home, the City consciously budgets in anticipation of what will be needed tomorrow, with key focus/efforts on the following:

- **Reserve Policy:** In September of 2021, Council reviewed the City's current Reserve Fund Policy and approved an update to increase the reserve percentage from 25% to 35%. Pursuant to the adopted revised policy, the City plans to review the policy every three (3) years, and tentatively has considered increasing the Reserve Fund percentage to 40% in FY2024/2025.
- **Unfunded Pension Liability:** The City proactively pays off any annual unfunded pension liability adjustments and currently does not have any outstanding unfunded pension liability balance. The proposed Fiscal Year 2022/2023 budget includes full payment of the City's pension liability of the upcoming fiscal year budgeted at \$438,522, an approximate increase of 13.45% or \$52,000 from last year's cost.
- **Infrastructure Needs:** With an adopted five-year CIP Program identifying over 150 projects and estimated at \$577 million, the City continues to strategize on funding the wide range of infrastructure needs, year by year.

Revenue Analysis

The top five budgeted revenue sources for the General Fund, inclusive of Quality of Life (Measure DD), consist of:

- Sales Tax, \$11,573,350 & Quality of Life (Measure DD), \$18,126,000

- Property Tax, \$19,131,508
- Franchise Fees, \$4,390,000
- Development Permitting Fees (Building, Fire Inspection, Engineering and Planning), \$13,615,000 and
- Vehicle License Fees (VLF), \$9,423,677

Together, these five revenue sources represent 88.61% of the recommended budgeted General Fund and Quality of Life (Measure DD) revenues.

Both Sales Tax and Property Tax revenue receipts have trended steady increases throughout the course of FY2021/22. In review for FY 2022/2023 projects, both are projected to experience increases from the FY2021/2022 adopted budget. Sales Tax is forecast to increase by 10.01%, or \$1.7 million higher. Property Tax is projected to increase by 10.01%, or \$1,740,414 from last year's adopted revenue amount. Sales Tax revenue continues to increase reflecting the overall good health of the local economy, as well as expanded businesses serving the Menifee community. Nationally, the impacts of inflation and rising prices are incorporated into a slower growth into 2023 (HdL projections (Sales and Property Tax Consultant)). Similarly, Property Tax revenue continues to experience consistent growth as existing and new residential and commercial property appreciate in value.

The Quality of Life (Measure DD) revenue continues to provide integral funding to the city serving as a key funding source for public safety and infrastructure services and projects. The proposed FY 2022/2023 budget reflects Quality of Life (Measure DD) revenue of \$18,126,000, a 22.67% or \$3.35 million increase from the adopted FY 2021/2022 budget. Forecast revenues reflect estimates based on year-to-date actual trends, with slower growth, to account for the impact of the overall national economy and inflationary situation.

Franchise Fee revenues, including electric, solid waste, and natural gas are forecast to increase by 10.16% or \$450,000 for the FY2021/22 adopted budget based on year-to-date actual trends. Solid Waste and electric franchise revenues, in particular, have experienced steady growth during the current year. Cable TV franchise revenue is projected to decrease based on historical trends as well as overall national trends of Cable TV customers transitioning to streaming services.

Development/Permitting Fee revenue is proposed as a small decrease from the FY2021/2022 adopted budget, of .53% or \$72,000. Revenue projections are conservative to allow for any development slowdown caused by inflation, rate increases, and price increases to building. Various commercial projects are anticipated to be constructed during FY2022/2023, as well as several industrial projects, currently under environmental review, that are expected to move through the entitlement process in the 3rd and 4th quarter of FY2022/2023. While the City's development activity continues to be busy through May, as FY 2022/2023 commences, staff will review any significant changes in development revenue and provide adjustment recommendations during the mid-year review process.

Expenditure Analysis

In development of the expenditure side of the budget plan, the City incorporates analysis of the following areas:

The total proposed FY2022/2023 General Fund and Quality of Life (Measure DD) budget expenditures are **\$86,059,273** consisting of the following two (2) main components.

- **Operating Budget (General Fund/Measure DD), Proposed FY2022/2023 \$85,459,273**
 - o Operations & Maintenance Costs
 - o Personnel Costs
 - o Contract Services
 - o Capital Outlays
- **Capital Budget (General Fund/Measure DD), Proposed FY2022/2023 \$600,000**
 - o Infrastructure Projects

The proposed FY2022/2023 Operating Budget (General Fund & Quality of Life (Measure DD) budget of \$85,459,273 reflects \$83,241,063 of recurring revenue and expenditures, reflecting a structurally balanced budget, and \$2,218,210 of one-time capital outlays, studies, and projects.

The most significant increase in the proposed Operating Budget is an increase to the fire contract services. The proposed budget for Fire is proposed to increase by \$3.8 million. The main cause of the increase is the addition of a new medic squad (adding three (3) firefighters (engineers), three (3) paramedics, related support staff, and the addition of one fire safety specialist to the Fire Marshal's office, and one EMS Specialist to support public safety outreach efforts.

Additionally, FY2022/2023 personnel costs for Menifee Police Department (PD) reflect full year costs of the updated workforce of 118 (91 sworn, 27 professional) as approved with the addition of 15 additional personnel during the FY 2021/22 mid-year budget review process.

Staffing/Personnel

As part of the annual budget process, departments review organizational structure and operations and identify any personnel needs required for the upcoming fiscal year.

The proposed FY 2022/2023 budget incorporates a total of 315.40 FTE (Full Time Equivalent) personnel, reflecting a net increase of 12.75 FTE.

TABLE 2: FY 2022/2023 New Personnel Requests

| Department | Position Title | FTE |
|-----------------------|-------------------------------|--------|
| City Executive Office | Public Information Specialist | 1.00 |
| Building & Safety | Permit Center Coordinator | 1.00 |
| Building & Safety | Building Inspector | (1.00) |
| Finance | Principal Accountant | 1.00 |

| Department | Position Title | FTE |
|--------------------------|--|--------------|
| Finance | Senior Accountant | 1.00 |
| Finance | Accountant Trainee | 1.00 |
| Finance | Administrative Assistant | 1.00 |
| Information Technology | Audio Visual (AV) Coordinator | 1.00 |
| Community Development | Part-Time Management Aide (Limited Term) (FUNDED THRU ARPA FUNDING TO SUPPORT HOME REPAIR ASSISTANCE PROGRAM) | 0.50 |
| Community Services | Park Maintenance Worker II (100% FUNDED BY SPECIAL DISTRICTS (LLMD/CFD)) | 1.00 |
| Community Services | Facilities Maintenance Worker II | 1.00 |
| Community Services | Part-Time Community Services Specialist | 2.25 |
| Public Works/Engineering | Senior Engineer (Part-Time) | 0.50 |
| Public Works/Engineering | Assistant Engineer | 1.00 |
| Public Works/Engineering | Fleet Services Worker | 1.00 |
| Public Works/Engineering | Building Project Manager(Retired Annuitant) | (0.50) |
| TOTAL | | 12.75 |

The new personnel requests reflect staffing needs in the following areas:

- **Communications** (City Executive Office & Information Technology (IT)) - As the City continues to expand its direct communication efforts with the Menifee community, the new personnel would directly support multi-media programming and outreach efforts, including development of the City's Public, Education and Government (PEG) Access Channel.
- **Financial Accounting & Reporting** (Finance Department) - As the City's operations and services continue to expand to meet the needs of the growing community, the quantity of financial transactions, support and reporting requirements also continues to increase. The requested positions will provide support to the City's Finance Department, who process transactions for all City departments and employees, of which have increased by 188.44 FTE employees from 126.96 FTE in FY18/19 (prior to opening the City's Municipal Police Department) to the Proposed total of 315.40 FTE for FY22/23.
- **Community Programs/Services** (Community Services and Community Development) – Additional part-time and/or limited personnel staffing focused on providing direct staffing support to City recreation/programming services, park/landscape maintenance, as well as implementation of a home repair assistance program for income qualified households.
- **Engineering Support** (Engineering/Public Works) - Additional staffing requested to support high volume activity of both the land development engineering and CIP program divisions.

- **Internal Service - Fleet & Facilities Support** (Fleet/Public Works) & Facilities/Community Services) - Additional staff requested shall provide support to the Fleet and Facilities divisions as the number of vehicles/equipment and facilities maintained by the City has increased over the past year.
- **Building & Safety Permitting Services Support** (Building & Safety Department) – One (1) Building Inspector position will be eliminated and replaced with a Permit Center Coordinator to help augment the permitting services support already in place.

Lastly, several departments have submitted personnel reclassification requests as part of the budget process. The proposed FY2022/2023 budget includes the fiscal impact of the requested reclassifications. However, approval of the reclassifications would be contingent on further review/evaluation by the City Executive Office and Human Resources Department.

Proposed FY2022/2023 CIP Program

The proposed FY2022/2023 CIP Program includes 25 projects for a total cost of \$18,329,003. The proposed projects address high priority infrastructure needs of the community. The following tables summarize the proposed FY2022/2023 CIP Program and Five-Year CIP Program (FY2022/2023 through FY2026/2027) by Project Category:

TABLE 3: Proposed FY2022/2023 CIP Budget Summary By Project Category

| PROJECT CATEGORY | # OF PROJECTS | FY 2022/2023 PROJECT COSTS |
|-------------------------------|---------------|----------------------------|
| Transportation | 6 | \$10,626,766 |
| Traffic Signals | 2 | 304,201 |
| Street Improvements | 3 | 500,626 |
| Pavement Management | 6 | 4,284,410 |
| Drainage | 0 | 0 |
| Streetlight | 1 | 100,000 |
| Public Facilities | 3 | 1,963,000 |
| Parks, Trails, and Recreation | 4 | 550,000 |
| | 25 | \$18,329,003 |

TABLE 4: Proposed Five-Year (FY2022/2023 - FY2026/2027) CIP Budget Summary By Project Category

| PROJECT CATEGORY | # OF PROJECTS | FY 2021-2026 PROJECT COSTS |
|---------------------|---------------|----------------------------|
| Transportation | 31 | \$343,723,175 |
| Traffic Signals | 23 | 17,225,632 |
| Street Improvements | 26 | 20,493,291 |
| Pavement Management | 23 | 23,822,591 |
| Drainage | 9 | 18,763,000 |
| Streetlight | 4 | 2,600,000 |

| | | |
|-------------------------------|------------|----------------------|
| Public Facilities | 15 | 121,115,000 |
| Parks, Trails, and Recreation | 19 | 30,055,620 |
| | 150 | \$577,798,309 |

American Rescue Plan (ARP) Funds

On March 11, 2021 Congress and the executive branch, passed the \$1.9 trillion American Rescue Plan (ARP) economic stimulus plan intended to address the on-going impacts of the unprecedented COVID-19 pandemic. All local governments, including the City of Menifee received direct funding to help bridge budget shortfalls and mitigate the impacts of COVID-19.

The Act provides that the funds can be used for COVID-19 related expenses incurred between March 3, 2021 and December 31, 2024. Use of funds can be generally categorized into six (6) principal categories:

- 1. Support Public Health Response** - Fund COVID-19 mitigation efforts, medical expenses, behavioral healthcare, and certain public health and safety staff.
- 2. Replace Public Sector Revenue Loss** - Provide government services to the extent of the reduction in revenue experienced due to the pandemic. Revenue Loss is defined by Department of Treasury as a standard allowance of \$10 million, or revenue loss using the established Federal formula.
- 3. Water & Sewer Infrastructure** - Make necessary investments to improve access to clean drinking water and invest in wastewater and stormwater infrastructure.
- 4. Address Negative Economic Impacts** - Respond to economic harm to workers, families, small businesses, impacted industries, and the public sector.
- 5. Premium Pay for Essential Workers** - Offer additional support to those who have and will bear the greatest health risks because of their service in critical sectors.
- 6. Broadband Infrastructure** - Make necessary investments to provide unserved or underserved locations with new or expanded broadband access.

The City of Menifee has been allocated a total of \$13,213,674 in ARP funding. The first half (tranche), \$6,606,837, was received in June 2021, and the second half is anticipated to be received in June 2022. To date, ARP funds have been used for the following purposes:

TABLE 5: American Rescue Plan (ARP) Approved Expenditures Through FY2021/22 Mid-Year

| CATEGORY | PROJECT DESCRIPTION | AMOUNT (\$) |
|--|--------------------------------------|-------------|
| Support Public Health Response | Menifee PD: Micro-Robots | \$9,999 |
| Replace Public Sector Revenue Loss (Government Services) | FY2021/22 Salaries (Personnel Costs) | 3,616,644 |

| CATEGORY | PROJECT DESCRIPTION | AMOUNT (\$) |
|--|---|--------------------|
| Replace Public Sector Revenue Loss (Government Services) | Human Resources: Neo-Gov Training Module | 61,513 |
| Replace Public Sector Revenue Loss (Government Services) | Information Technology: Smart Cities & Broadband Master Plan | 162,050 |
| Support Public Health Response | Mass Notification System - Would provide a dedicated system/solution to communicate with public regarding public health (Covid-19) updates and other emergency alerts | \$120,000 |
| Water & Sewer Infrastructure | Holland Road Sewer & Recycled Water Improvements - Adding recycled water/sewer components for existing properties. | 500,000 |
| Replace Public Sector Revenue Loss (Government Services) | Business Façade Improvement Program - Provides direct economic support to businesses to beautify and improve the exterior of business sites. | 500,000 |
| Support Public Health Response | City Hall/PD HQ Enhanced Cleaning Services, PPE, Masks, Covid-19 Testing etc. | 167,459 |
| Replace Public Sector Revenue Loss (Government Services) | Purchase of City facility - Provides an opportunity to use funding as one-time use to help address/alleviate spacing needs. | 969,863 |
| TOTAL | | \$6,107,528 |

Plan for Use of Remaining Funds, \$7,106,146

In February 2022, the Department of Treasury issued the corresponding Final Rule, outlining the governing requirements for the use of ARP funds.

Intended Use

The City has wide latitude for use of the funds, with the exception of some purposes such as pension payments that are restricted or not allowable. The City may direct that the funds are used for structural or ongoing uses, such as authorizing staffing, or for one-time uses in recognition that the funding provided under the Act is one-time money, or some combination of purposes.

Structural Use

The typical recommendation for one-time money is not for structural uses. However, the most recent recession experienced included a fairly rapid return of lost revenues and there is a reasonable expectation that the post-pandemic recovery will behave similarly, particularly for revenues such as the transient occupancy tax, i.e., hotel tax.

One-time Use

At the discretion of the City Council, one-time money may be used for discrete projects rather than structural uses. Examples may include updates to facilities to prepare for post-pandemic uses. This option may also be combined with the structural use.

As part of the FY2022/23 budget, staff is recommending using ARP funds for the following high priority projects:

TABLE 6: American Rescue Plan (ARP) Proposed FY2022/2023

| CATEGORY | PROJECT DESCRIPTION | AMOUNT (\$) |
|--|--|--------------------|
| Replace Public Sector Revenue Loss (Government Services) | Provide general government services (public safety personnel costs) to provide maximum spending flexibility. | \$2,010,210 |
| TOTAL | | \$2,010,210 |

Including Tables 5 and 6, the remaining balance of ARP funds would be \$5,095,936.

As the City navigates the impacts of Covid-19, short and long-term, the City's plan and strategy for the use of these funds is a phased approach/plan and to maximize the use of the funding and truly meet the needs of the community. Cognizant of the requirements to expend all funding by December 2024, the City's approach is fiscally conservative. Further, recognizing that these funds cannot be used for pension debt or reserves, but can be used to provide general government services (replace revenue loss as defined by the Department of Treasury), the City intends to use the funding for high priority projects/program and/or services. As the City develops its' upcoming budget, the use of ARP funds will continue to be reviewed with specific recommendations brought for Council consideration and approval.

Strategic Plan Implementation:

In the development of the recommended FY2022/2023 budget, staff considered the City Council's Strategic Plan (2018 - 2023) goals and has addressed them in the following ways:



**Safe &
Attractive
Community**



**Livable &
Economically
Prosperous
Community**



**Responsive &
Transparent
Community
Government**



**Accessible &
Interconnecte
d Community**

- Increased staffing for critical areas including public safety (fire services).
- Expanded communication efforts concentrated on meeting the needs of the diverse Menifee community.
- Increased staffing in Finance to support all City services and operations, and continue City's efforts as a responsive and transparent community government.
- Strategic Plan specific action items have been incorporated as part of the FY2022/2023 budget.

Recommended FY2022/2023 Budget Summary

At the budget workshop held on May 4, 2022, City Council reviewed the proposed FY 2022/2023 Budget, including the capital improvement projects, for the City of Menifee.

City-wide Budget:

The proposed Citywide FY 2022/2023 budget, a financial plan of expenditures, totals \$129,329,033 for all funds as detailed below, and supports 315.40 (289 full-time and 26.4 part-time) positions. The City's General Fund operating budget, inclusive of Quality of Life Measure (previously known as Measure DD), totals projected revenues, transfers In and one-time Use of Fund Balance of \$86,059,273 and total projected expenditures and capital projects of \$86,059,273, resulting in a balanced budget.

General Fund & Quality of Life (Measure DD) Revenues:

The total General Fund Revenues are proposed at \$64,913,063 (exclusive of Quality of Life Measure) with an additional \$3,020,210 in transfers in from various funds for a total of \$67,933,273. The anticipated revenues from Quality of Life Measure (Measure DD) are \$18,126,000.

| FUND | PROPOSED REVENUES |
|-------------------------|---------------------|
| General Fund | \$64,913,063 |
| Quality of (Measure DD) | 18,126,000 |
| Transfers In | 3,020,210 |
| | \$86,059,273 |

General Fund & Quality of Life (Measure DD) Expenditures:

The General Fund Operating Expenditure Budget for FY 2022/2023 (exclusive of Quality of Life Measure) is proposed at \$65,115,063 with an additional \$2,818,210 in capital projects/outlays for total expenditures of \$67,933,273. The Quality of Life Measure Operating Expenditure Budget for Fiscal Year 2022/2023 is estimated at \$18,126,000. The total general fund expenditures, inclusive of Quality of Life Measure, of \$86,059,273 represents an increase of 14.9% from the adopted FY 2021/2022 budget and a decrease of 15.7% from the adjusted FY 2021/2022 budget.

| FUND | PROPOSED EXPENDITURES |
|---------------------------------|-----------------------|
| General Fund (Operating Budget) | \$65,115,063 |
| General Fund (Capital Project) | 2,818,210 |
| Quality of (Measure DD) | 18,126,000 |
| | \$86,059,273 |

A copy of the total document is attached as well as being available at the City Clerk's office and on the City's website.

Total proposed appropriations by fund, for the FY 2022/2023 Budget are listed below:

TABLE 7: Proposed FY2022/2023 Citywide Budget Summary

| Fund | Fund Name | Expenditures | Revenues |
|------|--------------|--------------|--------------|
| 100 | General Fund | \$67,933,273 | \$67,933,273 |

| Fund | Fund Name | Expenditures | Revenues |
|-------------|---|---------------------|-----------------|
| 105 | Measure DD Transaction Tax Fund | 18,126,000 | 18,126,000 |
| 110 | Information Technology | 5,932,274 | 4,797,465 |
| 115 | Fleet Services | 2,732,447 | 2,383,447 |
| 116 | Facility Maintenance Services | 893,421 | 893,421 |
| 200 | Gas Tax | 2,986,125 | 2,901,537 |
| 201 | SB 1 ROAD MAINTENANCE REHAB FUND | 2,915,000 | 2,273,309 |
| 220 | Measure A | 3,044,786 | 2,646,500 |
| 240 | SLESF | 152,000 | 152,000 |
| 280 | AQMD | 160,000 | 116,725 |
| 301 | Grant Fund | 2,010,210 | 2,025,210 |
| 310 | TUMF Fees Fund | - | - |
| 320 | Capital Projects | 2,474,099 | 2,484,099 |
| 340 | Public, Education and Governmental Access | 40,000 | 143,500 |
| 350 | Trust fund | - | - |
| 370 | L&LMD 89-1 C Zone 3 | 336,303 | 336,303 |
| 371 | L&LMD 89-1 C Zone 25 | - | 500 |
| 372 | L&LMD 89-1 C Zone 27 | 15,154 | 15,154 |
| 373 | L&LMD 89-1 C Zone 37 | 46,410 | 46,410 |
| 374 | L&LMD 89-1 C Zone 38 | 47,692 | 47,692 |
| 375 | L&LMD 89-1 C Zone 44 | 85,745 | 85,744 |
| 376 | L&LMD 89-1 C Zone 47 | 13,706 | 11,622 |
| 377 | L&LMD 89-1 C Zone 49 | 1,892 | 1,892 |
| 378 | L&LMD 89-1 C Zone 60 | - | - |
| 379 | L&LMD 89-1 C Zone 63 | 12,616 | 12,616 |
| 380 | L&LMD 89-1 C Zone 69 | 59,407 | 59,407 |
| 382 | L&LMD 89-1 C Zone 77 | 23,063 | 23,063 |
| 383 | L&LMD 89-1 C Zone 81 | 45,378 | 45,378 |
| 384 | L&LMD 89-1 C Zone 113 | 4,589 | 7,136 |
| 385 | L&LMD 89-1 C Zone 114 | 4,135 | 5,640 |
| 386 | L&LMD 89-1 C Zone 117 | 11,914 | 11,914 |
| 387 | L&LMD 89-1 C Zone 118 | 5,723 | 5,723 |

| Fund | Fund Name | Expenditures | Revenues |
|-------------|---------------------------------|---------------------|-----------------|
| 388 | L&LMD 89-1 C Zone 121 | 5,103 | 5,103 |
| 389 | L&LMD 89-1 C Zone 129 | 3,719 | 3,719 |
| 390 | L&LMD 89-1 C Zone 130 | 14,725 | 16,375 |
| 391 | L&LMD 89-1 C Zone 133 | 126,722 | 126,722 |
| 392 | L&LMD 89-1 C Zone 163 | 874 | 874 |
| 393 | L&LMD 89-1 C Zone 167 | 28,483 | 28,483 |
| 394 | L&LMD 89-1 C Zone 176 | 6,360 | 6,360 |
| 395 | L&LMD 89-1 C Zone Group 4 | 18,358 | 18,358 |
| 397 | L&LMD 89-1 C STL Zone 49 | - | - |
| 410 | Scott Road-RBBD | - | 203,500 |
| 415 | Menifee Valley-RBBD | 2,800,000 | 1,020,000 |
| 420 | CSA 33 | 6,510 | 6,510 |
| 430 | CSA 43 | 8,279 | 4,250 |
| 440 | CSA 80 | - | - |
| 450 | CSA 84 | 535,166 | 535,166 |
| 460 | CSA 86 | 391,298 | 319,908 |
| 470 | CSA 138 | 6,689 | 6,689 |
| 480 | CSA 145 | 1,022,484 | 1,022,484 |
| 481 | CDBG Grant | 537,438 | 520,000 |
| 490 | Audie Murphy Ranch CFD | 1,960,381 | 2,170,038 |
| 491 | Hidden Hills CFD | 274,889 | 274,889 |
| 492 | 2014-1 Town Center CFD | 16,404 | 16,404 |
| 493 | 2014-2 Commerce Point CFD | 10,159 | 9,505 |
| 494 | CFD 2017-1 Maintenance Services | 229,262 | 229,262 |
| 500 | DIF 16 - Public Facilities | - | 35 |
| 501 | DIF 16 - Fire | - | 20 |
| 502 | DIF 16 - Signals | - | 40 |
| 503 | DIF 16 - Parks | - | 10 |
| 504 | DIF 16 - Trails | - | 5 |
| 505 | DIF 16 - Library | - | 5 |
| 506 | DIF 16 - Admin | - | - |

| Fund | Fund Name | Expenditures | Revenues |
|-------------|--|---------------------|-----------------|
| 507 | DIF 17 - Public Facilities | - | 500 |
| 508 | DIF 17 - Fire | - | 4,500 |
| 509 | DIF 17 - Roads | 132,121 | 7,500 |
| 510 | DIF 17 - Signals | - | 50 |
| 511 | DIF 17 - Parks | - | 3,000 |
| 512 | DIF 17 - Trails | - | 3,500 |
| 513 | DIF 17 - Library | - | 5,000 |
| 514 | DIF 17 - Admin | - | 300 |
| 516 | Paloma Wash | | 3 |
| 520 | DIF Citywide - Public Use & Community Fa | 263,000 | 100,500 |
| 521 | DIF Citywide - Fire Facilities | 881,701 | 402,500 |
| 522 | DIF Citywide - Park Improvements | 200,000 | 352,000 |
| 523 | DIF Citywide - Library | - | 50,150 |
| 524 | DIF Citywide - General Govt (Fac,Veh,Equ | 1,000,000 | 403,500 |
| 525 | DIF Citywide - Law Enforcement | - | 151,000 |
| 526 | DIF Citywide - Circulation | 3,822,500 | 3,020,000 |
| 527 | DIF Citywide - Storm Drain Facilities | 600,000 | 202,500 |
| 528 | DIF Citywide - Animal Shelter | 185,878 | 100,000 |
| 529 | DIF Citywide - Land Acquisition | - | 400 |
| 530 | DIF Citywide - Master Plan & Nexus Analy | - | 10,000 |
| 590 | TRIP Debt Service | 1,750,825 | 1,750,825 |
| 600 | Veteran's Memorial | - | 2 |
| 620 | Local Park | 200,000 | 200,150 |
| 621 | 2015-2 Citywide Graffiti | 6,046 | 6,046 |
| 622 | 2015-2 Citywide Parks | 266,835 | 266,835 |
| 623 | 2015-2 Citywide Trails | 3,350 | 3,350 |
| 624 | 2015-2 Citywide Landscape Medians | - | - |
| 630 | 2015-2 Original Zone #1 | 371,008 | 371,008 |
| 631 | 2015-2 Annexation #1 Zone #2 | - | - |
| 632 | 2015-2 Annexation #2 Zone #3 | 5,010 | 5,001 |
| 633 | 2015-2 Annexation #3 Zone #4 | 384 | 384 |

| Fund | Fund Name | Expenditures | Revenues |
|-------------|---------------------------------|---------------------|-----------------|
| 634 | 2015-2 Annexation #4 Zone #5 | 5,745 | 5,745 |
| 636 | 2015-2 Annexation #6 Zone #7 | 109,851 | 130,562 |
| 637 | 2015-2 Annexation #7 Zone #8 | 25,774 | 25,774 |
| 638 | 2015-2 Annexation #8 Zone #9 | 16,891 | 16,891 |
| 639 | 2015-2 Annexation #9 Zone #10 | 5,617 | 5,617 |
| 640 | 2015-2 Annexation #10 Zone #11 | 1,456 | 1,456 |
| 641 | 2015-2 Annexation #11 Zone #12 | 136,984 | 167,016 |
| 642 | 2015-2 Annexation #12 Zone #13 | 55,802 | 55,802 |
| 643 | 2015-2 Annexation #13 Zone #14 | 11,611 | 11,611 |
| 644 | 2015-2 Annexation #14 Zone #15 | 4,297 | 4,297 |
| 645 | 2015-2 Annexation #15 Zone #16 | - | - |
| 646 | 2015-2 Annexation #16 Zone #17 | 6,855 | 6,855 |
| 647 | 2015-2 Annexation #17 Zone #18 | 37,976 | 37,976 |
| 648 | 2015-2 Annexation #18 Zone #19 | 16,671 | 16,671 |
| 649 | 2015-2 Annexation #19 Zone #20 | 263,486 | 263,486 |
| 651 | 2015-2 Annexation #20 Zone #21 | 23,904 | 23,904 |
| 652 | 2015-2 Annexation #21, Zone #22 | 6,116 | 6,116 |
| 653 | 2015-2 Annexation #22, Zone #23 | 8,391 | 8,391 |
| 654 | 2015-2 Annexation #23, Zone #24 | 16,769 | 16,769 |
| 655 | 2015-2 Annexation #24, Zone #25 | 6,002 | 6,002 |
| 656 | 2015-2 Annexation #25, Zone #26 | - | - |
| 658 | 2015-2 Annexation #28, Zone #28 | 27,401 | 27,401 |
| 659 | 2015-2 Annexation #29, Zone #29 | 165,700 | 165,700 |
| 660 | 2015-2 Annexation #30, Zone #30 | 4,893 | 4,893 |
| 662 | 2015-2 Annexation #32, Zone #32 | - | - |
| 663 | 2015-2 Annexation #33, Zone #33 | 6,177 | 8,269 |
| 664 | 2015-2 Annexation #34, Zone #34 | 1,772 | 1,772 |
| 665 | 2015-2 Annexation #35, Zone #35 | 3,601 | 25,878 |
| 666 | 2015-2 Annexation #36, Zone #36 | 4,826 | 4,826 |
| 672 | 2017-1 Annexation #1, Zone #2 | 38,894 | 38,894 |
| 673 | 2017-1 Annexation #2, Zone #3 | 58,447 | 86,525 |

| Fund | Fund Name | Expenditures | Revenues |
|--------------------|---|----------------------|----------------------|
| 674 | 2017-1 Annexation #4, Zone #4 | 123,789 | 230,578 |
| 675 | 2017-1 Annexation #5, Zone #5 | 72,582 | 72,582 |
| 678 | 2017-1 Annexation #8, Zone #8 | 3,650 | 89,742 |
| 679 | 2017-1 Annexation #9, Zone #9 | 17,620 | 75,810 |
| 720 | CFD 2019-1 Meadow Run Capital Projects | - | - |
| 721 | CFD 2020-1 McCall Mesa Capital Projects | - | - |
| 722 | CFD 2020-2 Del Oro Capital Projects | - | - |
| 750 | CFD 2019-1 Meadow Run Custodial Fund | 181,076 | 128,076 |
| 751 | CFD 2020-1 McCall Mesa Custodial Fund | 53,000 | 391,592 |
| Grand Total | | \$129,328,947 | \$123,721,377 |

The proposed Citywide budget is \$123,721,377 in revenues and transfers in and \$129,328,947 in expenditures and transfers out. Citywide budget expenditures, in particular with respect to CIP related expenditures, reflect deliberate use of fund balance(s) for larger projects.

STRATEGIC PLAN OBJECTIVE

Responsive and Transparent Community Government

FISCAL IMPACT

The budget, when adopted, establishes a financial plan of expenditures based on the goals set by City Council. Fiscal Year 2022/2023 General Fund revenues and transfers-in are \$86,059,273, expenditures and transfers-out are \$86,059,273, representing a balanced Budget that serves the community and supports the City's strategic priorities. The proposed Citywide budget is \$123,721,377 in revenues and transfers in and \$129,328,947 in expenditures and transfers out. Citywide budget expenditures, in particular with respect to CIP related expenditures, reflect deliberate use of fund balance(s) for larger projects.

ATTACHMENTS

1. Draft Budget Book FY 2022/2023
2. Budget FY 2022/2023 Resolution
3. GANN Resolution
4. GANN Appropriation Limit Calculation FY 2022/2023
5. Class & Comp Resolution
6. Exhibit A – FY 2022/2023 Authorized Position Listing