



CITY OF SONOMA & SUCCESSOR AGENCY

OPERATING AND CAPITAL BUDGET FISCAL YEAR 2022-23



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ACKNOWLEDGEMENTS



SONOMA CITY COUNCIL

Jack Ding, Mayor
Kelso Barnett, Vice Mayor
Madolyn Agrimonti, Council Member
Robert Felder, Council Member
Sandra Lowe, Council Member

This Fiscal Year 2022-23 City of Sonoma budget is prepared and submitted to the City Council by City staff on behalf of the Sonoma community. The preparation of a City budget is the product of a team. Much appreciation to the following staff for their talents, dedication and work to prepare this document and to deliver the services and initiatives contained here.

SONOMA BUDGET TEAM

Susan Casey, Interim City Manager
Steve Akre, Fire Chief
Rebekah Barr, City Clerk
Mike Berger, Public Works Director
Elizabeth Garcia, Deputy Finance Director
Oriana Hart, Public Works Administrative and Project Manager
Ryan Kodama, Accountant
Chris Pegg, Public Works Operations Manager
Orlando Rodriguez, Police Chief
David Storer, Planning and Community Services Director
Wayne Wirick, Development Services Director/Building Official

CITY MANAGER MESSAGE





CITY MANAGER MESSAGE

Fiscal Year 2022/23 OPERATING & CAPITAL BUDGET

June 1, 2022

To Mayor Ding and Members of the City Council:

On behalf of the City staff, I am pleased to present to you the Fiscal Year 2022/23 Operating and Capital Budget for the City of Sonoma.

The City's Operating and Capital Budget is a policy document which sets the financial course for the City of Sonoma and defines the service priorities provided to the community. The budget document provides a comprehensive overview of City proposed services and projects for the fiscal year that begins July 1, 2022. The budget identifies the City's organizational structure and staffing, includes program descriptions and recent accomplishments, provides an overview of the City's financial condition, and summarizes budget priorities and issues.

Overview

The budget for the City of Sonoma and the Sonoma Successor Agency for FY 2022/23 includes a combined Operating and Capital Improvement Program (CIP) Budget of \$38,719,925.75. This budget represents a spending plan that balances the need to be responsive in providing services to residents, businesses, and visitors within the limits of available resources.

In March 2020, the City issued an emergency proclamation in response to the worldwide coronavirus pandemic, activated the City's EOC, responded to numerous public health orders and shelter-in-place requirements, and began assisting with recovery for City businesses and the community at large. The City moved to have some staff working from home and adjusted new communication and business operations for the public. City staff also provided extensive support to the Food Security Task Force, Hearts for Art, business information and assistance, the Sonoma Valley SAFE program, and general business reopening and recovery.



Public Works continued daily maintenance of City streets, bike paths, parks, cemeteries, and our water system while following complex coronavirus safety protocols, supported food distribution sites and Farmers Markets, and followed the changing orders for access and use of City parks and open space. In addition, management staff began analyzing and preparing financial planning documents to help problem solve through the uncertainty brought on by the pandemic and how it would affect the City's revenues for the next few years.

With its tourism-based local economy, the City of Sonoma relies heavily on revenues that were significantly impacted by the pandemic. While FY 19/20 began with a balanced budget, steep drops in hotel and sales taxes for the 4th quarter (April – June) led to an estimated revenue shortfall of more than \$2M. In May 2020, the City Council approved a plan to reduce expenditures by cutting spending wherever

possible and deferring one-time projects. With these cuts, **actuals for FY 19/20 (unaudited) show a year-end operating deficit of approximately \$316,000**, which will be funded with financial reserves.

After using a projected \$316,000 of reserves in FY 19/20, General Fund Reserves at the beginning of FY 20/21 totaled \$9.0 million. The FY 20/21 General Fund adopted budget assumed a further use of \$2 million to balance the budget, which would have drawn down reserves to \$7.0 million by June 30, 2021. **Projected actuals for FY 20/21 indicate there will be a year-end operating deficit of approximately \$1.2 million.** This deficit, which is approximately \$800,000 less than the FY 20/21 budgeted deficit, will reduce reserves to \$7.8 million at June 30, 2021.

About Reserves. To meet the challenge of balancing the budget in this time of extreme economic uncertainty, the adopted budget for FY 20/21 used a combination of spending reductions and a drawdown of reserves. Council and staff felt that the use of reserves was an appropriate and important part of the budget solution for the pandemic emergency affecting the City's financial situation.

As a result of years of fiscal prudence, the City has developed healthy financial reserves, which function as savings accounts or "rainy-day" funds. The portion of this "rainy-day" fund that is designated for Emergency Reserve helps fund the costs of responding to a major fire, earthquake, or pandemic. The Operating Reserve portion is designated to help mitigate the effects of economic downturns on City services and allow time to adjust operations accordingly. Any remaining portions of the reserve balance are available for one-time projects and to restore the emergency and operating reserves to their target levels.

Optimism and Signs of Recovery. The FY 21/22 budget was prepared and adopted when much of the pandemic related economic impacts on the City's tourism-based economy was still unknown. Although the COVID-19 vaccine had just been made available to many, indoor dining limitations were being lifted, and hotels were seeing increases in bookings as visitors were anxious for the in-person experiences such as wine-tasting, eating out and shopping, the risks of another COVID-19 variant, surge, possible fire, and smoke related shutdowns were all considered as the budget was prepared. Therefore, the original FY 21/22 budget had very conservative tourism related revenues for sales tax and transient occupancy tax, (TOT).

The \$1.9 trillion American Rescue Plan Act (ARPA) was signed into law on March 11, 2021. At the time the FY 21/22 budget was adopted, it was still unclear as to the exact amount of funding, and when the funds would be received by the City, so the revenue was not included in the adopted Budget. The approximated funding of \$2.6 million was discussed at the June 22, 2021 Budget Adoption Hearing and Council decided that the revenue, when received, would be used to offset expenses such that the use of reserves during the previous two fiscal years would be restored. The first half of the \$2.6 million in funding (\$1.3 million) was received on July 13, 2021. The second half of the funding will be received in July 2022. The FY 21/22 mid-year budget adjustments include an increase in revenues of \$1.3. There are restrictions on the use of this revenue. The funds cannot be used to directly replenish reserves, but the funding can be allocated to offset projects and expenses currently budgeted in the FY 21/22 General Fund budget.

The first half of FY 21/22 saw dramatic increases in both sales tax and TOT, with TOT seeing the most significant growth. FY 21/22 year-end projections are indicating actual revenues may be approximately \$3.8 million more than originally budgeted, (this includes the \$1.3 million in ARPA funding), with TOT and Sales Tax providing the additional increases. Projected expenditures show an increase of \$447,629 over the original budget. This increase is primarily due to a Fire District labor agreement increase of \$139,110 and an increase of \$198,310 for the 1% TOT transfer out to the Housing Trust Fund, (which is a direct offset to the TOT revenue increase). The Fire District labor cost increase will be partially offset by a revenue increase of \$95,753 that the City received from the Office of Emergency Services (OES) for the use of a City owned Fire truck during the 2021 Fire Season.

Based on FY 21/22 year-end projected General Fund revenues of \$24,178,262, (18.96% more or \$3,853,932) and projected General Fund expenditures of \$22,308,986, (2.05% more or \$447,629), than originally budgeted, it appears there will be an excess of revenue over expense of \$1,869,276. Although this surplus is in part due to the Federal Stimulus ARPA funding of \$1,318,588, it certainly reflects the continued and pronounced economic recovery from the COVID-19 pandemic and is in contrast to the original and conservative FY 21/22 budget, which forecasted a **use** of **\$1,537,026.92** of reserves. As there are restrictions on the use of the \$1.318,588 ARPA funding, it will be allocated to offset allowable projects and expenses currently budgeted in the FY 21/22 General Fund budget. The \$1.8 million surplus will then be apportioned to replenish the General Fund Reserve balance.

Moving to today, the FY 22/23 budget development included:

- A detailed analysis of the pandemic’s actual impacts on FY 19/20 and FY 20/21;
- Projections of revenue and expense for FY 21/22; and
- Updating the five-year forecast for the City’s General Fund to understand how the pandemic affected the City’s use of reserves and to determine when the City will begin to see a recovery and return to a balanced operating budget.

General Fund Five-Year Forecast

A multi-year General Fund forecast is an important tool for informing decisions that affect long-term financial sustainability. A year ago, with the FY 21/22 budget, staff prepared and included the presentation of a five-year forecast to assist the City Council with its decision process for the FY 21/22 proposed budget.

A Financial forecast is:

- A way to identify trends in revenues and expenditures to see impacts and plan for adjustments over time.
- A tool to inform decision making affecting long-term financial sustainability.
- Dynamic (regularly updated based on new information)
- A starting point or baseline

A Financial forecast is not:

- A budget
- A labor relations plan
- A one-time endeavor
- "What Will Be"

A Forecast gives you the ability to look at the horizon so that you can adjust course.

Although the City’s financial outlook is constantly evolving based on new information and actions that were taken to deal with ever evolving public health orders, the Forecast provides a framework for identifying trends and critical issues and serves as a baseline for budget decisions and financial planning. To be clear, a Forecast and its assumptions are based on the best information available at the time, however today’s health and economic emergencies create unprecedented levels of uncertainty.

The Forecast reflects informed estimates by city staff and consultants regarding trends in revenues and expenditures. There are a significant number of unknowns and new information that may affect the Forecast arrives on a weekly if not daily basis.

There are reasons for optimism.

- Tourists have returned to Sonoma in full force. Hotels reported close to 80% occupancy rates for July through November 2021, (the busy season), close to 60% occupancy during the slower months of December 2021 through March 2022 with April 2022 back up to 82% occupancy. Predictions for May – June 2022 are at 80% or above.
- Hotels are reporting a return of corporate bookings as well as international travelers.
- Although staffing remains a major problem for the restaurants and hotels, there has been a slight increase in eligible employees returning to the workforce.
- While new COVID-19 cases are on the rise, the overall level of hospitalizations remains very low at this time.
- Event bookings for the Plaza have returned to pre-pandemic levels.
- By many metrics, the U.S. economy is chugging along at a healthy clip. The latest readings on some key economic indicators are all good — unemployment is low, quarterly profits are high, home construction is up, retail sales continue to grow, and the gross domestic product showed solid growth.
- Despite the recent increase in fuel costs, the state's hospitality and tourism industries will benefit from the "huge pent-up demand for travel" now that few COVID-related restrictions remain in effect.

There are also reasons for prudence.

- There are still unknowns with COVID-19 and future variants.
- Drought is a major issue in CA and wild-fire potential is strong.
- The recent surge in inflation, caused by supply chain issues and the war in Ukraine, could eventually trigger a downturn in the economy.
- In response to the rise in inflation, the Federal Reserve is starting to raise interest rates making it more expensive to borrow money.
- The Federal Reserve's goal with higher interest rates is to apply the brakes to an increasingly growing economy and inflation and to hopefully forestall a recession.
- Some leading economists are predicting a recession, even with the Federal Reserve's intervention, but most feel it will not occur until late 2023 or early 2024, and that it will only be a mild downturn in the economy.

Further details are in the General Fund Five-Year Forecast and in the Financial Summary Portion of the budget.

FY 22/23 GENERAL FUND OPERATING BUDGET

Overall

The General Fund Operating budget for the City of Sonoma for FY 22/23 is \$23,629,236 including transfers. Table 1 is a summary chart for the FY 22/23 General Fund Budget.

Table 1 - FY 22/23 General Fund Budget Summary

FY 22/23 Budget - General Fund	
Revenues	\$25,514,945
Expenditures	\$23,629,236
Surplus	\$1,885,709

Strategy

It is important to remember that a budget is a plan. The City Council can modify and adapt the budget as we proceed through the fiscal year.

The FY 22/23 Budget will be an active “plan” with proactive monitoring and review. Currently the City is in negotiations with SEIU Local 1021, its only represented group. The SEIU and the Non-Represented Executive, Management, Administrative and Confidential MOUs expire 06/30/22. As negotiations are not yet complete, a 3.5% salary increase, and a 5% medical benefit increase was added to the FY 22/23 budget as a placeholder.

In preparing the budget, our goal was to continue to restore investments in the City’s infrastructure and increase program service levels that were impacted with the two prior fiscal year’s reduced budgets. With several vacancies at the management level, organizational structures are being evaluated for optimum efficiencies. A new Assistant to the City Manager classification was added to the FY 22/23 budget to provide much needed support to the City Manager. The Administrative Services Director/Assistant City Manager classification, although budgeted, is not being filled at the present time. An organizational review of both the Finance and Public Works Divisions will be completed early in the fiscal year to determine optimum levels of staffing for each of those divisions. Any changes to staffing/classifications will be brought back to Council for review and if needed budget modifications.

General Fund Revenues

As FY 21/22 has seen dramatic increases in both sales tax and TOT, with TOT seeing the most significant growth and FY 21/22 year-end projections are indicating actual revenues may be approximately \$3.8 million more than originally budgeted, (this includes the \$1.3 million in ARPA funding), mid-year budget adjustments were made to increase revenues so that forecasts for FY 22/23 were based on actual revenues. In order to accurately reflect changes in FY 21/22 to FY 22/23 budgets, the FY 21/22 amended budgeted revenues are used in the analysis below.

The City of Sonoma’s General Fund revenue forecast is driven primarily by property tax, transient occupancy tax (TOT) and sales taxes. Property tax for FY 22/23 is projected to be \$308,595 more than the final amended FY 21/22 budgeted revenue of \$4,643,155. Regular property tax is increasing by 6.41%.

With a tourism-based local economy, the City of Sonoma is reliant on hotel and sales taxes which represent 51% of the City’s General Fund budget. The City Sales Tax expert, HdL, is forecasting revenue from regular plus Public Safety Sales Tax at \$3,888,829 and Measure V Sales Tax at \$2,887,770. The combined total of \$6,776, 599 is \$210,269 more than the amended FY 21/22 combined budgeted Sales Tax revenue of \$6,566,330.

For FY 22/23 Staff is projecting TOT of \$6,359,254 which is \$168,355 or 3% more than the amended FY 21/22 budgeted revenue. (This revenue total includes the 1% TOT that is transferred to the Housing Trust Fund which is shown as a transfer out of the General Fund.) FY 21/22 TOT Projected Actuals of \$6,190,899 is running 33% above the Pre-Pandemic “normal” revenue. (FY 20/21 and FY 21/22 TOT budgets used the pre-pandemic level FY 19/20 actual revenue for July - February as the benchmark or “normal”, as TOT at that point was tracking at 5% above FY 18/19 levels.)

Table 2 below shows FY 22/23 projected General Fund revenue by type.

Table 2 – FY 22/23 Revenue Estimates by Type

Revenue Type	FY 22/23 Budget
Transient Occupancy Tax (TOT)	\$6,359,254
Property Taxes	\$4,951,750
Sales Tax (General, public safety)	\$3,888,829
Measure V Local Sales Tax	\$2,887,770
EMS-Ambulance Billing Revenue	\$2,275,000
Fees & Charges for Services	\$1,016,430
Franchise Tax	\$533,159
Business License Tax	\$380,000
Federal Grants (ARPA)	\$1,318,588
Other Revenues	\$1,904,165
Total Revenue	\$25,514,945

Table 3 shows some of the FY 22/23 General Fund key revenue increases/(decreases) as compared to the FY 21/22 amended General Fund Budget:

Table 3 - General Fund Key Revenue Increase/ (Decreases)

Revenue Type	Key Revenue Increases/ (Decreases) for FY 22/23
Transient Occupancy Tax (TOT)	\$168,355
Property Taxes	\$308,595
Sales Tax (General, public safety)	\$149,401
Measure V Local Sales Tax	\$60,868
EMS-Ambulance Billing Revenue	\$175,000
Fees & Charges for Services	\$308,596
Franchise Tax	\$113,159
Transfers In	\$132,534
Total	\$1,416,508

General Fund Expenditures

As a service organization, the majority of the City’s costs are for staffing (either city employees or service contracts, such as police and fire). For FY 22/23 with several vacancies at the management level, organizational structures are being evaluated for optimum efficiencies. A new Assistant to the City Manager classification was added to the FY 22/23 budget to provide much needed support to the City Manager. The Assistant to the City Manager will perform a wide variety of highly responsible, complex, and diverse advanced level professional duties; will serve as a liaison between the City Manager’s Office and the general public, committees, community organizations, and other governmental agencies; will provide a wide variety of complex and responsible administrative and professional duties for the City Manager and City Council; relieve elected officials of administrative work including investigating and answering complaints and providing assistance in resolving operational and administrative problems; and will manage the City’s Affordable Housing operations and activities and oversee City’s efforts to implement affordable housing projects. The Administrative Services Director/Assistant City Manager classification, although budgeted, is not being filled at the present time. An organizational review of both the Finance and Public Works Divisions will be completed early in the fiscal year to determine optimum

levels of staffing for each of those divisions. Any changes to staffing/classifications for those divisions will be brought back to Council for review and if needed budget modifications.

The FY 22/23 also includes two promotions. A part-time Management Analyst in the City Managers office was promoted to a part-time Senior Management Analyst/PIO and a full-time Administrative Clerk in the Police Department was promoted to an Administrative Assistant.

Currently the City is in negotiations with SEIU Local 1021, its only represented group. The SEIU and the Non-Represented Executive, Management, Administrative and Confidential MOUs expire 06/30/22. As negotiations are not yet complete, a 3.5% salary increase, and a 5% medical benefit increase were added to the FY 22/23 budget as placeholders. When negotiations are completed, any bargained salary and/or benefit increases will be handled with budget amendments. Other wage changes allow for step increases for new employees and for employees not yet at top step.

Major increases within the General Fund budget for FY 22/23 include \$551,189 to the SVFRA contract (details follow under Public Safety), \$289,417 in Salaries and Wages (which are detailed above), \$382,175 in Property Services (this category includes Contract Services – which are detailed under Public Safety and Community Activities), and a \$147,921 increase in costs associated with paying for the City’s modest unfunded pension liability. Importantly, there also are critical one-time expenses proposed. These items are:

- \$25,000 To complete the cloud-based electronic permitting software implementation
- \$145,100 Budgeting/accounting software
- \$30,000 Cloud-based records archive and public portal software
- \$30,000 Homelessness Expert Contractor
- \$32,000 Plaza Tree Assessment and Major Maintenance
- \$35,000 Climate Action Consultant
- \$18,000 SEIU Compensation Study

Table 4 shows FY 22/23 expenditures for the General Fund. More detailed information regarding revenues, expenditures and reserves is included in the Financial Summary portion of the budget.

Table 4 -FY 22/23 General Fund Expenditures

Expenditure Type	FY 22/23 Expenditures
Current Staffing (Salaries & Benefits)	\$4,634,618
Sheriff Contract & Operating Costs	\$5,089,745
Fire/EMS Contract & Operating Costs	\$6,343,413
Other Professional/Contractual Services	\$1,144,390
Payments On Accrued PERS Liability (UAL)	\$1,329,412
Other Operating Costs	\$4,847,658
Transfer to Capital Improvement Program	\$240,000
Total General Fund Operating Expenditures	\$23,629,236

Public Safety

Over 50% of the City's General Fund budget is invested in Police and Fire/EMS services via contracts and operating costs. For FY 22/23, the Sheriff's Office is proposing a 3% increase over the original FY 21/22 budget totaling \$5,907,816.30. This increase includes salaries and benefits to add a new Community Oriented Policing and Problem-Solving Deputy, (COPPS), who will be uniquely dedicated to work one-on-one with community members to resolve issues currently facing the City. This position is not included in the County Sheriff's Contract for Police Services. Instead, this will be paid through a separate contract with the Sheriff's office. The total cost for the COPPS Deputy is \$317,032, \$254,70 is salary and \$62,330 is overhead. The City will be paying 66% of the salary - \$168,104 and the Sheriff's office will 34% - \$86,599. The Sheriff's office is also paying all the overhead costs of \$62,330. (This position is included in the Property Services category of the Police Budget.) A few of the assignments this Deputy will handle include coordinating with California State Parks to bring solutions to the "Casa Grande" parking lot, collaborating with the City Events Manager to provide security for City events, working with Sonoma Overnight Support, Field of Dreams and the Ecology Center to ensure our un-housed community are provided services, collaborate with Sonoma Valley Unified School District to provide security and vulnerability checks at all of the schools, building relationships with parents, staff and students, and bicycle patrol to interact positively with community members and other community issues.



The FY 22/23 proposed budget for the Fire District is increasing by \$589,358 over the amended FY 21/22 budget. The increases include \$347,849 for the Fire District contract which is due to negotiated labor cost increases and \$203,340 for the three SAFER (Staffing for Adequate Fire and Emergency Response) grant employees assigned to Sonoma (offset by a transfer from the IGT Fund 796), and an increase in PERS UAL of \$47,672.

Community Activities

Recognizing the significant role that recreational and community services programs play in enhancing the overall health and well-being of its citizens, the City has regularly provided funding and financial support to non-profits providing these services in Sonoma. A few years ago, the City organized funding of recreation and community services into a Recreation & Community Services program and created agreements with key non-profits to recognize this outsourcing partnership. In FY 21/22 support to these funding was restored to the FY 19/20 Pre-pandemic levels.

Due to the importance of these community services, staff recommends that the City continue to support our Core Recreation providers such as Vintage House, Boys & Girls Club, Sonoma Community Center, Sonoma Ecology Center, and Field of Dreams in the following manner:

- Continue funding for our Core Recreation providers at the same level as FY 21/22.
- Add donation of \$7,500 for 4th of July fireworks. 4th of July activities is also supported with fee waivers and overtime costs for police services.
- No changes to fee waiver policies for City-sponsored events, although some may not be held this year.
- No change recommended in financial support to Sebastiani Theatre Foundation, Fare Free Transit program and student artist scholarships.
- Add \$30,000 funding for Homelessness Expert Contractor



New this year to the Community Services Budget is how the City allocates water billing for all City operations. The City supplies water at no cost or dramatically reduced costs to a number of our community partners. For FY 22/23, the City will account for water expenses of our community partners that are provided at a reduced cost or free of charge in the Community Activities budget under Utilities. These expenses are categorically distinct from the City’s other utility expenses as each is the result of a memorialized agreement between the City and these community partners and the term and magnitude of our obligations in those agreements should be recognized and reviewed annually when budgets are developed. The total subsidy of \$50,260 is detailed in the Community Activities budget narrative.

Key Projects and Initiatives

As always, the City Council’s initiatives were a key consideration during development of this budget. This budget provides financial support for maintaining our core service levels in public safety and public works, partnering with local non-profits to provide recreational and other community services, protecting our community assets, enforcing City codes, and increasing our focus on preparing for emergencies.



Each year, there are one-time expenditures included in the budget. Table 5 is a list of items that are included in the proposed FY 22/23 Budget (some of which have been mentioned previously in this message).

Table 5

Item	FY 22/23	Notes
Photographic artwork-council chambers	\$5,000	To complete refurbishing of Council Chambers - City Council budget
SEIU Compensation Study	\$18,000	City Manager's Budget
Plaza tree assessment and major maintenance	\$32,000	Public Works Parks Operations (Carryover from FY 21/22)
Climate Action Consultant	\$35,000	Planning Budget
Homelessness Expert Contractor	\$30,000	Community Activities Budget
Cloud-based records Archive Software	\$30,000	which will include a public portal - Non-Departmental budget
Cloud-based permitting	\$25,000	software to replace manual permitting system - Non-Departmental budget
New budgeting/accounting software	\$145,100	Upgrade budgeting/accounting software - Non-Departmental budget
Total	\$320,100	

Capital Improvement Budget

Our local economy and daily life rituals depend on reliable infrastructure to deliver our water, circulate our vehicles and bicycles, protect our creeks, and prevent flooding by removing excess water through storm drains. Maintenance and reinvestment in infrastructure is costly, and if deferred, becomes even more expensive. Historically, the City’s redevelopment agency was the major funder of capital infrastructure improvements for our community. The State’s elimination of redevelopment has created a large financial hole for Sonoma that continues to impact us.

The Capital Improvement Program (CIP) is a planning document to support our safe, healthy, and vibrant community through investment in public infrastructure throughout the City. The CIP includes projects to improve the City's streets, sidewalks, bikeways, and storm drainage; water system; parks and open space; cemeteries; and City buildings. Table 6 is the FY 22/23 General Fund funding for CIP projects.

Table 6 - Total Funding Request by Project for Fiscal Year 22/23 Capital Improvement Program – General Fund Only

CIP #	FY 22/23 ACTIVE PROJECTS	FY 22/23 NEW FUNDING REQUEST	
TRANSPORTATION: Keeping Sonoma Moving Safely			
T-4	Citywide Sidewalk Inspection & Repair Program	\$60,000	Annual program
T-5	Ongoing Pavement Rehab & Water Service Replacement	\$50,000	
SUBTOTAL		\$110,000	
PARKS: Making Life Better			
P-6	Montini Trail Connection & Enhancement Project	\$30,000	
P-8	Olsen Park Improvement Project	\$30,000	
P-9	Depot Park Renovation/Chase Bio Offset	\$50,000	
SUBTOTAL		\$110,000	
BUILDINGS & FACILITIES: Maintaining Critical Assets			
BF-8	Depot Park Museum HVAC	\$20,000	
SUBTOTAL		\$20,000	
TOTAL TRANSFERS TO CIP FOR FY 22/23		\$240,000	

Additional Revenue Sources

- Federal Assistance - The \$1.9 trillion American Rescue Plan Act was enacted on March 10, 2021. Among other things, the ARPA will provide the City of Sonoma approximately \$1.3 million in funding for FY 22/23. With the one-time Federal Relief Funding the City will have a projected FY 22/23 General Fund Operating surplus of \$1,885,709. The \$1.3 ARPA funding has not yet been programmed for FY 22/23. City Council will be conducting a Council Retreat in August 2022 to discuss goals for the FY 22/23 and potential uses of the ARPA funding.

- **Cannabis Tax** – A Cannabis Business Tax was approved by the voters in November 2020. The City’s first Cannabis Dispensary opened in April 2022. The FY General Fund Five-Year Forecast includes \$150,000 in Cannabis tax revenue for FY 22/23 and \$25,000 for each year after. This is most likely a very conservative forecast which will be updated once revenue is actually received.

Conclusion -- Setting a Course, Remaining Flexible.

These past few years have been unprecedented times that has made is very difficult for City budgeting. The size, scope, and duration of economic and financial impacts of the pandemic/response were difficult to predict. Although there is no consensus on what the future will bring, our goal as an organization is to provide an informed assessment to you for use in making financial decisions, to communicate transparently with our community, and to adapt as needed to continue to serve our residents and business within available resources.

While it is important to set a course of action, it is equally important to be able to adjust along the way. More than ever before, budgeting is an ongoing process, with an increased frequency and emphasis on monitoring and modification.

The City of Sonoma benefits from a history of fiscally conservative Council leadership and of community support for local revenues, which helped to position the City of Sonoma to sustain the economic impacts of the COVID-19 pandemic. Many of the organizational improvements made in the past several years to our emergency preparedness capabilities, financial management systems, and community information channels have helped us greatly in managing the current crisis. We have a City workforce that is committed, responsive, and adaptable. While many challenges remain, Sonoma is well positioned to make its way along the road ahead.

Team Sonoma

Our staff is to be commended for the many outstanding and selfless accomplishments of these past difficult and unprecedented years. Some but not all are listed in this budget.



In particular, I want to acknowledge the entire Finance Team led by Liz Garcia, Deputy Finance Director, for their expertise and dedication in preparing this budget and also the Public Works team headed by Mike Berger, Public Works Director, Chris Pegg, Operations Manager and Oriana Hart, Public Works Project Manager, who all continue to polish our 5-year Capital Improvement Program.

I am thankful for the leadership and hard work of the City Council. I am also extremely proud of the Management Team and rank-and-file employees that support the Sonoma community. As to the team I’ve been honored to manage, I am so impressed with their dedication, professionalism, and the teamwork that is authentically conveyed on a daily basis to our customers. Sonoma is a special place to live and work and it is an honor to work in partnership with the City Council, the community, and our employees to maintain Sonoma’s quality of life.

Respectfully submitted,

Sue Casey
Interim City Manager

FINANCIAL SUMMARY

**Financial Summary
Budget Calendar for 2022-23
Revenues - Financial Summary
Expenses (Appropriations) Summary
Reserve Summary
Transfers Between Funds
City Organization Chart (by function)
Summary of Staffing and Positions
Sonoma at a Glance
Sonoma Maps**



INTRODUCTION

The City Council serves as the policy board for the municipality. As an elected “Board of Directors”, the City Council provides policy direction, establishes goals, and sets priorities for the City government. In addition to serving as the policy makers for the community, the City Council also is responsible for numerous land use decisions within its borders, including the General Plan. The City Council appoints the City Manager and City Attorney.

The City of Sonoma operates under a Council-Manager form of government. The City Manager is considered the Chief Executive Officer (CEO) of the City as a municipal corporation. The City provides municipal services that include police, fire, public works, parks maintenance, community development and community activities. In addition, the City operates a water system and three cemeteries in the form of enterprise funds. This report includes all funds of the City of Sonoma and its blended component unit, the Successor Agency of the Sonoma Community Development Agency, for which the City is financially accountable.

The City Council establishes annual budgets for the General Fund and Special Revenue Funds, except for certain Special Revenue Funds for which expenditures are controlled by grant funding or by assessments received. Budgetary control is legally maintained at the fund level for these funds. Department heads submit budget requests to the City Manager. The City Manager, in collaboration with the Finance staff, prepares an estimate of revenues and prepares recommendations for the next year’s budget. The preliminary budget may or may not be amended by the City Council and is adopted by resolution by the City Council on or before June 30 in accordance with the municipal code.

BUDGET / CITY FUNDS

The budget is a comprehensive financial plan that articulates the goals and objectives of all City departments for the following year. Department managers prepare budgets and outline goals and objectives for the next year. The budget is also an opportunity to look back at accomplishments in the current fiscal year. The budget reflects the goals and initiatives that have been outlined by the City Council.

In order to understand the budget document, it is important to have some background on the basis of municipal budget and accounting. The City’s accounts are organized on the basis of funds, each of which is considered a separate accounting entity, and which are required by state or federal law or proper accounting practice. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The operating budget includes proposed spending from many different funds. Depending on the type of service provided by a department, expenditures may be authorized from a number of funds. The majority of traditional city services are funded through the General Fund.

FINANCIAL SUMMARY

General Fund

The General Fund is the general operating fund of the City. It is used to account for all financial resources except those that require accounting in another fund. The General Fund is largely funded through general tax revenue. Fiscal impacts to the General Fund play a large part in the City's ability to pay for core community service such as public safety.

Proprietary Funds

The proprietary funds are accounted for on a cost of services or "capital maintenance" measurement focus, which means that all assets and all liabilities associated with each fund's activity, whether current or non-current, are included on its balance sheet. The reported fund equity is segregated into assigned and unassigned retained earnings components. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in total assets. There are two primary types of proprietary funds – Enterprise Funds and Internal Service Funds. Proprietary Funds can only charge customers the cost the City incurs. The City can not make a profit on these services.

Enterprise Funds – The city maintains two enterprise funds – Water Fund and Cemetery Fund. By Governmental Accounting definition, Enterprise Funds are "to account for operations that are financed and operated in a manner similar to private business enterprise-where the intent of the governing body is that the costs of providing goods or services are financed or recovered primarily through user charges." The intent is to have the expenses (including depreciation) of providing goods or services on a continuing basis to the park residents, financed or recovered primarily through charges to the residents. Enterprise funds are intended to be fully self-supporting and not subsidized by the General Fund or other funds.

Internal Service Funds – The internal service funds are used to account for, and finance, services and commodities furnished by a designated department of a governmental unit to other departments of the same governmental unit. The City uses Internal Services Funds to develop reserves for large purchases such as vehicles (Vehicle Replacement Fund), Management Information Systems, and large building maintenance activities (Long Term Building Maintenance Fund). This avoids large fluctuations due to large asset purchases or significant repairs.

Special Revenue Funds

The special revenue funds are used to account for and report the proceeds of specific revenue sources that are legally restricted or committed to expenditures for specified purposes other than debt. For example, the Gas Tax Fund is designated as a Special Revenue Fund as it receives the State calculated allocation of motor vehicle fuel taxes which can only be used for legally restricted specific streets and related transportation purposes/projects.

Fiduciary Funds

Trust and agency funds are used to account for assets held by the city in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. These include expendable trust funds, non-expendable trust funds (permanent funds), pension trust funds, and agency funds.

FINANCIAL SUMMARY

The Successor Agency is one example of this type of fund. The Successor Agency provides for receipt of Redevelopment Property Tax Trust Fund (RPTTF) funds and payment of former Community Development Agency expenses approved by the State Department of Finance. The City Council sits as the Successor Agency to the Community Development Agency of the City of Sonoma. All actions of the Successor Agency must be approved by a County Consolidated Oversight Board comprised of representatives of the taxing entities and the State's Department of Finance.

Debt Service Funds

The debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. The Water Fund and Successor Agency have debt payments within their program budgets.

Capital Projects Funds

The capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

BASIS OF BUDGETING

A municipal budget is a legally required management and planning tool to forecast expenditures and revenues the City will incur in the upcoming fiscal year. It is neither actual revenue nor actual expenditures, but a tool to plan for the desired level of expenditures with the expected level of revenue. The budget is constantly monitored throughout the year, to make adjustments so that at the end of the year the budget is in balance.

The budget is prepared in accordance with Generally Accepted Accounting Principles. The budgets for all funds have been prepared on a modified accrual basis, adjusted for encumbrance accounting. Appropriations for encumbrances are included; however, appropriations for expenditures against prior year encumbrances are excluded. The modified accrual basis recognizes expenditures at the point in time when the related fund liability is incurred, not necessarily when the liability is actually paid. Revenues are recognized when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Each fund is estimated prior to the end of the fiscal year utilizing the same basis of accounting that is used for the same fund within the final audited financial statements once the Fiscal Year is closed.

CITY OF SONOMA

BUDGET CALENDAR FOR 2022-23

April

Budget Kick-off

May

Current Year Budget Update
Study Session General Fund
Study Session Public Works and CIP

June

Budget, CIP and Authorized Positions Adopted

August

Budget Book Presentation

REVENUES - FINANCIAL SUMMARY

REVENUE OVERVIEW

Fund	Revenue Category/Fund Total	FY 20-21 Actuals*	FY 21-22 Adopted Budget	FY 21-22 Amended Budget	FY 21-22 Projected Actuals*	FY 22-23 Proposed Budget	\$ Change FY22-23 Proposed Budget to FY21-22 Amended Budget	% Change FY22-23 Proposed Budget to FY21-22 Amended Budget
100	Property Taxes	\$ 4,502,127.00	\$ 4,643,155.00	\$ 4,643,155.00	\$ 4,643,155.00	\$ 4,951,750.00	\$ 308,595.00	7%
100	Sales & Use Taxes	\$ 2,846,463.00	\$ 3,189,961.00	\$ 3,584,622.00	\$ 3,584,622.00	\$ 3,720,517.00	\$ 135,895.00	4%
100	Measure V Local Sales Tax	\$ 2,305,775.00	\$ 2,496,896.00	\$ 2,496,896.00	\$ 2,826,902.00	\$ 2,887,770.00	\$ 60,868.00	2%
100	Sales Tax - Public Safety	\$ 146,213.00	\$ 154,806.00	\$ 154,806.00	\$ 172,727.00	\$ 168,312.00	\$ 13,506.00	9%
100	Fees	\$ 454,710.00	\$ 586,159.00	\$ 586,159.00	\$ 578,818.00	\$ 648,847.00	\$ 62,688.00	11%
100	Transient Occupancy Tax (TOT)	\$ 2,873,675.00	\$ 4,028,992.00	\$ 6,190,899.00	\$ 6,190,899.00	\$ 6,359,254.00	\$ 168,355.00	3%
100	Franchise Tax	\$ 480,075.00	\$ 420,000.00	\$ 420,000.00	\$ 459,376.00	\$ 533,159.00	\$ 113,159.00	27%
100	Business License Tax	\$ 391,966.00	\$ 380,000.00	\$ 380,000.00	\$ 315,000.00	\$ 380,000.00	\$ -	0%
100	Real Property Transfer Tax	\$ 215,301.00	\$ 150,000.00	\$ 150,000.00	\$ 145,168.00	\$ 150,000.00	\$ -	0%
100	Licenses & Permits	\$ 60,303.00	\$ 51,400.00	\$ 51,400.00	\$ 70,461.00	\$ 198,000.00	\$ 146,600.00	285%
100	Fines & Forfeitures	\$ 17,281.00	\$ 66,812.00	\$ 66,812.00	\$ 115,163.00	\$ 87,000.00	\$ 20,188.00	30%
100	Interest & Rents	\$ 84,336.00	\$ 73,404.00	\$ 73,404.00	\$ 114,588.00	\$ 93,163.00	\$ 19,759.00	27%
100	Grants	\$ -	\$ -	\$ -	\$ 55,919.00	\$ -	\$ -	
100	Federal Grants	\$ -	\$ -	\$ 1,318,588.00	\$ 1,323,588.00	\$ 1,318,588.00	\$ -	0%
100	Charges For Services	\$ 108,471.00	\$ 121,675.00	\$ 121,675.00	\$ 118,255.00	\$ 367,583.00	\$ 245,908.00	202%
100	EMS	\$ 2,199,855.00	\$ 2,600,000.00	\$ 2,100,000.00	\$ 2,100,000.00	\$ 2,275,000.00	\$ 175,000.00	8%
100	Miscellaneous	\$ 14,931.00	\$ 30,000.00	\$ 197,753.00	\$ 170,753.00	\$ -	\$ (197,753.00)	-100%
100	Transfers	\$ 1,281,415.00	\$ 1,174,368.00	\$ 1,079,368.00	\$ 1,079,368.00	\$ 1,211,902.00	\$ 132,534.00	12%
100	Other Revenues	\$ 87,803.00	\$ 100,700.00	\$ 100,700.00	\$ 57,500.00	\$ 108,100.00	\$ 7,400.00	7%
100	Interest Revenue	\$ 2,151.00	\$ 56,000.00	\$ 56,000.00	\$ 56,000.00	\$ 56,000.00	\$ -	0%
100	Total General Fund	\$ 18,072,851.00	\$ 20,324,328.00	\$ 24,102,243.00	\$ 24,178,262.00	\$ 25,514,945.00	\$ 1,412,702.00	6%
ENTERPRISE FUNDS								
501	Cemeteries	\$ 296,913.00	\$ 371,350.00	\$ 371,350.00	\$ 337,034.86	\$ 342,373.00	\$ (28,977.00)	-8%
504	Cemetery Endowment	\$ 39,367.00	\$ 40,620.00	\$ 40,620.00	\$ 37,691.00	\$ 40,620.00	\$ -	0%
510	Water Utility	\$ 5,634,724.00	\$ 6,096,707.00	\$ 6,096,707.00	\$ 6,141,707.43	\$ 6,579,462.00	\$ 482,755.00	8%
521	EMS-Equip.Replacement	\$ 131,974.00	\$ 2,500.00	\$ 2,500.00	\$ -	\$ 2,500.00	\$ -	0%
INTERNAL SERVICE FUNDS								
601	Mgmt Information Service (MIS)	\$ 233,120.00	\$ 373,624.00	\$ 373,624.00	\$ 325,886.86	\$ 425,982.00	\$ 52,358.00	14%
603	Vehicle Replacement	\$ 189,190.00	\$ 406,733.00	\$ 421,733.00	\$ 413,233.00	\$ 398,924.00	\$ (22,809.00)	-5%
610	L/T Bldg Maint	\$ 183,846.00	\$ 322,635.00	\$ 322,635.00	\$ 299,651.43	\$ 303,672.00	\$ (18,963.00)	-6%
614	Computer Loan	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
SPECIAL REVENUE FUNDS								
202	Public, Educational & Govt PEG	\$ 32,553.00	\$ 52,080.00	\$ 52,080.00	\$ 22,636.00	\$ 55,200.00	\$ 3,120.00	6%
217	SLESF Cops Grnt	\$ 111,452.00	\$ 102,000.00	\$ 102,000.00	\$ 54,374.00	\$ 102,000.00	\$ -	0%
240	Abandon Vehicle	\$ 2,915.00	\$ -	\$ -	\$ -	\$ -	\$ -	
302	Gas Tax	\$ 250,647.00	\$ 279,679.00	\$ 279,679.00	\$ 200,362.00	\$ 325,924.00	\$ 46,245.00	17%
303	Road Maintenance SB1	\$ 205,717.00	\$ 227,058.00	\$ 227,058.00	\$ 126,497.00	\$ 250,209.00	\$ 23,151.00	10%
304	Parks & Facilities CIP	\$ -	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 130,000.00	\$ 30,000.00	30%
313	Measure M Funds	\$ 102,013.00	\$ 97,000.00	\$ 97,000.00	\$ 96,400.00	\$ 111,700.00	\$ 14,700.00	15%
314	Parks-In-Lieu Fees/Quimby Act	\$ 40,082.00	\$ -	\$ -	\$ -	\$ -	\$ -	
315	Parks Measure M Funds	\$ 140,560.00	\$ 141,113.00	\$ 141,113.00	\$ 141,113.00	\$ 157,570.00	\$ 16,457.00	12%
316	Parks Proposition 68 Funds	\$ -	\$ 200,000.00	\$ 200,000.00	\$ -	\$ 185,015.00	\$ (14,985.00)	-7%
732	Housing Trust Fund	\$ 234,648.00	\$ 299,562.00	\$ 299,562.00	\$ 329,076.29	\$ 509,872.00	\$ 210,310.00	70%
796	IGT Fire	\$ 981,334.00	\$ 500,000.00	\$ 500,000.00	\$ 486,018.00	\$ 500,000.00	\$ -	0%
AGENCY FUNDS								
391	Successor Agency	\$ 3,256,308.00	\$ 3,358,048.00	\$ 3,358,048.00	\$ 3,313,048.00	\$ 2,650,427.00	\$ (707,621.00)	-21%
704	Alcalde Trust	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
DEBT SERVICE FUNDS								
495	2008 Creb Bonds	\$ 41,748.00	\$ 41,749.00	\$ 41,749.00	\$ 41,749.00	\$ 41,749.00	\$ -	0%
498	2012 Pension Obligation Bonds	\$ 402,900.00	\$ -	\$ -	\$ -	\$ -	\$ -	
630	Grants Restricted	\$ -	\$ 70,000.00	\$ 70,000.00	\$ -	\$ 1,102,743.00	\$ 1,032,743.00	1475%
CAPITAL PROJECT FUNDS								
301	City - CIP	\$ 20,588.00	\$ 441,600.00	\$ 637,200.00	\$ 13,675.00	\$ 1,235,943.00	\$ 598,743.00	94%
304	Parks & Facilities CIP	\$ -	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 130,000.00	\$ 30,000.00	30%
512	Water - CIP	\$ 204,648.00	\$ 77,750.00	\$ 166,530.00	\$ 112,714.86	\$ 545,250.00	\$ 378,720.00	227%
Revenue Total (* Unaudited)		\$ 30,810,098.00	\$ 34,026,136.00	\$ 38,103,431.00	\$ 36,871,129.73	\$ 41,642,080.00		

The budget for the City of Sonoma and the Sonoma Successor Agency for FY 2022-23 includes \$25,514,945 in General Fund Revenue and total revenue for all funds of \$41,642,080.

REVENUES - FINANCIAL SUMMARY

GENERAL FUND

For a further discussion of the City's General Fund budgeted revenues, see page 62.

WATER FUND

For a further discussion of the City's Water Fund, see page 142.

INTERNAL SERVICE FUNDS

Further discussion of the City's Internal Service Funds, begin on page 149.

SPECIAL REVENUE FUNDS

Further discussion of the City's Special Revenue Funds, begin on page 160.

AGENCY FUNDS

For a further discussion of the City's Agency Fund, see page 185.

DEBT SERVICE FUNDS

For a further discussion of the City's Debt Service Fund, see page 189.

EXPENSES (APPROPRIATIONS) SUMMARY

FISCAL YEAR 2022-23 APPROPRIATIONS FOR ALL FUNDS

Expenditure Category	FY 19-20 Actuals*	FY 20-21 Actuals*	FY 21-22 Adopted Budget	FY 21-22 Amended Budget	FY 21-22 Projected Actuals*	FY 22-23 Proposed Budget	\$ Change FY22-23 Proposed Budget to FY21-22 Amended Budget	% Change FY22-23 Proposed Budget to FY21-22 Amended Budget
GENERAL FUND:								
City Council (41001)	\$ 109,443.00	\$ 105,994.00	\$ 152,648.66	\$ 152,647.00	\$ 101,069.67	\$ 131,655.00	\$ (20,992.00)	-14%
City Clerk (41002)	\$ 215,264.00	\$ 247,072.00	\$ 370,439.98	\$ 370,438.00	\$ 326,755.42	\$ 422,144.00	\$ 51,706.00	14%
City Manager (41003)	\$ 628,619.00	\$ 620,320.00	\$ 795,891.13	\$ 835,889.00	\$ 731,163.20	\$ 1,126,590.00	\$ 290,701.00	35%
Finance (41004)	\$ 700,619.00	\$ 768,917.00	\$ 834,704.25	\$ 834,703.00	\$ 702,772.84	\$ 903,954.00	\$ 69,251.00	8%
Legal Services (41005)	\$ 634,906.00	\$ 402,050.00	\$ 478,295.00	\$ 478,295.00	\$ 317,542.43	\$ 337,848.00	\$ (140,447.00)	-29%
Police (42101)	\$ 5,196,703.00	\$ 4,988,362.00	\$ 5,828,360.30	\$ 5,828,359.00	\$ 5,770,117.26	\$ 6,169,852.00	\$ 341,493.00	6%
Fire/EMS (42201)	\$ 5,970,720.00	\$ 6,182,731.00	\$ 6,523,920.87	\$ 6,663,020.00	\$ 6,544,033.00	\$ 7,252,378.00	\$ 589,358.00	9%
Public Works Admin (43020)	\$ 682,551.00	\$ 588,019.00	\$ 455,570.49	\$ 455,569.00	\$ 584,151.22	\$ 379,418.00	\$ (76,151.00)	-17%
Public Works Streets (43022)	\$ 845,701.00	\$ 847,702.00	\$ 915,599.79	\$ 915,598.00	\$ 881,636.42	\$ 1,005,622.00	\$ 90,024.00	10%
Public Works Parks (43023)	\$ 725,397.00	\$ 761,877.00	\$ 1,134,255.14	\$ 1,134,254.00	\$ 841,577.63	\$ 1,307,652.00	\$ 173,398.00	15%
Planning (43030)	\$ 939,373.00	\$ 858,695.00	\$ 972,311.58	\$ 972,311.00	\$ 865,957.75	\$ 1,068,656.00	\$ 96,345.00	10%
Building (43040)	\$ 576,690.00	\$ 654,046.00	\$ 703,274.40	\$ 703,272.00	\$ 655,887.92	\$ 729,196.00	\$ 25,924.00	4%
Community Activities (43101)	\$ 674,112.00	\$ 602,708.00	\$ 675,583.53	\$ 675,583.00	\$ 679,160.00	\$ 924,659.00	\$ 249,076.00	37%
Successor Agency (43199)	\$ 141,551.00	\$ 124,844.00	\$ 50,000.00	\$ 49,999.00	\$ 43,978.83	\$ 195,189.00	\$ 145,190.00	290%
Non-Departmental (43200)	\$ 578,006.00	\$ 788,806.00	\$ 1,083,390.71	\$ 1,015,207.00	\$ 1,028,656.58	\$ 885,403.00	\$ (129,804.00)	-13%
Emergency Response (43201)	\$ 155,942.91	\$ 83,375.69	\$ -	\$ -	\$ 10,094.12	\$ -	\$ -	
Subtotal General Fund	\$18,775,597.91	\$18,625,518.69	\$20,974,245.83	\$21,085,144.00	\$20,084,554.28	\$22,840,216.00	\$ 1,755,072.00	8%
General Fund Transfer Out (43999)	\$ 813,975.04	\$684,297	\$847,111	\$1,033,365	\$326,993	\$789,021	\$ (244,343.59)	-24%
Total General Fund	\$19,589,572.95	\$19,309,816	\$21,821,357	\$22,118,509	\$20,411,547	\$23,629,237	\$ 1,510,728.41	7%
CAPITAL PROJECTS:								
Streets/Transp/Drainage Capital Projs (301)	\$ 128,662.00	\$ 5,706.00	\$ 219,236.00	\$ 219,236.00	\$ 219,236.00	\$ 230,000.00	\$ 10,764.00	5%
Parks & Facilities Capital Projects (304)	\$ 55,693.00	\$ 25,220.00	\$ 360,000.00	\$ 360,000.00	\$ 235,000.00	\$ 120,000.00	\$ (240,000.00)	-67%
Water Utility - Capital Projects (512)	\$ 144,419.00	\$ 157,922.00	\$ 3,475,674.00	\$ 3,699,172.00	\$ 3,564,454.00	\$ 467,500.00	\$ (3,231,672.00)	-87%
ENTERPRISE FUNDS:								
Cemetery (501)	\$ 393,178.00	\$ 325,896.00	\$ 393,793.00	\$ 393,793.00	\$ 376,447.19	\$ 483,145.00	\$ 89,352.00	23%
Water Utility Operating (510)	\$ 4,084,440.00	\$ 4,698,958.00	\$ 5,795,444.00	\$ 5,884,224.00	\$ 4,905,390.29	\$ 6,459,543.00	\$ 575,319.00	10%
SPECIAL REVENUE FUNDS:								
Public, Educational & Govt PEG (202)	\$ 49,297.00	\$ 49,734.00	\$ 52,000.00	\$ 52,000.00	\$ 25,163.43	\$ 55,000.00	\$ 3,000.00	6%
C.O.P.S. Grant (217)	\$ 100,000.00	\$ 100,000.00	\$ 120,412.00	\$ 120,412.00	\$ -	\$ 102,100.00	\$ (18,312.00)	-15%
Gas Tax (302)	\$ 334,788.00	\$ 133,603.00	\$ 611,400.00	\$ 611,400.00	\$ 612,085.71	\$ 300,000.00	\$ (311,400.00)	-51%
SB-1 Road Maintenance (303)	\$ 204,552.00	\$ -	\$ 444,114.00	\$ 444,114.00	\$ -	\$ 249,009.00	\$ (195,105.00)	-44%
Transportation Measure M (313)	\$ 4,117.00	\$ 150,881.00	\$ 205,735.00	\$ 205,735.00	\$ 205,735.00	\$ 100,000.00	\$ (105,735.00)	-51%
Parks-in-Lieu/Quimby Act (314)	\$ 127,315.00	\$ 76,989.00	\$ 363,577.00	\$ 363,577.00	\$ 363,577.00	\$ -	\$ (363,577.00)	-100%
Parks Measure M (315)	\$ 90,000.00	\$ 26,591.00	\$ 235,000.00	\$ 235,000.00	\$ 200,000.00	\$ 155,000.00	\$ (80,000.00)	-34%
Parks-Proposition 68 (316)	\$ -	\$ -	\$ 177,952.00	\$ 177,952.00	\$ 177,952.00	\$ 185,015.00	\$ 7,063.00	4%
EMS Equipment Replacement (521)	\$ 283,872.00	\$ -	\$ 32,750.00	\$ 47,750.00	\$ 47,750.00	\$ 79,500.00	\$ 31,750.00	66%
Grants Restricted (630)	\$ -	\$ -	\$ 70,000.00	\$ 70,000.00	\$ -	\$ 1,102,743.00	\$ 1,032,743.00	1475%
Pool Scholarship (715)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,000.00	\$ 25,000.00	
Housing Trust Fund (732)	\$ 100,000.00	\$ 56,849.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ -	\$ (20,000.00)	-100%
Intergovernmental Transfer IGT (796)	\$ 853,787.00	\$ 1,108,483.00	\$ 760,739.00	\$ 760,739.00	\$ 350,000.00	\$ 861,800.00	\$ 101,061.00	13%
SVFRA (798)	\$11,281,042.20	\$11,013,608.29	\$ 95,000.00	\$ 95,000.00	\$ 9,469.28	\$ -	\$ (95,000.00)	-100%
Cemetery Endowment (504)	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ -	\$ 50,000.00	\$ -	0%
INTERNAL SERVICE FUNDS:								
Management Information Systems (601)	\$ 238,598.00	\$ 194,478.00	\$ 376,922.00	\$ 376,922.00	\$ 331,935.43	\$ 551,930.00	\$ 175,008.00	46%
Vehicle Replacement (603)	\$ 423,717.00	\$ -	\$ 690,312.00	\$ 705,312.00	\$ 356,068.57	\$ 536,000.00	\$ (169,312.00)	-24%
Long Term Building Maintenance (610)	\$ 23,756.00	\$ 59,844.00	\$ 305,000.00	\$ 305,000.00	\$ 305,000.00	\$ 305,000.00	\$ -	0%
DEBT SERVICE FUNDS:								
CREBS (495)	\$ 41,748.00	\$ 41,748.00	\$ 41,749.00	\$ 41,749.00	\$ 41,748.00	\$ 41,749.00	\$ -	0%
POB (498)	\$ 410,883.00	\$ 412,500.00	\$ -	\$ -	\$ -	\$ -	\$ -	
AGENCY FUNDS:								
Successor Agency RPTF-ROPS (391)	\$ 3,685,723.00	\$ 3,287,358.00	\$ 3,325,288.00	\$ 3,325,288.00	\$ 3,225,942.86	\$ 2,630,651.00	\$ (694,637.00)	-21%
TOTAL OPERATING & CAPITAL PROJECTS:	\$42,699,160	\$41,286,184	\$40,043,454	\$40,682,884	\$35,984,502	\$38,719,922		
*Unaudited								

EXPENSES (APPROPRIATIONS) SUMMARY

EXPENSE OVERVIEW

The budget for the City of Sonoma and the Sonoma Successor Agency for FY 2022-23 includes a combined Operating and Capital Improvement Program (CIP) budget of \$38,719,922.

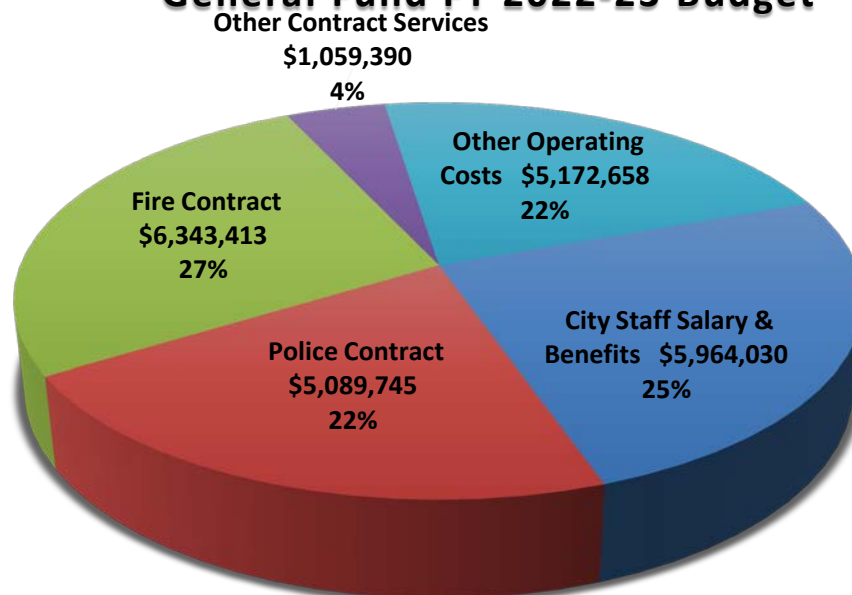
GENERAL FUND APPROPRIATIONS BY CATEGORY AND PROGRAM

The General Fund expenditures (\$23,629,237 including transfers) is a significant component of the Operating Budget. As a service organization, the majority of the City's costs are for staffing (either city employees or service contracts, such as police and fire). For the FY 2022-23 General Fund budget there is one increase to City staff, an Assistant to the City Manager was added. The new Assistant to the City Manager will perform a wide variety of highly responsible, complex, and diverse advanced level professional duties; will serve as a liaison between the City Manager's Office and the general public, committees, community organizations, and other governmental agencies; will provide a wide variety of complex and responsible administrative and professional duties for the City Manager and City Council; relieve elected officials of administrative work including investigating and answering complaints and providing assistance in resolving operational and administrative problems; and will manage the City's Affordable Housing operations and activities and oversee the City's efforts to implement affordable housing projects.

Major increases within the General Fund budget for FY 2022-23 include \$101,519 to the Sheriff's contract and \$551,189 to the Fire SVFRA contract (details follow under Public Safety), and a \$135,441 increase in costs associated with paying for the City's modest unfunded pension liability.

The City of Sonoma's General Fund expenses can be grouped into several broad categories. The Police and Fire Service Contracts are the largest category of expenses for the City. It is very typical for municipalities to spend most their General Fund budget on public safety. In looking at the General Fund on a program basis, 48% of operating expenditures go to the Police and Fire contracts. Chart 1 below shows the FY 2022-23 general fund expenditures by category:

**Chart 1 - City of Sonoma
General Fund FY 2022-23 Budget**



EXPENSES (APPROPRIATIONS) SUMMARY

The next largest category is salary and benefits, which is appropriate for a service-based organization (a summary of staffing and positions follows this section). The General Fund budget also includes transfers for **\$789,021** to other funds. These transfers include a total of **\$41,749** in debt service costs, the 1% TOT transfer to the Housing Trust Fund of **\$507,272**, and an appropriation of **\$240,000** for Capital Improvement Program projects (discussed in further detail in the 5-Year CIP program budget). Finally, the Internal Service transfers of **\$916,071** are the contributions for replacement and purchase of informational technology, equipment, and vehicles, as well as long-term building maintenance.

BUDGET CHANGES

Global Updates Affecting All Budgets

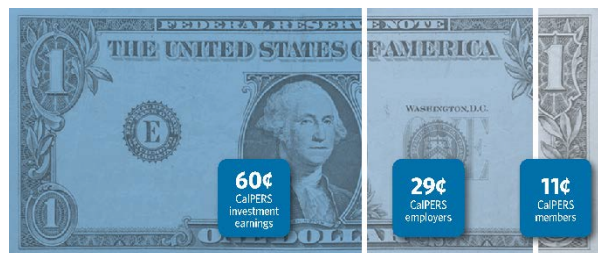
In each of the department budgets, some general changes have been included based on contractual agreements, increased pension-related costs, or realignment of costs initiated to better capture the appropriate accounting structure or cost share. These changes are not specific to a single program or department. Each is briefly discussed as follows:

Personnel Allocations: Individual employee positions are allocated to the specific department budget where they spend their time. For example, the Public Works Operations Manager is spread among the various public work budgets (Streets, Water, Parks & Facilities, and Cemetery). Each year the allocations are reviewed and modified based on current operations.

Cost Allocation Plan: The implementation of the 2018 Cost Allocation Plan puts salaries and benefits costs back into the General Fund “central services” departments or divisions (e.g., the City Manager’s Office, City Clerk, Finance and Administrative Services, and Public Works Administration) and then portions of these departments are charged back to line departments or enterprise funds based on specific cost methodologies. Most of these increases are offset by allocations to recipients of these services through fund-level transfers, and do not represent an actual increase in total costs.

Employee’s Salary: The City has one formal union, SEIU, with all other employees unrepresented. The current contract expires June 30, 2022, and the City is currently in negotiations with SEIU. The FY 2022-23 General Fund budget includes an increase in wages to the city employees of 3.5% for negotiation purposes. To avoid compaction and to reflect warranted cost-of-living adjustments, the managers’ wages are increased at the same percentage. Other wage changes allow for step increases for new employees and for employees not yet at top step.

CalPERS: The City is a member of the California Public Employee Retirement System (CalPERS) through which pensions are provided to its employees. The City does not participate in Social Security. Although the City has been judicious through the years about pensions, pension costs are increasing for all cities. Pensions are funded in three ways -- investment earnings by CalPERS, contributions by employees and contributions by employers. PERS investment earnings used to pay well over 70% of the total cost. As of June 30, 2018, PERS investment earnings are paying 60% of total pension costs. As investment earnings provide less funding, public agencies as the employer are faced with increasing costs.



EXPENSES (APPROPRIATIONS) SUMMARY

As of June 30, 2020, CalPERS had about 71.7% of the funds required to pay estimated retirement benefits. There are several factors contributing to CalPERS' insufficient funding, including: enhanced benefits provided to employees in the early 2000s, investment losses from the recession including a 34.75% loss in 2008, cost of living increases, changing demographics with mortality rates decreasing, and changing PERS contribution rates and investment assumptions, all of which have pushed costs to the cities as the employer.

CalPERS Investment earnings affect how much future benefit payments can be funded by investment income rather than by contributions. If lower investment earning occurs, future contributions must increase to make up the expected difference. The volatility of the investment earnings in recent years have been a significant contributor to the required employer contribution. CalPERS investment earnings for the past six years are reflected in Table 1 below.

2016	2017	2018	2019	2020	2021
0.6%	11.2%	8.6%	6.7%	4.7%	21.3%

(www.calpers.ca.gov/docs/forms-publications/facts-investment-pension-funding.pdf)

There are two primary costs for pensions – the “normal cost”, which is the annual cost for the current year of service and the “unfunded liability”. For FY 20/21, the projected normal cost to be paid by the City for employee retirement will increase from 11.60% of payroll to 11.61% of payroll with employees paying 1% of this cost. The City also pays a fixed annual amount for the Unfunded Actuarial Liability (UAL) of current employees, as well as past fire and police employees. Table 2 below shows the CalPERS normal costs and unfunded liability assessments for FY 2021-22 and FY 2022-23:

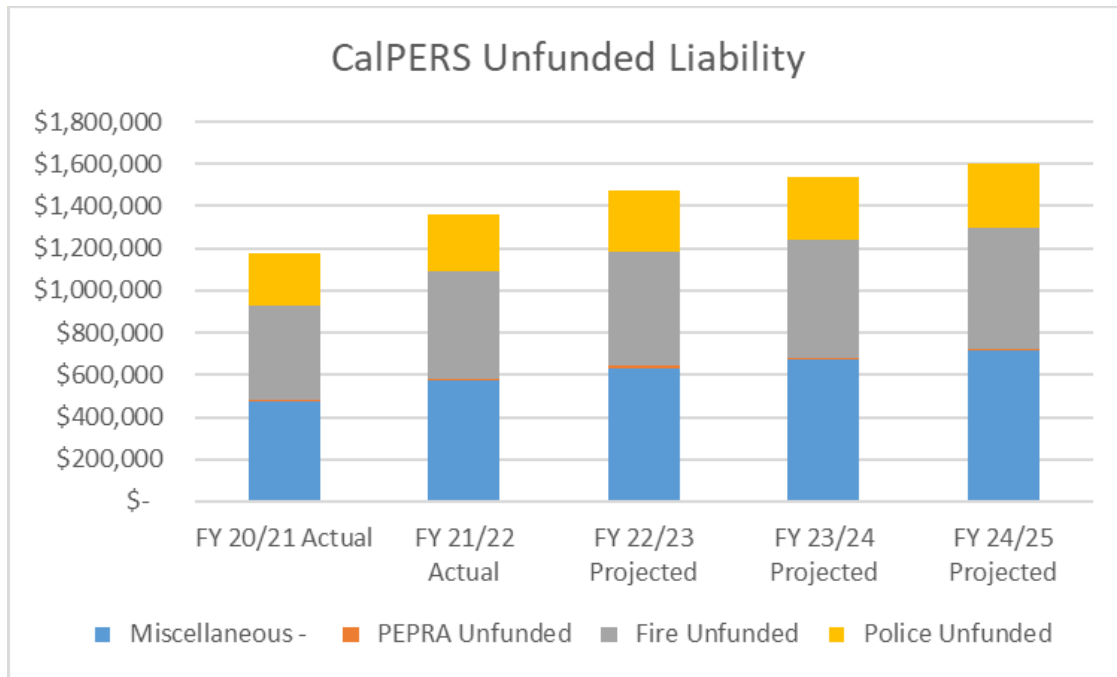
Table 2 - CalPERS Normal Costs and Unfunded Liability Assessments for FY 2021-22 and FY 2022-23

CalPERS Costs	2021-22	2022-23	Change
Annual Costs (Normal Costs)			
Classic Member Rate	11.60%	11.61%	0.01%
PEPRA Member Rate	7.73%	7.76%	0.03%
Unfunded Liability Assessments			
UAL Classic Member	\$ 567,752	\$ 656,050	\$ 88,298
UAL PEPRA Member	\$ 7,765	\$ 8,703	\$ 938
UAL Safety Fire	\$ 504,631	\$ 553,943	\$ 49,312
UAL Safety Police	\$ 273,795	\$ 299,169	\$ 25,374
Total	\$ 1,353,943	\$ 1,517,865	\$ 163,922

Based on CalPERS investment earnings and other policy changes, all California cities that are members of CalPERS are seeing their unfunded liability increase. Looking forward, CalPERS has estimated pension unfunded liability costs increasing for the City of Sonoma from \$1,173,466 in FY 20/21 to a projected \$1,604,600 in FY 24/25. Chart 2 below shows the unfunded liability costs projected for the City of Sonoma over the next six years.

EXPENSES (APPROPRIATIONS) SUMMARY

Chart 2 – CalPERS Unfunded Liability



While State law and CalPERS control much of the pension regulations and costs, there are a few options available to cities to work toward pension cost stabilization. Early in FY 2022-23 staff will be recommending a pension rate stabilization fund designed to prefund rising pension costs and address pension liabilities.

Employee Health Insurance: Although there was a slight increase in the health insurance premiums for FY 2022-23, employees have changed their insurance plans, due to terminations and personal plan changes, which has decreased the General Fund budgeted expense by \$5,363. It is important to note that the City does not offer medical benefits to employees upon retirement, therefore it does not have any outstanding liability for former employees.

Insurance Assessments: The City has been a member of the Redwood Empire Municipal Insurance Fund (REMIF) a self-insured joint powers authority – JPA (governmental entity) which was established in 1976 to handle the insurance claims, benefit programs, and risk management needs of fifteen (15) member cities. On July 1, 2021, REMIF will merge with a larger California based JPA – PARSAC, to become the California intergovernmental Risk Authority (CIRA). Over the past couple of years costs for liability insurance has been escalating for the public entity sector. The hard liability market is driven by unexpectedly high jury verdicts, settlements, and defense costs for law enforcement and dangerous (fire related) conditions claims. As a result, underwriting standards have tightened, and carriers are offering lower limits while significantly increasing costs. In addition, many insurance carriers are leaving the state – leaving the capacity available to CIRA significantly reduced (with increased prices). For property, the wildfires and natural disasters have done the same – many insurers simply want nothing to do with California. However, with the merger, CIRA was able to secure coverage (strength in numbers). Costs for property and liability insurance increased approximately 34% from FY 2020-21 to FY 2021-22 but remained virtually the same for FY 2022-23 from 2021-22, for a total General Fund budgeted cost of \$511,188. Fortunately, workers compensation insurance, unlike the commercial liability market, is soft and the renewal was straight

EXPENSES (APPROPRIATIONS) SUMMARY

forward with General Fund budget for FY 2022-23 matching FY 2021-22, after a decrease of \$11,261 from FY 2020-21.

Debt Service: The City's only debt service is for the 2008 Clean Renewable Energy Bonds (CREB) that were used for photovoltaic (solar) projects at the Police Station and Corporation Yard. The obligation was a lease agreement with Municipal Finance Corporation in the amount of \$1,156,000 entered into on July 10, 2008. Principal installments of \$41,749 are made on December 15 of each year, with the final installment due on December 15, 2024.

Program-Based Budget Modifications and One-time Expenditures: In addition to these global changes, there are program-based budget modifications proposed for the operating departments. The one-time expenditures are summarized in the City Manager's Message, and above and are also detailed in the department pages that follow this section.

GENERAL FUND AND WATER RESERVES

In 2019, the City Council updated the City’s Financial Reserve Policy to maintain stable reserve levels for the General Fund and formalized reserve policies for the Water Fund. Below is the updated policy which contains reserve parameters for the General Fund. The Water Fund Reserve policy is at the end of this section. The City recently adopted a formal Water Reserve policy and the Water Utility Fund is building reserves to comply with these best practices.

BACKGROUND

Comprehensive reserves are a vital component of a sound financial plan for both the City’s General Fund and the City’s Water Utility Fund. Strong reserves position an organization to weather significant economic downturns more effectively, alleviate the consequences of outside agencies actions that may result in revenue reductions, and help to manage unexpected emergencies, such as natural disasters, catastrophic events, or excessive liabilities or legal judgements against the organization.

Fiscal stability is an important factor to any City. It is Council’s responsibility to provide for the continuation of services in the event of natural or fiscal emergency. Realizing that city revenues are not stable and are dependent upon national, state and local economic trends, it is prudent for the City of Sonoma to have a “Financial Reserve Policy” in place to address any downturns that would affect the city revenues.

The City of Sonoma endeavors to maintain adequate reserves for its General Fund and Water Utilities Fund, as a matter of fiscal prudence and sound financial management. These policies will guide the City in:

- Planning for economic uncertainties, downturns in the local or national economy, local disasters or catastrophic events;
- Maintaining good standing with credit rating agencies;
- Future debt or capital obligations
- Ensuring cash availability when revenue is unavailable
- Deciding when to use reserves and how to replenish reserves if they have been spent.

Per current Government Accounting Standards Board Statement No. 54, (“GASB” 54), fund balances are divided into five (5) categories in the financial statements:

CATEGORY	DESCRIPTION
Non-Spendable	Cannot be readily converted to cash or is not legally spendable (example: assets required to be maintained intact)
Restricted	Externally imposed restrictions on spending (creditors, granting agencies, or laws)
Committed	City Council formally imposed restrictions on spending (by resolution or other action)
Assigned	Funds reserved by City Council direction of City for designated purposes
Unassigned	Residual balance not classified in any of the above categories and available for expenditure

RESERVE SUMMARY

Cities often create different reserves within these classifications to set aside funds for specific purposes. For purposes of this document, the City’s General Fund reserve will include the sum of the Committed, Assigned, and Unassigned Fund Balances for that fund.

To mitigate these financial challenges, three separate General Fund reserves and three separate Water Utility Fund reserves are established as set forth below.

GENERAL FUND RESERVES

GENERAL FUND			
Reserves	Description	Calculation	GASB Categorization
General Fund Operating Reserve	Provide funding to evaluate alternatives in the event of financial hardships, provide resources in times of economic uncertainties and downturns, and to provide funding due to unexpected expenditures and/or reductions in revenues.	Two (2) months annual operating expenditures (17% of annual operating expenditures)	Committed
General Fund Emergency Reserve	Provide operating and/or repair funds in the event of a local disaster or catastrophic event.	Base amount of \$1,500,000	Committed
General Fund Special Projects Reserve	To segregate surplus fund balance from recurring revenue sources so that such surpluses will be appropriated only for non-recurring expenditures and 2) to create a funding source for one-time projects such as, but not limited to: <ul style="list-style-type: none"> ▪ Capital improvement projects of any type ▪ Surveys, studies and analyses of both operating and capital needs ▪ Updates of adopted plans (e.g., general plan or specific general plan elements, facility master plans) ▪ Temporary service programs (for example, a limited-duration code or traffic enforcement effort). 	No dedicated funding; based on Council direction and financial resources	Committed or Assigned
General Fund Unassigned Reserve	Residual balance not classified in any of the above categories and available for expenditure	Residual General Fund balance not classified above and available for expenditure	Unassigned

RESERVE SUMMARY

General Fund Operating Reserve

The purpose of the General Fund Operating Reserve is to provide sufficient cash flow and to provide breathing room for the City to evaluate alternatives in the event of financial hardships, provide resources in times of economic uncertainties and downturns, and to provide funding due to unexpected expenditures and/or reductions in revenues.

The Government Finance Officers Association (GFOA) maintains a best practice for general fund reserves. While the level of reserves should be assessed on a City's unique circumstances or risk levels, the recommended best practice is to keep at least two months of operating expenditures or minimum of 15% reserves.

The General Fund Operating Reserve can cover any significant unanticipated or mandated expenditures which cannot be deferred or efficiently funded by borrowing. This reserve is not intended to provide funding for new programs or for "buys of opportunity" or similar circumstances, usually involving the purchase of property. The General Fund Operating Reserve is distinguished from the General Fund Emergency Disaster/Reserve, from any reserves that may be assigned for specific purposes, and from unassigned fund balance and shall be reported separately on the balance sheet.

Under "GASB 54" the General Fund Operating Reserve will also be categorized in the City's financial statements as *Committed* fund balance.

When adopting the budget each year, the City of Sonoma shall establish a General Fund Operating Reserve of 17% of annual General Fund expenditures, (equal to two month of annual operating expenditures), which is available for appropriation for financial hardships or to provide resources in times of economic uncertainties and downturns, and to provide funding due to unexpected expenditures and/or reductions in revenues.

Process for the Use of the General Fund Operating Reserve in the Event of Financial Adversity:

- In the event of financial adversity, (defined as a prolonged downturn in one or more major revenue sources for the General Fund or imposition of a significant, unanticipated and unavoidable expense that cannot be deferred or efficiently funded by borrowing), staff would request City Council approval to utilize the General Fund Operating Reserve to maintain current service levels until a reduced budget is prepared or other solutions identified.
- Appropriate staff (i.e. City Manager, Assistant City Manager and Department Heads) would evaluate affected revenues and programs and make recommendations regarding any reduced service levels and/or any other solutions.
- The proposed financial plan would be shared with all City staff.
- Recommendations from the City Manager and staff on the proposed financial plan would be presented to the City Council for review, discussion, and adoption at a public meeting.

Use of the General Fund Operating Reserve in the event of financial adversity will be by direction of the City Council only and shall be appropriated by a simple majority vote of the City Council.

Whenever expenditures or transfers are made from the General Fund Operating Reserve, it shall be a high priority for the City to reimburse such expenditures soon, normally by deferring other service or project expenditures.

RESERVE SUMMARY

Should the Council opt not to draw on the Operating Reserve or should the financial hardship exceed the available reserve funds, the City Council may direct that funding be augmented through the following options:

- Inter-fund Financing Transfer;
- External/Third-Party Financing;
- Immediate spending freeze; and/or
- Other financing options available at the point of need.

The City Council may from time-to-time authorize budget appropriations that would reduce the General Fund Operating Reserve below its policy-mandated 17% level and this shall be by a simple majority vote of the City Council.

If the City Council appropriates funds that, for any purpose authorized in this policy, would drop the General Fund Operating Reserve below 17%, the next budget cycle should include a plan for how the General Fund Operating Reserve will be restored to the required 17% reserve level within a reasonable time.

General Fund Emergency Reserve

The purpose of the City of Sonoma's General Fund Emergency Reserve is to provide operating and/or repair funds in the event of a local disaster or catastrophic event.

When adopting the budget each year, the City of Sonoma shall establish a General Fund Emergency Reserve of \$1.5 million, which is available for appropriation to respond to local disasters or catastrophic events, whether natural or man-made.

The City Council may from time-to-time authorize budget appropriations that would reduce the General Fund Emergency Reserve below its policy-mandated \$1.5 million level and this shall be by a simple majority vote of the City Council. These appropriations should be made only in response to significant events such as, (but not limited to), natural disasters, declared emergencies or catastrophic events.

If the City Council appropriates funds that, for any purpose authorized in this policy, would drop the General Fund Emergency Reserve below \$1.5 million, the next budget cycle should include a plan for how the General Fund Emergency Reserve will be restored to the required \$1.5 million reserve level within a reasonable time.

In case of emergencies falling under the purview of the City of Sonoma Municipal Code Section 2.36, purchases authorized by the Director of Emergency Services under Section 2.36.060 (b) may cause the balance in the General Fund Emergency Reserve to fall below the required \$1.5 million level.

Under "GASB 54" the General Fund Emergency Reserve will be categorized in the City's financial statements as *Committed* fund balance.

General Fund Special Projects Reserve

The City of Sonoma shall establish a General Fund Special Projects Reserve which is made up of unassigned fund balance in the General Fund. The purposes of the General Fund Special Projects Reserve are 1) to segregate surplus fund balance from recurring revenue sources so that such surpluses will be appropriated only for non-recurring expenditures and 2) to create a funding source for one-time projects such as, but not limited to:

RESERVE SUMMARY

- Capital improvement projects of any type
- Surveys, studies and analyses of both operating and capital needs
- Updates of adopted plans (e.g., general plan or specific general plan elements, facility master plans)
- Temporary service programs (for example, a limited- duration code or traffic enforcement effort).

Approval of any appropriation from the General Fund Special Projects Reserve shall be by a simple majority vote of the City Council.

Under “GASB 54”, the General Fund Special Projects Reserve will be categorized in the City’s financial statements as either Assigned, if the funds are reserved by City Council direction or the City Manager for designated purposes; or Committed or Assigned, if the funds are approved in the annual budget process.

General Fund Inter-Fund Financing

The City of Sonoma maintains additional funds outside the General Fund, which may be utilized to provide interim financing to the General Fund in the event of financial adversity. Financing levels of the inter-fund loan shall not exceed 50% of the available fund balance and shall be documented by an established repayment schedule, including interest accrued on the loan using the quarterly Local Agency Investment Fund (“LAIF”) interest rate earned by the City on its idle cash, approved by the City Council based on the recommendation of staff.

The staff recommendation shall include a certification that the fund from which the cash is to be borrowed shall not need these dollars during the repayment period to meet City obligations, based upon fund financial projections and based upon legal requirements. Repayment of these loans shall become the priority in future budgeting cycles.

RESERVE SUMMARY

CURRENT RESERVES

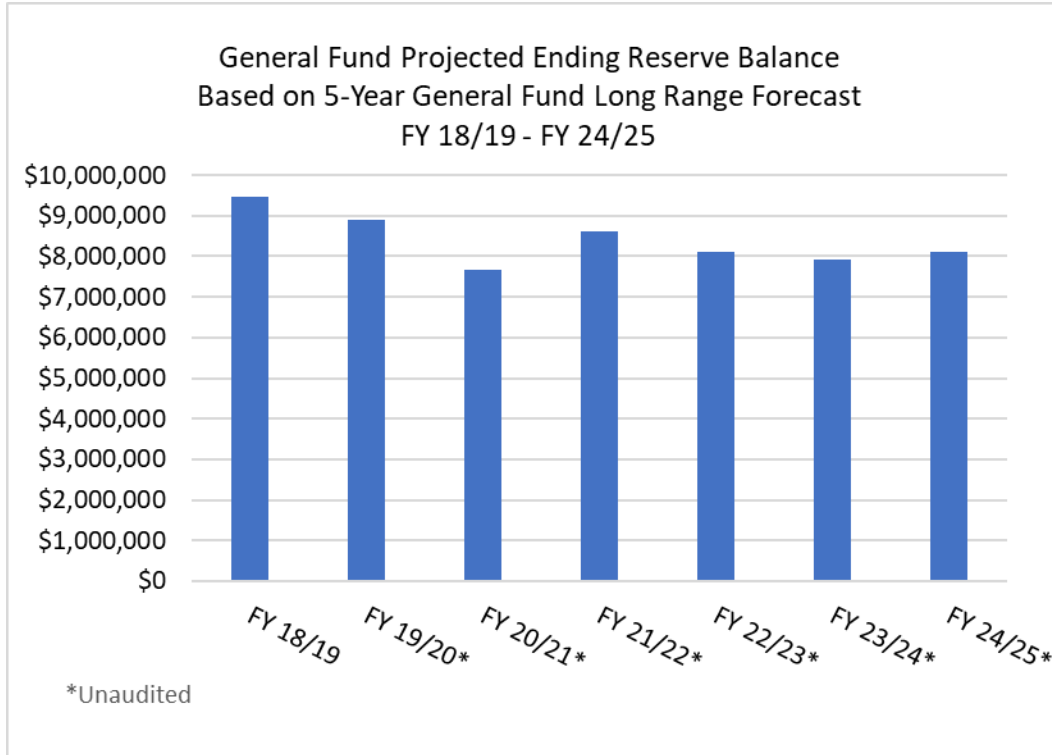
Following is chart showing an estimate of current reserves based on the City Council's General Fund Reserve Policy outlined prior.

GENERAL FUND RESERVE SUMMARY - (PROJECTED - UNAUDITED)	FY 2021/22 Projected (Unaudited)	FY 2022/23 Budget
Beginning Total General Fund Reserve (Includes Funds 100,704,521,750,796)	\$ 7,770,200	\$ 9,727,070
Committed for Operating Reserve (17% of General Fund Budgeted Expenditures)	\$ 3,620,290	\$ 4,004,235
Committed for Emergency Reserve	\$ 1,500,000	\$ 1,500,000
Committed for One-time Special Projects: These are included in Budgeted Expense		
Cemetery Analysis (Carryover FY 20/21)	\$ 30,000	
Pension Study/Analysis (Carryover FY 20/21)	\$ 5,000	
Plaza Tree Assessment and Major Maintenance (Carryover FY FY 20/21 & 21/22)	\$ 30,000	\$ 32,000
Photographic Art for City Council Chambers to complete refurbishing of Council Chambers	\$ 9,201	
Council - Directed Studies	\$ 15,000	\$ 15,000
One laptop and 8 iPads - for IT Security and Public Works upgrades	\$ 10,960	
Augmentation needed to replace Public Works Parks Flat-Bed Truck	\$ 20,000	
TESLA EV Charging Stations - Tesla EV charging stations at Community Center	\$ 20,000	
Field of Dreams - one-time contribution for maint and irrigation upgrades	\$ 25,000	
Cloud-based records managment archive software to include a public portal	\$ 30,000	
Valley Governance Study	\$ 30,000	
Climate Action Consultant	\$ -	\$ 35,000
Total Committed and Budgeted for One-Time Special Projects	\$ 5,345,451	\$ 5,586,235
Assigned General Fund Reserve Balance		
<i>(Funds Reserved by Council Direction or City Manager for Designated Purposes)</i>		
EMS Equipment Replacement	\$ 183,848	\$ 106,848
General Plan Reserve	\$ 500,000	\$ 500,000
Total Assigned General Fund Reserve Balance	\$ 683,848	\$ 606,848
Total Unrestricted/Undesignated General Fund Reserve Balance	\$ 575,575	\$ 2,664,301
Beginning Total General Fund Balance (Includes Funds 100,704,521,750,796)*	\$ 7,770,200	\$ 9,727,070
Net Income/(Loss) (Includes Funds 100,704,521,750,796)*	\$ 638,283	\$ 203,238
American Rescue Plan Federal Relief Funding	\$ 1,318,588	\$ 1,318,588
Ending Total General Fund Balance (Includes Funds 100,704,521,750,796)*	\$ 9,727,070	\$ 11,248,896
*Funds 100-General Fund, 704-Alcalde Trust, 521-EMS Equipment Replacement, 750-Bids & Deposits, 796-IGT		

RESERVE SUMMARY

PROJECTED GENERAL FUND ENDING RESERVE BALANCES

Following is chart showing an estimate of projected General Fund Ending Reserve balances based on the General Fund 5-Year Long Range Forecast.



WATER UTILITY FUND RESERVES

It is the City Council’s responsibility to provide for the continuation of water utility services in the event of a natural or fiscal emergency, therefore fiscal stability is vital for the City’s Water Utility Fund. In 2018, the City updated its water rates and conducted a comprehensive review of the City’s Water Utility financial plan, user classifications, and various rate structures to help ensure the City will continue to provide high quality, dependable water service to the community while maintaining financial stability, affordability, and adequate levels of investment in infrastructure. In keeping with sound financial policies three separate Water Utility Fund reserves were established, as outlined below:

Water Utility Fund Reserves			
Reserves	Description	Calculation	GASB Categorization
Water Utility Fund Operating Reserve	Provide cash flow to support the operation, maintenance and administration of the City’s Water Utility Fund to cover any significant unanticipated or mandated expenditures.	Two (2) months of annual expenditures (17%)	Committed



RESERVE SUMMARY

Water Utility Capital Reserve	To cover any unexpected and unplanned infrastructure repairs and replacements not included in the Capital Improvement Plan (CIP) annual budget.	Annual average of CIP expenditures (averaged over the next five years)	Committed
Water Utility Fund Rate Stabilization Reserve	To be used during periods of short-term revenue shortages due to economic recession, drought, or other causes, to alleviate the need to quickly implement substantial rate increases.	10% of annual Volumetric Charge revenue, increasing by 1% every year until it reaches 15% of annual Volumetric Charge revenue	Committed

Water Utility Fund Operating Reserve

The purpose of the Water Utility Fund Operating Reserve is to provide working capital to support the operation, maintenance and administration of the City’s Utility Fund, ensuring that cash flow needs of normal operations are met.

Beginning with fiscal year 2018/19, the City shall establish and maintain an Operating Reserve target level equal to two months or 17% of operating and maintenance expenditures.

The Water Utility Fund Operating Reserve can cover any significant unanticipated or mandated expenditures which cannot be deferred or efficiently funded by borrowing. This reserve is not intended to provide funding for new programs or for “buys of opportunity” or similar circumstances, usually involving the purchase of property. The Water Utility Fund Operating Reserve is distinguished from any reserves that may be assigned for specific purposes and from unassigned fund balance and shall be reported separately on the balance sheet.

Under “GASB 54” the Water Utility Fund Operating Reserve will be categorized in the City’s financial statements as Committed fund balance.

Process for the Use of the Water Utility Fund Operating Reserve in the Event of Financial Adversity:

- In the event of financial adversity, (defined as a prolonged downturn in one or more major revenue sources for the Water Utility Fund or imposition of a significant, unanticipated and unavoidable expense that cannot be deferred or efficiently funded by borrowing), staff would request City Council approval to utilize the Water Utility Fund Operating Reserve to maintain current service levels until a reduced budget is prepared or other solutions identified.
- Appropriate staff (i.e. City Manager, Public Works Director and Department Heads) would evaluate affected revenues and programs and make recommendations regarding solutions.
- The proposed financial plan would be shared with all City staff.
- Recommendations from the City Manager and staff on the proposed financial plan would be presented to the City Council for review, discussion, and adoption at a public meeting.

Use of the Water Utility Fund Operating Reserve in the event of financial adversity will be by direction of

RESERVE SUMMARY

the City Council only and shall be appropriated by a simple majority vote of the City Council.

Whenever expenditures or transfers are made from the Water Utility Fund Operating Reserve, it shall be a high priority for the City to reimburse such expenditures soon, normally by deferring other service or project expenditures.

Water Utility Fund Capital Reserve

The purpose of the Water Utility Fund Capital Reserve is to cover any unexpected and unplanned infrastructure repairs and replacements not included in the Capital Improvement Plan (CIP) annual budget.

Beginning with Fiscal Year 2018/19 the City shall establish and maintain a Water Utility Fund Capital Reserve of annual average CIP expenditures (averaged over the next five years). The Capital Reserve target levels do not include the debt funded CIP projects.

Use of the Water Utility Fund Capital Reserve in the event of any unexpected and unplanned infrastructure repairs and replacements not included in the Capital Improvement Plan (CIP) annual budget will be by direction of the City Council only and shall be appropriated by a simple majority vote of the City Council.

Whenever expenditures or transfers are made from the Water Utility Fund Capital Reserve, it shall be a high priority for the City to establish a plan to reimburse the Water Utility fund Capital Reserve as soon as fiscally possible.

Under "GASB 54" the Water Utility Fund Capital Reserve will also be categorized in the City's financial statements as Committed fund balance.

Water Utility Fund Rate Stabilization Reserve

The Water Utility Fund Rate Stabilization Reserve is to be used during periods of short-term revenue shortages due to economic recession, drought, or other causes, to alleviate the need to quickly implement substantial rate increases. Beginning in Fiscal Year 2018/19 the Water Utility Rate Stabilization Reserve target level is 11% of annual Volumetric Charge revenue. The Water Utility Rate Stabilization Reserve will be increase by 1% every year, until it reaches a targeted 15% percent of annual Volumetric Charge revenue.

Use of the Water Utility Fund Rate Stabilization Reserve during periods of short-term revenue shortages caused by economic recession, drought, or other reasons, will be by direction of the City Council only and shall be appropriated by a simple majority vote of the City Council.

Whenever transfers are made from the Water Utility Fund Rate Stabilization Reserve, it shall be a high priority for the City to reimburse the Reserve as soon as fiscally possible.

Under "GASB 54" the Water Utility Fund Rate Stabilization Reserve will also be categorized in the City's financial statements as Committed fund balance.

City of Sonoma

RESOLUTION # 07 - 2019

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SONOMA APPROVING SONOMA FINANCIAL RESERVE POLICY

WHEREAS, financially stable organizations must have appropriate reserves. Strong reserves position an organization to weather significant economic downturns more effectively, manage the consequences of outside agencies actions that may result in revenue reductions, and address unexpected emergencies, such as natural disasters, catastrophic events caused by human activity, or excessive liabilities or legal judgments against the organization; and,

WHEREAS, the City of Sonoma's Reserve Policy was last reviewed and updated by the City Council in 2006; and,

WHEREAS, in February 2009, the Government Accounting Standards Board (GASB) issued Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions (GASB 54). The objective of the Statement was to improve the usefulness, including understandability, of governmental fund balance information. It provided more clearly defined categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. It also clarified the governmental fund type definition to improve comparability of governmental fund financial statements and help financial statement users better understand the purposes for which governments have chosen particular funds for reporting; and,

WHEREAS, it is necessary to update the City's Reserve Policy to make it more comprehensive, current and reflecting of best practices of cities; and,

WHEREAS, the City currently has three reserve policies that are maintained in the General Fund – the Operating Reserve, the Emergency Reserve, and the Special Projects Reserve; and,

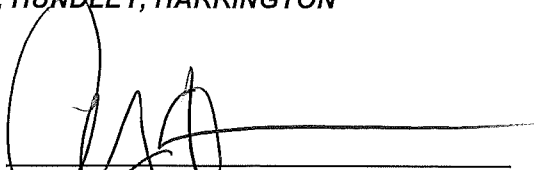
WHEREAS, in 2018, the City updated its water rates and conducted a comprehensive review of the City's Water Utility financial plan, user classifications, and various rate structures to help ensure the City will continue to provide high quality, dependable water service to the community while maintaining financial stability, affordability, and adequate levels of investment in infrastructure. In keeping with sound financial policies three separate Water Utility Fund reserves were established – Water Utility Fund Operating Reserve, Water Utility Capital Reserve, and Water Utility Fund Rate Stabilization Reserve; and,

WHEREAS, on August 20, 2018, at a study session with City Council, staff presented an overview of the City of Sonoma's current General Fund Reserve Policy with recommendations for several updates and changes to the policy. During the study session, Council directed staff to complete a fiscal analysis of the City's General Fund to determine how the most recent recession affected City finances and its major revenue sources, (Property Tax, Sales Tax, Sales Tax Measure M, and Transient Occupancy Tax, (TOT). Staff also agreed to do further analysis comparing Sonoma's reserve policies to best practices, industry guidelines, and other cities.


NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Sonoma that the Sonoma Financial Reserve Policy (Exhibit A) is hereby approved.

PASSED, APPROVED AND ADOPTED this 4th day of March 2019, by the following vote:

AYES: **AGRIMONTI, COOK, HARVEY, HUNDLEY, HARRINGTON**
NOES:
ABSENT:
ABSTAIN:



Amy Harrington, Mayor

ATTEST:


Rebekah Barr, MMC, City Clerk



DRAFT
CITY OF SONOMA FINANCIAL RESERVE POLICIES

BACKGROUND

Comprehensive reserves are a vital component of a sound financial plan for both the City and the City’s Water Utility Fund. Strong reserves position an organization to weather significant economic downturns more effectively, manage the consequences of outside agencies actions that may result in revenue reductions, and address unexpected emergencies, such as natural disasters, catastrophic events, or excessive liabilities or legal judgements against the organization.

Fiscal stability is an important factor to any City. It is Council’s responsibility to provide for the continuation of services in the event of natural or fiscal emergency. Realizing that city revenues are not stable and are dependent upon national, state and local economic trends, it is prudent for the City of Sonoma to have a “Financial Reserve Policy” in place to address any downturns that would affect the city revenues.

The City of Sonoma endeavors to maintain adequate reserves for its General Fund and Water Utilities Fund, as a matter of fiscal prudence and sound financial management. These policies will guide the City in:

- Planning for economic uncertainties, downturns in the local or national economy, local disasters or catastrophic events;
- Maintaining good standing with credit rating agencies;
- Future debt or capital obligations
- Ensuring cash availability when revenue is unavailable
- Deciding when to use reserves and how to replenish reserves if they have been spent.

Per current Government Accounting Standards Board Statement No. 54, (“GASB” 54), fund balances are divided into five (5) categories in the financial statements:

CATEGORY	DESCRIPTION
Non-Spendable	Cannot be readily converted to cash or is not legally spendable (example: assets required to be maintained intact)
Restricted	Externally imposed restrictions on spending (creditors, granting agencies, or laws)
Committed	City Council formally imposed restrictions on spending (by resolution or other action)
Assigned	Funds reserved by City Council direction of City for designated purposes
Unassigned	Residual balance not classified in any of the above categories and available for expenditure

Attachment A – Draft City of Sonoma Financial Reserve Policies

Cities often create different reserves within these classifications to set aside funds for specific purposes. For purposes of this document, the City’s General Fund reserve will include the sum of the Committed, Assigned, and Unassigned Fund Balances for that fund.

To mitigate these financial challenges, three separate General Fund reserves and three separate Water Utility Fund reserves are established as set forth below.

GENERAL FUND RESERVES

GENERAL FUND			
Reserves	Description	Calculation	GASB Categorization
General Fund Operating Reserve	Provide funding to evaluate alternatives in the event of financial hardships, provide resources in times of economic uncertainties and downturns, and to provide funding due to unexpected expenditures and/or reductions in revenues.	Two (2) months annual operating expenditures (17% of annual operating expenditures)	Committed
General Fund Emergency Reserve	Provide operating and/or repair funds in the event of a local disaster or catastrophic event.	Base amount of \$1,500,000	Committed
General Fund Special Projects Reserve	To segregate surplus fund balance from recurring revenue sources so that such surpluses will be appropriated only for non-recurring expenditures and 2) to create a funding source for one-time projects such as, but not limited to: <ul style="list-style-type: none"> ▪ · Capital improvement projects of any type ▪ · Surveys, studies and analyses of both operating and capital needs ▪ · Updates of adopted plans (e.g., general plan or specific generalplan elements, facility master plans) ▪ · Temporary service programs (for example, a limited-duration code or traffic enforcement effort). 	No dedicated funding; based on Council direction and financial resources	Committed or Assigned
General Fund Unassigned Reserve	Residual balance not classified in any of the above categories and available for expenditure	Residual General Fund balance not classified above and available for expenditure	Unassigned

Attachment A – Draft City of Sonoma Financial Reserve Policies

General Fund Operating Reserve

The purpose of the General Fund Operating Reserve is to provide sufficient cash flow and to provide breathing room for the City to evaluate alternatives in the event of financial hardships, provide resources in times of economic uncertainties and downturns, and to provide funding due to unexpected expenditures and/or reductions in revenues.

The Government Finance Officers Association (GFOA) maintains a best practice for general fund reserves. While the level of reserves should be assessed on a City's unique circumstances or risk levels, the recommended best practice is to keep at least two months of operating expenditures or minimum of 15% reserves.

The General Fund Operating Reserve can cover any significant unanticipated or mandated expenditures which cannot be deferred or efficiently funded by borrowing. This reserve is not intended to provide funding for new programs or for "buys of opportunity" or similar circumstances, usually involving the purchase of property. The General Fund Operating Reserve is distinguished from the General Fund Emergency Disaster/Reserve, from any reserves that may be assigned for specific purposes, and from unassigned fund balance and shall be reported separately on the balance sheet.

Under "GASB 54" the General Fund Operating Reserve will also be categorized in the City's financial statements as *Committed* fund balance.

When adopting the budget each year, the City of Sonoma shall establish a General Fund Operating Reserve of 17% of annual General Fund expenditures, (equal to two month of annual operating expenditures), which is available for appropriation for financial hardships or to provide resources in times of economic uncertainties and downturns, and to provide funding due to unexpected expenditures and/or reductions in revenues.

Process for the Use of the General Fund Operating Reserve in the Event of Financial Adversity:

- In the event of financial adversity, (defined as a prolonged downturn in one or more major revenue sources for the General Fund or imposition of a significant, unanticipated and unavoidable expense that cannot be deferred or efficiently funded by borrowing), staff would request City Council approval to utilize the General Fund Operating Reserve to maintain current service levels until a reduced budget is prepared or other solutions identified.
- Appropriate staff (i.e. City Manager, Assistant City Manager and Department Heads) would evaluate affected revenues and programs and make recommendations regarding any reduced service levels and/or any other solutions.
- The proposed financial plan would be shared with all City staff.
- Recommendations from the City Manager and staff on the proposed financial plan would be presented to the City Council for review, discussion, and adoption at a public meeting.

Use of the General Fund Operating Reserve in the event of financial adversity will be by direction of the City Council only and shall be appropriated by a simple majority vote of the City Council.

Whenever expenditures or transfers are made from the General Fund Operating Reserve, it shall be a high priority for the City to reimburse such expenditures soon, normally by deferring other service or project expenditures.

Should the Council opt not to draw on the Operating Reserve or should the financial hardship exceed the

Attachment A – Draft City of Sonoma Financial Reserve Policies

available reserve funds, the City Council may direct that funding be augmented through the following options:

- Inter-fund Financing Transfer;
- External/Third-Party Financing;
- Immediate spending freeze; and/or
- Other financing options available at the point of need.

The City Council may from time-to-time authorize budget appropriations that would reduce the General Fund Operating Reserve below its policy-mandated 17% level and this shall be by a simple majority vote of the City Council.

If the City Council appropriates funds that, for any purpose authorized in this policy, would drop the General Fund Operating Reserve below 17%, the next budget cycle should include a plan for how the General Fund Operating Reserve will be restored to the required 17% reserve level within a reasonable time.

General Fund Emergency Reserve

The purpose of the City of Sonoma's General Fund Emergency Reserve is to provide operating and/or repair funds in the event of a local disaster or catastrophic event.

When adopting the budget each year, the City of Sonoma shall establish a General Fund Emergency Reserve of \$1.5 million, which is available for appropriation to respond to local disasters or catastrophic events, whether natural or man-made.

The City Council may from time-to-time authorize budget appropriations that would reduce the General Fund Emergency Reserve below its policy-mandated \$1.5 million level and this shall be by a simple majority vote of the City Council. These appropriations should be made only in response to significant events such as, (but not limited to), natural disasters, declared emergencies or catastrophic events.

If the City Council appropriates funds that, for any purpose authorized in this policy, would drop the General Fund Emergency Reserve below \$1.5 million, the next budget cycle should include a plan for how the General Fund Emergency Reserve will be restored to the required \$1.5 million reserve level within a reasonable time.

In case of emergencies falling under the purview of the City of Sonoma Municipal Code Section 2.36, purchases authorized by the Director of Emergency Services under Section 2.36.060 (b) may cause the balance in the General Fund Emergency Reserve to fall below the required \$1.5 million level.

Under "GASB 54" the General Fund Emergency Reserve will be categorized in the City's financial statements as *Committed* fund balance.

General Fund Special Projects Reserve

The City of Sonoma shall establish a General Fund Special Projects Reserve which is made up of unassigned fund balance in the General Fund. The purposes of the General Fund Special Projects Reserve are 1) to segregate surplus fund balance from recurring revenue sources so that such surpluses will be appropriated only for non-recurring expenditures and 2) to create a funding source for one-time projects such as, but not limited to:

Attachment A – Draft City of Sonoma Financial Reserve Policies

- Capital improvement projects of any type
- Surveys, studies and analyses of both operating and capital needs
- Updates of adopted plans (e.g., general plan or specific general plan elements, facility master plans)
- Temporary service programs (for example, a limited- duration code or traffic enforcement effort).

Approval of any appropriation from the General Fund Special Projects Reserve shall be by a simple majority vote of the City Council.

Under “GASB 54”, the General Fund Special Projects Reserve will be categorized in the City’s financial statements as either Assigned, if the funds are reserved by City Council direction or the City Manager for designated purposes; or Committed or Assigned, if the funds are approved in the annual budget process.

General Fund Inter-Fund Financing

The City of Sonoma maintains additional funds outside the General Fund, which may be utilized to provide interim financing to the General Fund in the event of financial adversity. Financing levels of the inter-fund loan shall not exceed 50% of the available fund balance and shall be documented by an established repayment schedule, including interest accrued on the loan using the quarterly Local Agency Investment Fund (“LAIF”) interest rate earned by the City on its idle cash, approved by the City Council based on the recommendation of staff.

The staff recommendation shall include a certification that the fund from which the cash is to be borrowed shall not need these dollars during the repayment period to meet City obligations, based upon fund financial projections and based upon legal requirements. Repayment of these loans shall become the priority in future budgeting cycles.

WATER UTILITY FUND RESERVES

It is the City Council’s responsibility to provide for the continuation of water utility services in the event of a natural or fiscal emergency, therefore fiscal stability is vital for the City’s Water Utility Fund. In 2018, the City updated its water rates and conducted a comprehensive review of the City’s Water Utility financial plan, user classifications, and various rate structures to help ensure the City will continue to provide high quality, dependable water service to the community while maintaining financial stability, affordability, and adequate levels of investment in infrastructure. In keeping with sound financial policies three separate Water Utility Fund reserves were established, as outlined below:

Water Utility Fund Reserves			
Reserves	Description	Calculation	GASB Categorization
Water Utility Fund Operating Reserve	Provide cash flow to support the operation, maintenance and administration of the City’s Water Utility Fund to cover any significant unanticipated or mandated expenditures.	Two (2) months of annual expenditures (17%)	Committed

Attachment A – Draft City of Sonoma Financial Reserve Policies

<p>Water Utility Capital Reserve</p>	<p>To cover any unexpected and unplanned infrastructure repairs and replacements not included in the Capital Improvement Plan (CIP) annual budget.</p>	<p>Annual average of CIP expenditures (averaged over the next five years)</p>	<p>Committed</p>
<p>Water Utility Fund Rate Stabilization Reserve</p>	<p>To be used during periods of short-term revenue shortages due to economic recession, drought, or other causes, to alleviate the need to quickly implement substantial rate increases.</p>	<p>10% of annual Volumetric Charge revenue, increasing by 1% every year until it reaches 15% of annual Volumetric Charge revenue</p>	<p>Committed</p>

Water Utility Fund Operating Reserve

The purpose of the Water Utility Fund Operating Reserve is to provide working capital to support the operation, maintenance and administration of the City’s Utility Fund, ensuring that cash flow needs of normal operations are met.

Beginning with fiscal year 2018/19, the City shall establish and maintain an Operating Reserve target level equal to two months or 17% of operating and maintenance expenditures.

The Water Utility Fund Operating Reserve can cover any significant unanticipated or mandated expenditures which cannot be deferred or efficiently funded by borrowing. This reserve is not intended to provide funding for new programs or for “buys of opportunity” or similar circumstances, usually involving the purchase of property. The Water Utility Fund Operating Reserve is distinguished from any reserves that may be assigned for specific purposes and from unassigned fund balance and shall be reported separately on the balance sheet.

Under “GASB 54” the Water Utility Fund Operating Reserve will be categorized in the City’s financial statements as Committed fund balance.

Process for the Use of the Water Utility Fund Operating Reserve in the Event of Financial Adversity:

- In the event of financial adversity, (defined as a prolonged downturn in one or more major revenue sources for the Water Utility Fund or imposition of a significant, unanticipated and unavoidable expense that cannot be deferred or efficiently funded by borrowing), staff would request City Council approval to utilize the Water Utility Fund Operating Reserve to maintain current service levels until a reduced budget is prepared or other solutions identified.
- Appropriate staff (i.e. City Manager, Public Works Director and Department Heads) would evaluate affected revenues and programs and make recommendations regarding solutions.
- The proposed financial plan would be shared with all City staff.
- Recommendations from the City Manager and staff on the proposed financial plan would be presented to the City Council for review, discussion, and adoption at a public meeting.

Use of the Water Utility Fund Operating Reserve in the event of financial adversity will be by direction of the City Council only and shall be appropriated by a simple majority vote of the City Council.

Attachment A – Draft City of Sonoma Financial Reserve Policies

Whenever expenditures or transfers are made from the Water Utility Fund Operating Reserve, it shall be a high priority for the City to reimburse such expenditures soon, normally by deferring other service or project expenditures.

Water Utility Fund Capital Reserve

The purpose of the Water Utility Fund Capital Reserve is to cover any unexpected and unplanned infrastructure repairs and replacements not included in the Capital Improvement Plan (CIP) annual budget.

Beginning with Fiscal Year 2018/19 the City shall establish and maintain a Water Utility Fund Capital Reserve of annual average CIP expenditures (averaged over the next five years). The Capital Reserve target levels do not include the debt funded CIP projects.

Use of the Water Utility Fund Capital Reserve in the event of any unexpected and unplanned infrastructure repairs and replacements not included in the Capital Improvement Plan (CIP) annual budget will be by direction of the City Council only and shall be appropriated by a simple majority vote of the City Council.

Whenever expenditures or transfers are made from the Water Utility Fund Capital Reserve, it shall be a high priority for the City to establish a plan to reimburse the Water Utility fund Capital Reserve as soon as fiscally possible.

Under “GASB 54” the Water Utility Fund Capital Reserve will also be categorized in the City’s financial statements as Committed fund balance.

Water Utility Fund Rate Stabilization Reserve

The Water Utility Fund Rate Stabilization Reserve is to be used during periods of short-term revenue shortages due to economic recession, drought, or other causes, to alleviate the need to quickly implement substantial rate increases. Beginning in Fiscal Year 2018/19 the Water Utility Rate Stabilization Reserve target level is 11% of annual Volumetric Charge revenue. The Water Utility Rate Stabilization Reserve will be increase by 1% every year, until it reaches a targeted 15% percent of annual Volumetric Charge revenue.

Use of the Water Utility Fund Rate Stabilization Reserve during periods of short-term revenue shortages caused by economic recession, drought, or other reasons, will be by direction of the City Council only and shall be appropriated by a simple majority vote of the City Council.

Whenever transfers are made from the Water Utility Fund Rate Stabilization Reserve, it shall be a high priority for the City to reimburse the Reserve as soon as fiscally possible.

Under “GASB 54” the Water Utility Fund Rate Stabilization Reserve will also be categorized in the City’s financial statements as Committed fund balance.

TRANSFERS BETWEEN FUNDS

The City has two types of permanent transfers, which can be either interfund transfers or administrative transfers.

Interfund Transfers

Interfund Transfers are monies transferred between different funds, such as the General Fund to a CIP fund. Transfer monies tracked in the City's general ledger in separate accounts for each fund. The budget contains interfund transfers for such items as construction projects and debt payments. Only the City Council has the authority to increase total appropriations, subject to the appropriation limitations set by state law.

Administrative Transfers

Administrative Transfers are transfers within a fund. The City Manager is authorized to transfer an unlimited amount of appropriations within any fund so long as the total appropriations for that fund are not increased.

The following spreadsheet details the current year budgeted interfund transfers.

Transfers Between Funds

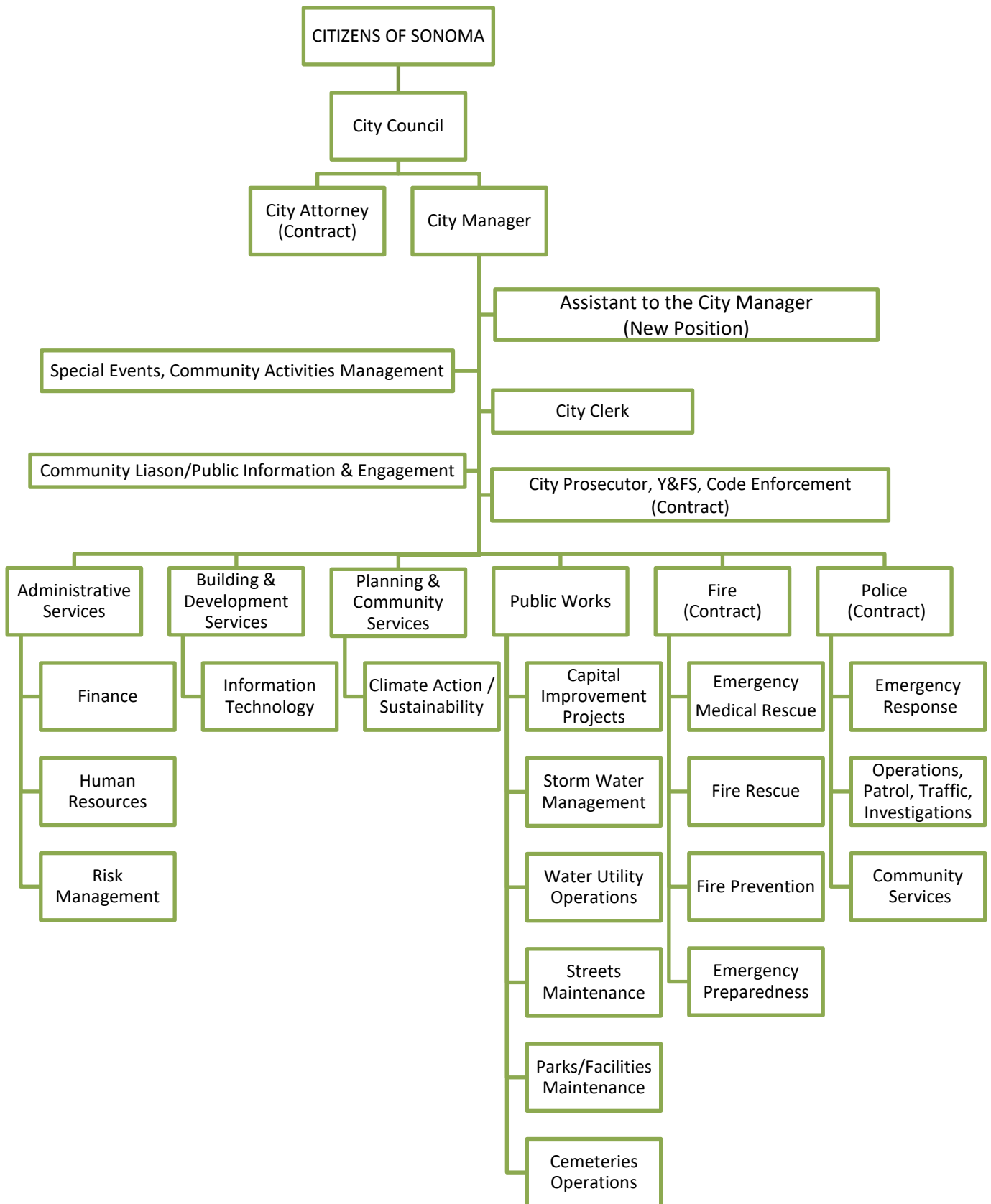
Fiscal Year 2022-23

From	From	Amount	To	To	Amount	Description
100	General Fund	\$ 60,000.00	301	City Cap Improv Prog	\$ 60,000.00	T-4 Citywide Sidewalk Inspection & Repair Program
100	General Fund	50,000.00	301	City Cap Improv Prog	50,000.00	T-5 Ongoing Pavement Rehab & Water Service Replacement Projects
100	General Fund	20,000.00	304	Parks & Fac. Cap Improv Prog	20,000.00	BF-8 Depot Park Museum HVAC
100	General Fund	30,000.00	304	Parks & Fac. Cap Improv Prog	30,000.00	P-6 Montini Trail Connection & Enhancement Project
100	General Fund	30,000.00	304	Parks & Fac. Cap Improv Prog	30,000.00	P-8 Olsen Park Improvement Project
100	General Fund	50,000.00	304	Parks & Fac. Cap Improv Prog	50,000.00	P-9 Depot Park Renovation / Chase Bio Offset
100	General Fund	41,749.00	495	Clean Renewable Eng Bond	41,749.00	Lease Clean Renewable Energy Bond (CREB)
100	General Fund	507,272.00	732	Housing Trust Fund	507,272.00	Transfer 1% TOT to Housing Trust
217	SLESF Cops Grant	100,000.00	100	General Fund	100,000.00	Transfer from COPS
504	Cemetery Endowment	50,000.00	501	Cemetery Fund	50,000.00	Transfer from Endowment
510	Water Fund	561,256.79	100	General Fund	561,256.79	Based on Matrix Cost Allocation Plan
510	Water Fund	41,923.09	100	General Fund	41,923.09	Lease Access Road Water Tank
510	Water Fund	41,923.09	100	General Fund	41,923.09	Lease Norrbom Road Water Tank
510	Water Fund	41,923.09	501	Cemetery Fund	41,923.09	Lease Mountain Cemetery Water Tank
510	Water Fund	125,000.00	512	Water Cap Improv Prog	125,000.00	W-13 Construct Well 1 Vault
510	Water Fund	265,000.00	512	Water Cap Improv Prog	265,000.00	W-14 Norrborm Tank Coating Renewal
510	Water Fund	45,000.00	512	Water Cap Improv Prog	45,000.00	W-15 Replace Well 3 Treatment
510	Water Fund	32,500.00	512	Water Cap Improv Prog	32,500.00	W-16 Lovall Valley Rd Paving Project Valve Covers
521	EMS- Equip Replacement	79,500.00	603	Vehicle Replacement	79,500.00	Off Schedule AdJ: Ambulance 305(A-3) and Command Vehicle 3320 (U-11)
630	Grants Restricted	601,743.00	301	City Cap Improv Prog	601,743.00	T-1 Chase Street Bridge Replacement Project
630	Grants Restricted	501,000.00	301	City Cap Improv Prog	501,000.00	T-2 Fryer Creek Pedestrian and Bicycle Bridge Project
715	Pool Scholarship	25,000.00	100	General Fund	25,000.00	Scholarship Funding for New Pool at High School
796	IGT Fire	441,800.00	100	General Fund	441,800.00	IGT for Safer Grant Employees
		<u>\$ 3,742,590.06</u>			<u>\$ 3,742,590.06</u>	

Notes:

Supplemental Law Enforcement Serv Fund (SLESF) Cops Grant
 2008 Clean Renewable Energy Bond (CREB)

City Organization Chart (by function)



SUMMARY OF STAFFING AND POSITIONS

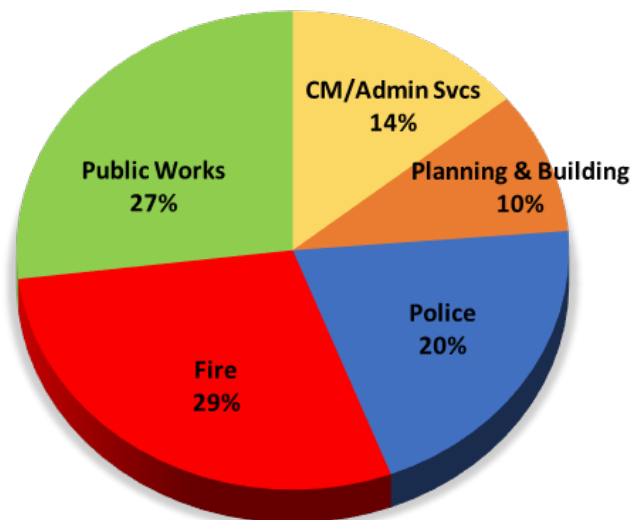
City of Sonoma FY 2022-23 Budget Summary of Staffing - Position Allocation

Departments	Adopted Budget	Adopted Budget	Proposed Budget
	Authorized Personnel FY 2020-21	Authorized Personnel FY 2021-22	Authorized Personnel FY 2022-23
City Manager's Office/Administrative Services	9.50	11.00	11.00
Planning and Building Services	8.50	8.50	7.50
Non-Departmental/ Community Activities	1.38	1.38	1.50
Police	1.00	1.00	1.00
Public Works	21.00	21.00	21.00
Total City Employees (FTE, includes part-time staff)	41.38	42.88	42.00
Police (Sheriff contract staffing)*	13.00	15.00	15.00
Fire (SVFRA contract staffing)**	22.52	22.52	22.52
TOTAL STAFFING:	76.90	80.40	79.52

* Police staffing excludes the two Valley-wide Sergeants (blended model).

**Fire - includes 3 Firefighters with SAFER grant; overall staffing based on total SVFRA pro-rated by the City's share (57%) without Glen Ellen.

FY 2022-23 Staffing Summary



SUMMARY OF STAFFING AND POSITIONS

	Adopted Budget Authorized Personnel FY 2020-21	Adopted Budget Authorized Personnel FY 2021-22	Proposed Budget Authorized Personnel FY 2022-23	Annual Step A (1 FTE)	Annual Step E (1 FTE)
City Manager's Office/Administrative Services					
City Manager/Executive Dir Community Development Agency	1.00	1.00	1.00	Contract	\$ 215,900
(vacant) * Assistant City Manager/Administrative Services Director	1.00	1.00	1.00	\$ 140,558	- \$ 170,849
Deputy Finance Director	1.00	1.00	1.00	\$ 119,097	- \$ 144,763
(new) Assistant to the City Manager	0.00	0.00	1.00	\$ 94,098	- \$ 114,377
City Clerk / Executive Assistant	1.00	1.00	1.00	\$ 94,098	- \$ 114,377
Human Resources Manager (formerly Admin Serv Manager)	1.00	1.00	1.00	\$ 94,098	- \$ 114,377
Senior Management Analyst-Community Activities	1.00	1.00	1.00	\$ 89,617	- \$ 108,930
Accountant	1.00	1.00	1.00	\$ 74,761	- \$ 90,872
Accounting Technician	2.00	2.00	2.00	\$ 65,314	- \$ 79,390
Management Analyst	0.00	1.00	1.00	\$ 65,314	- \$ 79,390
Administrative Assistant	1.00	1.00	0.00	\$ 61,841	- \$ 75,168
Administrative Assistant (Misc)	0.00	1.00	1.00	\$ 59,750	- \$ 72,626
<i>Administrative Assistant PT</i>	<i>0.50</i>	<i>0.00</i>	<i>0.00</i>	\$ 59,750	- \$ 72,626
<i>Senior Management Analyst-PIO</i>	<i>0.38</i>	<i>0.38</i>	<i>0.50</i>	\$ 89,617	- \$ 108,930
Total	<u>10.88</u>	<u>12.38</u>	<u>12.50</u>		
* Title change from Assistant City Manager/Administrative Services Director to Administrative Services Director					
Community Development (Planning and Building Depts)					
Planning and Community Services Director	1.00	1.00	1.00	\$ 132,005	- \$ 160,453
Development Services Director / Building Official	1.00	1.00	1.00	\$ 122,901	- \$ 149,387
Senior Planner	1.00	1.00	0.00	\$ 97,392	- \$ 118,380
Associate Planner	1.00	1.00	2.00	\$ 91,335	- \$ 111,018
Plans Examiner	1.00	1.00	1.00	\$ 89,935	- \$ 109,316
Building Inspector I	1.00	1.00	1.00	\$ 75,870	- \$ 92,220
Development Services Supervisor	1.00	1.00	0.00	\$ 71,123	- \$ 86,450
Permit Technician I	0.00	1.00	1.00	\$ 53,775	- \$ 65,364
Administrative Assistant	1.00	0.00	0.00	\$ 59,750	- \$ 72,626
<i>Sustainability Coordinator</i>	<i>0.50</i>	<i>0.50</i>	<i>0.50</i>	\$ 77,348	- \$ 94,017
Total	<u>8.50</u>	<u>8.50</u>	<u>7.50</u>		
Police and Fire (excludes contract services staff)					
Administrative Assistant (Police)	0.00	0.00	1.00	\$ 59,750	- \$ 72,626
Administrative Clerk (Police)	1.00	1.00	0.00	\$ 52,594	- \$ 63,928
Total	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>		
Public Works					
Public Works Director / Engineer	1.00	1.00	1.00	\$ 140,558	- \$ 170,849
Public Works Operations Manager	1.00	1.00	1.00	\$ 105,477	- \$ 128,208
Environmental Compliance Analyst	1.00	1.00	1.00	\$ 77,348	- \$ 94,017
Public Works Administrative and Project Manager	1.00	1.00	1.00	\$ 89,617	- \$ 108,930
Senior Maintenance Worker (Cemetery)	1.00	1.00	1.00	\$ 65,518	- \$ 79,637
Administrative Assistant (PW)	1.00	1.00	1.00	\$ 59,750	- \$ 72,626
(vacant) Water Supervisor	1.00	1.00	1.00	\$ 79,112	- \$ 96,161
Senior Maintenance Worker (Water)	1.00	1.00	1.00	\$ 65,518	- \$ 79,637
(1 vacant) Maintenance Worker II (Water)	3.00	3.00	2.00	\$ 59,561	- \$ 72,397
Public Works Supervisor (Streets)	1.00	1.00	1.00	\$ 75,346	- \$ 91,583
Maintenance Worker II (Streets)	2.00	2.00	2.00	\$ 59,561	- \$ 72,397
Maintenance Worker I (Streets)	2.00	2.00	2.00	\$ 54,147	- \$ 65,816
Public Works Supervisor (Parks)	1.00	1.00	1.00	\$ 75,346	- \$ 91,583
Maintenance Worker II (Parks)	3.00	3.00	4.00	\$ 59,561	- \$ 72,397
<i>Parks Maintenance Worker Part Time (2 positions, 0.5 FTE each)</i>	<i>1.00</i>	<i>1.00</i>	<i>1.00</i>	\$ 39,250	- \$ 39,250
Total	<u>21.00</u>	<u>21.00</u>	<u>21.00</u>		
Total Budgeted Staffing (Full Time Equivalent)	<u>41.38</u>	<u>42.88</u>	<u>42.00</u>		

NOTE: Some positions are charged to multiple departments; positions are listed in the department where the largest percentage is charged.

SONOMA AT A GLANCE

INCORPORATED

April 4, 1850

GOVERNMENT

Sonoma is a general law city operating under the Council-Manager form of government

POPULATION

Approx. 11,082

AREA

2.745 square miles

INFRASTRUCTURE AND UTILITIES

Streets: 34 miles

Bridges: 11

Bike Paths: 4 miles

Water Mains: 56 miles

Water Delivered to Customers: 600 million gallons per year

Water Meters: 4,500 active service connections

Storm Drainpipes: 40 miles

Fire Hydrants: 513

PLAZA DEDICATED AS HISTORIC LANDMARK

September 24, 1961

PARKS AND OPEN SPACE

Parks: 13

Playgrounds in Parks: 9

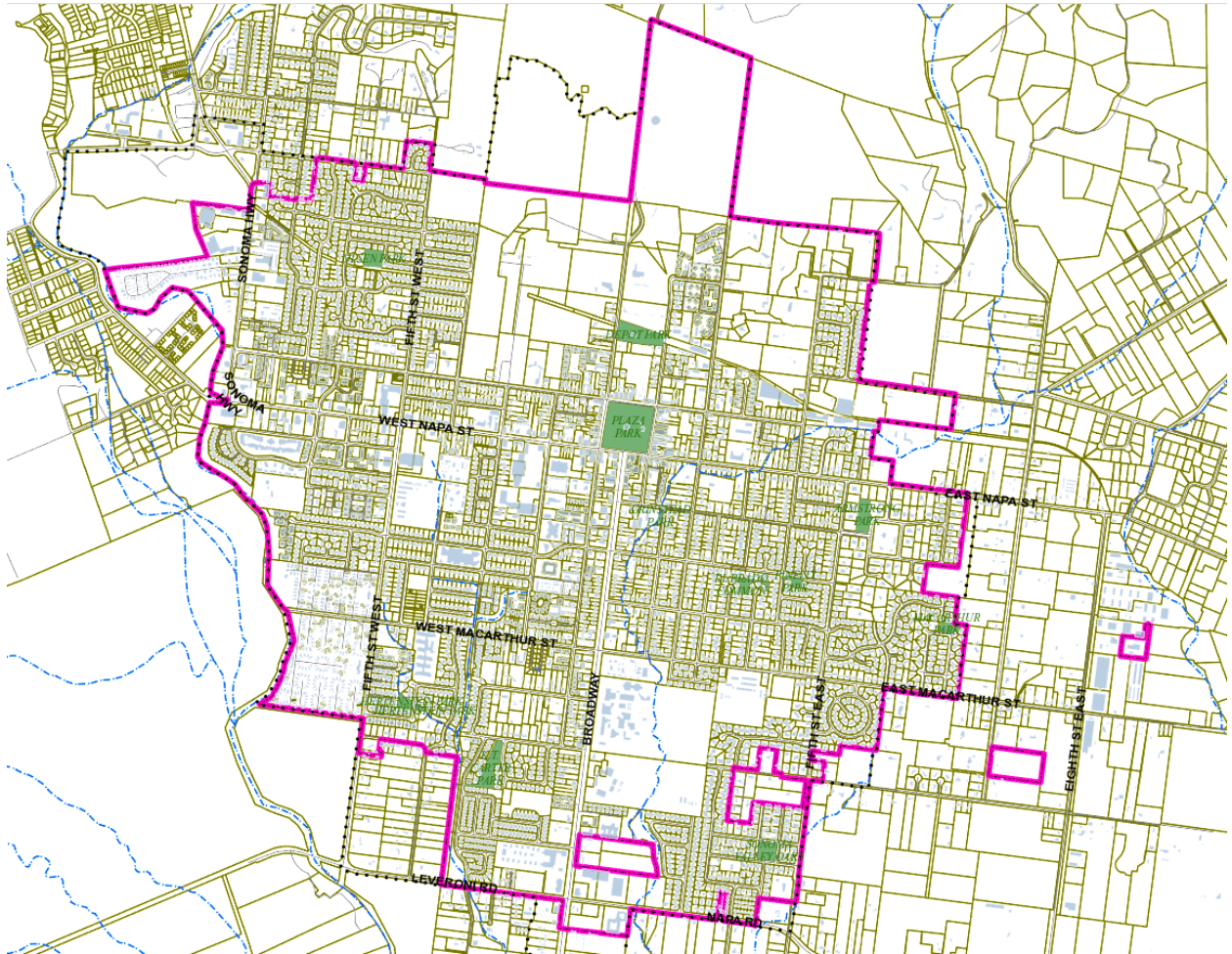
CEMETERIES

Cemeteries: 3 encompassing 15 usable acres



Sonoma Maps

CITY OF SONOMA



Sonoma County



State of California



GENERAL FUND

GF Revenue and Expense Overview
Budget Detail Central Administration
Budget Detail Public Safety
Budget Detail Public Works
Budget Detail Community Development
Budget Detail Miscellaneous



GENERAL FUND REVENUE AND EXPENSE OVERVIEW

**General Fund Revenues
GF Revenue and Expense by Category
General Fund Forecast Summary**

GENERAL FUND REVENUES - FINANCIAL SUMMARY

The FY 2022-23 budget for the City of Sonoma and the Sonoma Successor Agency includes \$25,402,075 in General Fund Revenue.

GENERAL FUND REVENUE

The General Fund supports most City services such as Administration, Community Development, Public Safety including Fire and Police, Public Works, and Community Activities. For the City of Sonoma, the primary General Fund revenue sources are Property Tax, Sales Tax (General and Measure U) and Transient Occupancy Tax (TOT). Together, these sources comprise 70% of total General Fund revenue. Other major General Fund revenue sources include Emergency Medical Service (EMS) revenue, Fees & Charges for Services, Franchise Tax, and Business License Tax.

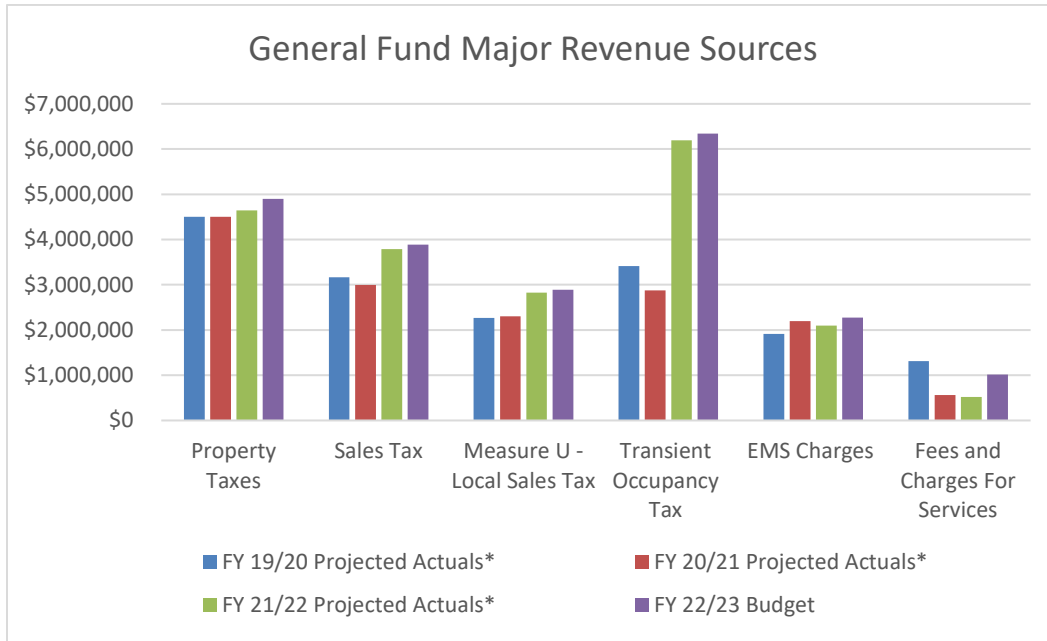
In FY 2019-20 the City Council issued a proclamation of a Local Emergency in response to a global health crisis and pandemic brought on by COVID-19 (Coronavirus). The County of Sonoma declared a Local Public Health emergency and subsequently ordered a Shelter in Place directive on March 13, 2020 that restricted most activities, travel, governmental and business functions throughout the County. Additionally, California Governor Newsom issued Executive Order N-33-20 mandating everyone living in the State of California to stay home, except as needed to maintain critical infrastructure sectors continuity of operations. The impact of the COVID-19 global pandemic and the resulting response to slow the spread of the disease greatly impacted business and tourism activities in the City.

With its tourism-based local economy, the City of Sonoma relies heavily on revenues that were significantly impacted by the pandemic. While FY 2019-20 began with a balanced budget, steep drops in hotel and sales taxes for the 4th quarter (April – June) led to an estimated revenue shortfall of more than \$2 million. In May 2020, the City Council approved a plan to reduce expenditures by cutting spending wherever possible and deferring one-time projects. With these cuts, actuals for FY 2019-20 (unaudited) show a year-end operating deficit of approximately \$550,000, which will be funded with financial reserves.

The General Fund revenues most impacted by the pandemic were TOT and sales taxes. As of January 2020, annual TOT revenues were on track to reach \$4.8 million. With the pandemic and related shutdown, the FY 2020-21 budget included projected TOT revenue of less than half this amount, down about \$2.6 million. Sales taxes are also highly impacted by tourism, with restaurants comprising the largest single segment. Total sales taxes for FY 2020-21 were projected at more than \$1 million below pre-pandemic levels.

Total FY 2021-22 General Fund revenues are projected to be \$24,171,270. For FY 2022-23, revenues are projected to total \$25,402,075, an increase of about \$1.2 million or almost 5% over projected actual revenue for FY 2021-22. The real growth in revenue occurred in FY 2021-22 when hotels were finally allowed to fully re-open, and tourism related revenue rose significantly following the shelter-in-place closures of the COVID-19 pandemic. FY 2021-22 TOT increased by \$3.3 million or 115% over FY 2020-21 and total Sales Tax increased by \$1.3 million or 25%. FY 2021-22 total General Fund revenue increased by \$6.4 million or 35%.

GENERAL FUND REVENUES - FINANCIAL SUMMARY



The City of Sonoma’s General Fund revenue forecast is driven primarily by property tax, transient occupancy tax (TOT) and sales taxes. Property tax for FY 2022-23 is projected to be \$257,653 more than the original FY 2021-22 budgeted revenue of \$4,643,155. Property tax is increasing by 5.55%

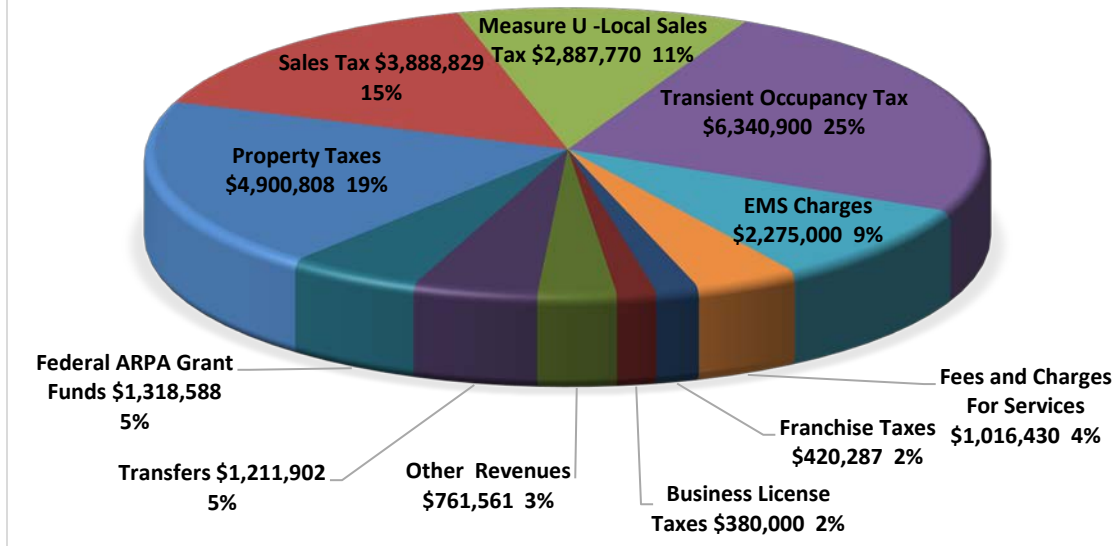
With a tourism-based local economy, the City of Sonoma is reliant on hotel and sales taxes which represent 51% of the City’s General Fund budget. The City Sales Tax expert, HdL, is forecasting revenue from regular plus Public Safety Sales Tax at \$3,888,829 and Measure U Sales Tax at \$2,887,770. The combined total of \$6,776,599 is \$604,930 more than the original FY 2021-22 combined budgeted Sales Tax revenue of \$6,171,669.

For FY 2022-23, Staff is projecting TOT will be approximately \$1.7 million more than what was termed as “pre-pandemic normal” (FY 2019-20 pre-pandemic projected TOT). This revenue total includes the 1% TOT that is transferred to the Housing Trust Fund which is shown as a transfer out of the General Fund. The budgeted TOT revenue is a somewhat conservative estimate due to unknowns with the COVID-19 variants, possible fire related smoke issues and recession concerns.



GENERAL FUND REVENUES - FINANCIAL SUMMARY

FY 2022-23 GENERAL FUND OPERATING REVENUE



Transient Occupancy Tax (TOT)

The transient occupancy tax (or TOT) is also commonly known as a hotel tax. The tax is imposed on occupants of hotels, inns, and other short-term lodging facilities for stays of 30 days or less. The tax is applied to a customer’s lodging bill. Transient occupancy taxes are remitted for all approved lodging operators within the City of Sonoma. The TOT is a general tax which is deposited into the City’s General Fund.

TOT generated from Sonoma’s lodging community currently represents more than one-fourth of the City’s General Fund revenue. The General Fund pays for essential City services that benefit both residents and visitors. These include police protection, fire and paramedic services, emergency preparedness, maintenance of streets and traffic operations, recreation services, maintenance of parks and open space, maintenance of City buildings and facilities, improvements and maintenance of overall City infrastructure and property, and general municipal services to the public.

In a November 2018 mid-term election, voters approved Measure S, which increased the TOT rate from the then existing 10% to 12% effective January 1, 2019, and authorized the City Council to further increase the rate to 13% by January 1, 2024. On June 10, 2019, the City Council adopted a resolution authorizing the additional 1% increase in the TOT, effective September 1, 2019, bringing the total TOT rate to 13%.

Affordable workforce housing in the City of Sonoma has become a challenge and the City has made this issue a priority. In 2019, a Housing Trust Fund was established. Following approval of the additional 1% TOT the City Council voted to have the additional 1% transferred to the Housing Trust Fund. The additional 1% TOT increase helped fund affordable housing initiatives for Fiscal Years 2019-20, 2020-21 and 2021-22. This will continue in FY 2022-23.

GENERAL FUND REVENUES - FINANCIAL SUMMARY

Lodging operators in the City of Sonoma collect both the TOT which is general city tax revenue and an additional 2% assessment that is remitted to the Sonoma Tourism Improvement District (STID) as a funding source for a sustained marketing program with the goal of increasing occupancy and room revenues in the City of Sonoma.

Sales Tax, Measure V (formerly J and U) and Measure M

Consumers are familiar with the experience of purchasing items at a store and having a percentage amount added for sales tax. The State Board of Equalization (BOE) collects local sales and use tax revenues from the retailer and sends revenue from local rates and allocations back to cities and counties. Sales and use tax revenue is general purpose revenue and is deposited into the City's General Fund.

California's sales tax has a relative called the "use tax." While the sales tax is imposed on the seller, the use tax is imposed on the purchaser and at the same rate as the sales tax. The most common example of use tax is for the purchase of goods from an out-of-state retailer for use in California.

Out-of-state retailers doing business in California are required to report to the BOE the jurisdiction to which sold items are delivered. Retailers with a physical presence (nexus) in California must collect use tax when goods are delivered to purchasers in this state. If the seller does not collect and remit the use tax, the purchaser is legally obligated to report and pay sales taxes.

State law provides a variety of exemptions to the sales and use tax, including resale, interstate sales, intangibles, food for home consumption, candy, bottled water, natural gas, electricity, and water delivered through pipes, prescription medicines, and other items.

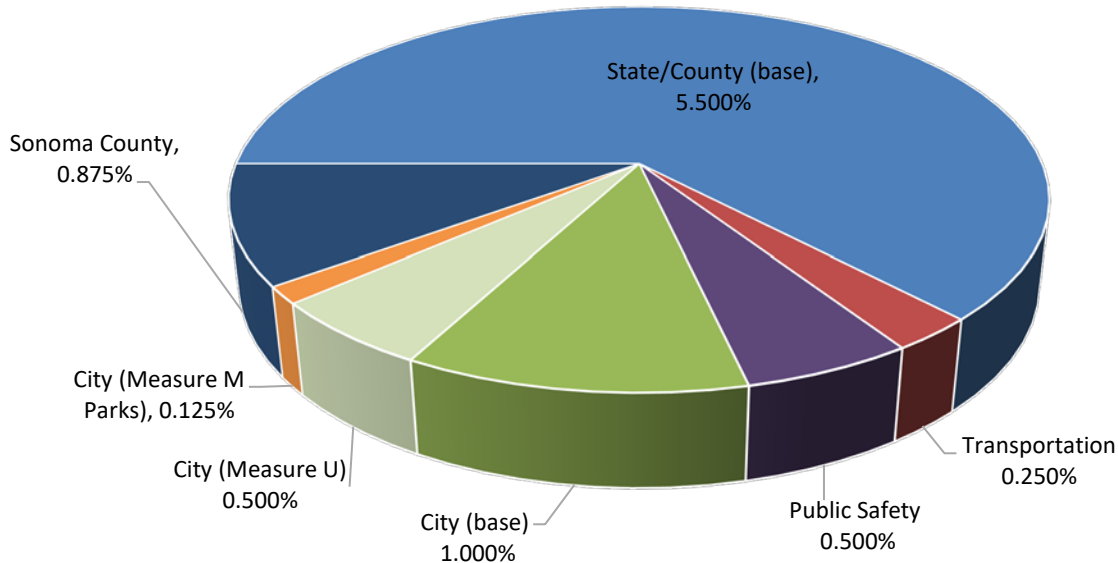
The total sales and use tax rate in Sonoma is 8.5%. This includes a "base" Statewide sales tax rate of 7.25%, allocated as follows:

- 5.50% for the State general fund (3.9375%) and the County for realignment programs shifted to counties from the State (1.5625%).
- 0.50% for Public Safety (Prop 172), created to mitigate impacts on local public safety from state shifts in property tax revenues (0.50%). The City receives a pro-rated share of Public Safety Sales Tax collected in the County. Use of this revenue is restricted to public safety purposes. In FY 2022-23, the City estimates it will receive \$168,312.
- 0.25% for Transportation programs in the county where the transaction occurs.
- 1.00% for the city where the transaction occurs (if the transaction occurs in an unincorporated area, the 1.00% amount goes to the County).

In addition, Sonoma County has sales and use taxes totaling 0.875%. The City of Sonoma has a voter-approved 0.50% sales and use tax, known as Measure V, approved in 2020 on an ongoing basis until repealed by the voters and an additional .125% sales and use tax known as Measure M - Sonoma County Parks, to be used for parks maintenance and capital projects. For FY 2022-23 this is estimated to bring in \$157,570 in additional revenue. This revenue is placed in a separate fund, (315-Parks Measure M,) and will be used for City parks maintenance and related CIP projects.

GENERAL FUND REVENUES - FINANCIAL SUMMARY

Sales Tax Breakdown (8.75% total rate)



Measure V – Local ½ Cent Sales Tax – Cities, counties and countywide transportation agencies may impose sales tax rates to be added on to the “base” statewide sales and use tax rate. The add-on rates are actually “transactions and use taxes” and are allocated to the jurisdiction where the taxed product is received or registered (as in the case of a motor vehicle purchase). Under current state law, the maximum combination of transactions and use tax rates in any location may not exceed two percent without special State legislation.

In 2012, the City went to the voters with Measure J, a half-cent local transaction and use tax to fund City services. Until this measure, the City of Sonoma had not turned to its constituents for a new tax in 20 years. The measure passed with a 67.1% affirmative vote, well over the simple majority needed. Measure J was set with a 5-year sunset clause in a calculated and focused approach to (1) review the performance of the local sales tax, and (2) assure taxpayers that the City could and would demonstrate its ability to manage and use the funds in a fiscally responsible way. It also provided for the breathing room to analyze how the State would ultimately realign redevelopment activities, fund affordable housing, and transfer further responsibilities to cities without benefit of additional funding.

In anticipation of Measure J’s expiration, the City Council reviewed and discussed the need to continue the sales tax in summer 2016. Measure J revenue provided coverage for costs assumed by the General Fund for core public services and outside organizational services, some of which were formerly provided under the redevelopment program. As stated in the text of the original measure, the City was diligent in maintaining its promise to the voters and using the resources provided by the Measure J tax proceeds wisely to provide “funding for essential services such as police, fire and emergency medical services, street and road maintenance, graffiti abatement and other general community services”. Overall, Measure J provided a stabilizing local economic foundation for the City’s provision of public services.

GENERAL FUND REVENUES - FINANCIAL SUMMARY

In July 2016, the City Council took action to extend the City's local transaction and use tax on the November ballot. In November 2016, 73.3% of the voters of Sonoma passed Measure U – a ½ percent sales tax increase for 5 years.

In November 2020, 68.93% of the voters of Sonoma passed Measure V – a ½ percent sales tax to continue funding general city services, including: emergency preparedness, infrastructure, street maintenance, parks, open space, community services, ambulance services, public safety, and supporting Sonoma's quality of life, on an ongoing basis until ended by voters.

Measure M – Sonoma County Parks 1/8 Cent Sales Tax - with the successful passage of Measure M - Sonoma County Parks 1/8 cent County-wide sales tax measure in 2018, the City of Sonoma will be receiving approximately \$115,000 per year for investment in parks maintenance and capital projects.

For FY 2022-23, the City's General Fund projected revenue from the "base" sales tax is \$3,720,517, with an additional \$168,312 from the City's share of the Public Safety sales tax. This represents an increase of 4.0% over projected FY 2021-22 actuals. As the economy continues to recover from the pandemic, tourism related sales, construction sector and rising gas prices are expected to play a role in the increase for the coming year. Measure V revenue has been less volatile than general Sales Tax revenue, due mostly to the large role played by online sales during the shelter-in-place mandates of the COVID-19 pandemic. Measure V General Fund Sales Tax revenue for FY 2022-23 is projected at \$2,887,770, up by 2% over FY 2021-22 projected actuals of \$2,826,902. Measure M Sonoma County Parks Sales Tax revenue for FY 2021-22 is projected to be \$157,570.

Property Tax

Property tax remains a major source of revenue for the City. In FY 2022-23, a total of \$4,900,808 or approximately 19% of General Fund revenue is projected to be derived from property taxes.

Property tax is imposed on "real property" (land and permanently attached improvements such as buildings) and tangible personal property (movable property such as boats and business equipment). The maximum tax rate permitted on real property for general purposes is one percent of the property's assessed value plus voter-approved rates to fund indebtedness (general obligation bonds, requiring two-thirds voter approval).

The tax rate is applied to the assessed value (AV) of the property. The AV of real property is the "full cash value" of the property in 1975-76 or at change of ownership, whichever is more recent, adjusted annually by the change in the Consumer Price Index (CPI), not to exceed an annual increase of two percent. If a property changes hands, then the AV becomes the full cash value upon change in ownership. The value of new construction is additional.

If a property's market value falls below its factored base year value, it may be temporarily reassessed to its lower actual value, but in future years may be reassessed at the lesser of its actual value or its factored base year value. This can result in increases of more than two percent as a property's actual value returns to its earlier value, as when the housing market rebounds from a slump.

As a result of two State legislative actions in the mid-2000s, Proposition 57 (also known as the Triple Flip) and the Vehicle License Fee Swap (VLF Swap), property tax revenues increased, and sales tax and vehicle

GENERAL FUND REVENUES - FINANCIAL SUMMARY

license fee revenues decreased. The passage of Proposition 57 reduced the city's sales tax revenue by 0.25% and replaced it with an equal amount of property tax revenue. The VLF Swap permanently reduced vehicle license fees from 2% to 0.67% and replaced the resultant revenue loss with an equal amount of property taxes. The Triple Flip ended in FY 2015-16, with a resultant decrease in that component of property tax revenues. This was offset by a similar increase in sales tax as the State is now remitting the full 1% to the city.

Until FY 2011-12, the City's Community Development Agency (referred to in other organizations as a Redevelopment Agency or RDA) was receiving tax increment revenue based on increases in property value as a result of redevelopment projects. By agreement with the County of Sonoma, 1% of the property value over a base amount was allocated to the Redevelopment Agency. This allocation was reduced by a required distribution of 20% to the Housing Set Aside Fund and funding to other taxing agencies as pass through amounts. With the elimination of redevelopment agencies by the State of California in June 2011, the City's revenue from dedicated RDA property taxes is now limited to an amount equivalent to annual debt service payments and other enforceable obligations and the City now receives "residual redevelopment" property tax revenues which has been increasing.

Currently, the largest portion of each property tax dollar goes to local school districts, with the next largest portion going to Sonoma County. The City of Sonoma receives approximately 18 cents of every property tax dollar remitted.

Sonoma has seen increased property tax revenues as the housing market recovered from the 2008 economic recession and new homes are added. Although no structures were lost within City limits to the 2017 fires, the loss of a significant number of homes in Sonoma County impacted an already tight housing market in Sonoma County. Projected property tax revenues for FY 2021-22 are more than \$4.6 million. Based on information received from the Sonoma County Assessor, property tax is projected to increase by 5.55% to \$4.9 million for Fiscal Year 2022-23.

EMS Revenue

The Fire Department provides advanced life support (ALS) medical services through the use of dual-role firefighting employees, who are also trained as paramedics and emergency medical technicians. All staffed engines and ambulances are ALS equipped and staffed with at least one paramedic. Under the terms of the Sonoma Valley Fire and Rescue Authority, the City receives 100% of the Emergency Medical Services Revenue. Growth in ambulance billing revenue had been steady but began to decline in FY 2018-19 with an increase in MediCal and other insurance write-offs. Fortunately, the IGT Program Revenue, which is directly related to the MediCal write-offs, has been steadily increasing, which helps offset some of this loss. For FY 2022-23 EMS revenue is projected at \$2.3 million.

Other Revenue Sources

User Fees and Charges for Services: While the primary mission of government is to satisfy community needs, some City services solely benefit specific individuals or businesses. It is the City's policy that the public at large should not subsidize activities of private interest through general tax revenues. The City has therefore established user fees to ensure that those who use proprietary services pay for those services in proportion to the benefit received. Fees that do not recover the full cost of providing the service result in a General Fund subsidy which shifts funds away from other critical and high priority programs that may not have similar cost recovery options. Fees are generated from a variety of services

GENERAL FUND REVENUES - FINANCIAL SUMMARY

including building and planning permits and inspections, special event fees, appeal fees, public safety fees, and administrative fees, such as the 1% fee charged to the Sonoma Tourism Improvement District for collecting and remitting payments. Water service fees are part not part of the General Fund but are segregated into an Enterprise Fund for the Water Utility.

Generally, annually, the City of Sonoma reviews and updates its City Fee Schedule. The City Council has the authority to establish these fees and charges as defined by the State Constitution and in accordance with Government Code Section 39001 with limitations set by Proposition 218. This regulatory authority provides cities the means to “protect overall community interests, while charging only the individual who is benefiting from the service.”

The most recent update to the City’s fee schedule as approved by the City Council became effective in August 2021. In FY 2018-19 staff presented an additional fee schedule to increase cost recovery on development-related staff work by planning and legal staff that was approved by Council and implemented in February 2019. The development-related fee update is reflected in the projections for fees and charges and is forecasted to bring in an additional \$150,000 in cost recovery fees.

Business License Tax: All individuals, partnerships, corporations, and sole proprietors conducting business within city limits are required to file a business license with the City on an annual basis. In accordance with the City of Sonoma Municipal Code 5.04, "it is unlawful for any person to transact and carry on any business, trade, profession, calling or occupation in the city without first having procured a license from the city...". This includes subcontractors, independent contractors, non-profits, and home-based businesses in the city. The City of Sonoma business license period is January 1 through December 31 of each year. All annual licenses are due and payable before the first day of February. For new businesses within the city, the business license tax is due prior to the opening of the business. City Municipal Code sets the business license tax as a flat rate and not on a gross receipts basis. For most businesses, not all, the license is an annual fee plus an additional charge based on number of employees. Improved enforcement of the Business License Tax, including engagement of the City’s Code Enforcement Officer and City Prosecutor, has resulted in collections and penalties for unpaid licenses in prior years. However, as many small businesses were forced to close during the COVID-19 related shelter-in-place mandates, business license tax revenue is projected at \$380,000 in FY 2022-23.

Franchise Tax: Franchise Taxes are collected from businesses that are granted franchises to provide services in the City such as gas and electric, cable TV, telephone, and garbage collection. The City is projecting \$420,000 in franchise tax revenue for FY 2022-23.

Other Revenues: This category includes Real Property Transfer Tax; Licenses & Permits; Fines & Forfeitures; Interest & Rents; and Grants & Intergovernmental Revenue. Grants are now recorded in a separate fund and reimbursements for capital projects are now shown in the CIP budget. For FY 2021-22 Other Revenues are projected at \$761,561.

Operating Transfers: This category includes transfers from the Water Fund identified through the cost allocation plan totaling \$561,257, as well as transfers from the Water Fund for leases of two tank sites (the lease amount for a third site is a transfer from Water to the Cemetery Fund – each lease at \$41,923). Also included is a transfer of \$100,000 from the Citizens Option for Public Safety (COPS) special revenue fund in support of Police operations, \$25,000 from the Pool Scholarship Fund and \$441,800, from the IGT

GENERAL FUND REVENUES - FINANCIAL SUMMARY

fund to support Fire operations. For FY 2022-23 operating transfers into the General Fund total \$1,211,903.

Revenue update

The pandemic and resulting economic impact dramatically affected local governments, especially the City of Sonoma's general fund revenues with our strong tourism-based economy. We are fortunate to have funding from several sources to assist with the pandemic related loss of revenue in FY 2019-20 and 2021-22:

- Federal Assistance - The \$1.9 trillion American Rescue Plan Act (ARPA) was enacted on March 10, 2021. Among other things, the ARPA provided the City of Sonoma approximately \$2.6 million in funding. In FY 2021-22 the City received the first half of this funding – \$1.3 million. The ARPA funding was discussed at the June 22, 2021 Budget Adoption Hearing and Council decided that the revenue, when received, would be used to offset expenses such that the use of reserves during the previous two fiscal years, (FY 2019-20 and FY 2020-21), would be restored.
- The second half of \$1.3 million will be received in FY 2022-23.
- Cannabis Tax – A Cannabis Business Tax was approved by the voters in November 2020. This could generate a potential \$400,000 in new revenue from up to two Council approved retail dispensaries. The General Fund Five-Year Forecast includes \$150,000 in Cannabis tax revenue for FY 2022-23 This estimate is conservative and will be updated when actual revenue from the first dispensary is being received.

General Fund

Revenue and Expense by Category

Description	FY 19/20 Actuals	FY 20/21 Actuals	FY 21/22 Amended Budget	FY 21/22 Projected Actuals	FY 22/23 Proposed Budget	\$ Change Proposed FY 22/23 to FY 21/22 Amended Budget	% Change Proposed FY 22/23 to FY 21/22 Amended Budget
Property Taxes	\$ 4,504,042.00	\$ 4,502,127.00	\$ 4,643,155.00	\$ 4,643,155.00	\$ 4,951,750.00	\$ 308,595.00	7%
Sales & Use Taxes	\$ 3,023,458.00	\$ 2,846,463.00	\$ 3,584,622.00	\$ 3,584,622.00	\$ 3,720,517.00	\$ 135,895.00	4%
Measure V Local Sales Tax	\$ 2,265,087.00	\$ 2,305,775.00	\$ 2,826,902.00	\$ 2,826,902.00	\$ 2,887,770.00	\$ 60,868.00	2%
Sales Tax - Public Safety	\$ 139,680.00	\$ 146,213.00	\$ 154,806.00	\$ 172,727.00	\$ 168,312.00	\$ 13,506.00	9%
Fees	\$ 1,021,546.00	\$ 454,710.00	\$ 586,159.00	\$ 578,818.00	\$ 648,847.00	\$ 62,688.00	11%
Transient Occupancy Tax (TOT)	\$ 3,411,309.00	\$ 2,873,675.00	\$ 6,190,899.00	\$ 6,190,899.00	\$ 6,359,254.00	\$ 168,355.00	3%
Franchise Tax	\$ 511,295.00	\$ 480,075.00	\$ 420,000.00	\$ 459,376.00	\$ 533,159.00	\$ 113,159.00	27%
Business License Tax	\$ 399,929.00	\$ 391,966.00	\$ 380,000.00	\$ 315,000.00	\$ 380,000.00	\$ -	0%
Real Property Transfer Tax	\$ 111,822.00	\$ 215,301.00	\$ 150,000.00	\$ 145,168.00	\$ 150,000.00	\$ -	0%
Licenses & Permits	\$ 49,715.00	\$ 60,303.00	\$ 51,400.00	\$ 70,461.00	\$ 198,000.00	\$ 146,600.00	285%
Fines & Forfeitures	\$ 62,571.00	\$ 17,281.00	\$ 66,812.00	\$ 115,163.00	\$ 87,000.00	\$ 20,188.00	30%
Interest & Rents	\$ 114,221.00	\$ 84,336.00	\$ 73,404.00	\$ 114,588.00	\$ 93,163.00	\$ 19,759.00	27%
Grants	\$ 14,200.00	\$ -	\$ -	\$ 55,919.00	\$ -	\$ -	0%
State Grants & Other Revenues	\$ 142,983.00	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Federal Grants	\$ -	\$ -	\$ 1,318,588.00	\$ 1,323,588.00	\$ 1,318,588.00	\$ -	0%
Charges For Services	\$ 292,549.00	\$ 108,471.00	\$ 121,675.00	\$ 118,255.00	\$ 367,583.00	\$ 245,908.00	202%
EMS	\$ 1,913,338.00	\$ 2,199,855.00	\$ 2,100,000.00	\$ 2,100,000.00	\$ 2,275,000.00	\$ 175,000.00	8%
Miscellaneous	\$ 112,950.00	\$ 14,931.00	\$ 197,753.00	\$ 170,753.00	\$ -	\$ (197,753.00)	-100%
Transfers	\$ 1,138,994.00	\$ 1,281,415.00	\$ 1,079,368.00	\$ 1,079,368.00	\$ 1,211,902.00	\$ 132,534.00	12%
Other Revenues	\$ 35,767.00	\$ 87,803.00	\$ 100,700.00	\$ 57,500.00	\$ 108,100.00	\$ 7,400.00	7%
Interest Revenue	\$ 7,690.00	\$ 2,151.00	\$ 56,000.00	\$ 56,000.00	\$ 56,000.00	\$ -	0%
Total Revenue	\$ 19,273,146.00	\$ 18,072,851.00	\$ 24,102,243.00	\$ 24,178,262.00	\$ 25,514,945.00	\$ 1,412,702.00	6%
Salary & Wages	\$ 2,978,518.00	\$ 3,157,295.00	\$ 3,254,327.00	\$ 3,254,327.00	\$ 3,543,744.00	\$ 289,417.00	9%
Employee Benefits	\$ 864,032.00	\$ 951,794.00	\$ 1,069,812.00	\$ 1,069,812.00	\$ 1,090,874.00	\$ 21,062.00	2%
PERS UAL	\$ 923,280.00	\$ 1,070,111.00	\$ 1,181,491.00	\$ 1,181,491.00	\$ 1,329,412.00	\$ 147,921.00	13%
Professional Services	\$ 1,069,626.00	\$ 609,767.00	\$ 898,839.00	\$ 898,839.00	\$ 1,059,390.00	\$ 160,551.00	18%
Sheriff Contract	\$ 4,439,437.00	\$ 4,272,585.00	\$ 4,988,226.00	\$ 4,988,226.00	\$ 5,089,745.00	\$ 101,519.00	2%
SVFRA Contract	\$ 5,470,908.00	\$ 5,377,311.00	\$ 5,689,849.00	\$ 5,689,849.00	\$ 6,241,038.00	\$ 551,189.00	10%
Cost Recovery	\$ 362,181.00	\$ 175,789.00	\$ 85,000.00	\$ 111,637.00	\$ 85,000.00	\$ -	0%
EMS Billing Contract	\$ -	\$ 83,007.00	\$ 90,000.00	\$ 117,025.00	\$ 102,375.00	\$ 12,375.00	14%
Property Services	\$ 1,372,866.00	\$ 1,097,600.00	\$ 1,318,530.00	\$ 1,432,551.00	\$ 1,787,253.00	\$ 468,723.00	36%
Operations	\$ 960,306.00	\$ 1,085,584.00	\$ 1,107,480.00	\$ 1,107,480.00	\$ 1,127,250.00	\$ 19,770.00	2%
Supplies	\$ 236,035.00	\$ 185,188.00	\$ 187,500.00	\$ 210,279.00	\$ 250,500.00	\$ 63,000.00	34%
Software & Equipment	\$ 26,772.00	\$ 9,334.00	\$ 342,160.00	\$ 342,160.00	\$ 209,483.00	\$ (132,677.00)	-39%
Internal Service & Capital Prj	\$ 3,493.00	\$ 466,891.00	\$ 871,946.00	\$ 871,946.00	\$ 924,151.00	\$ 52,205.00	6%
Transfers Out - CIP	\$ 175,000.00	\$ 5,000.00	\$ 478,400.00	\$ 478,400.00	\$ 240,000.00	\$ (238,400.00)	-50%
Transfers	\$ 638,975.00	\$ 679,296.00	\$ 554,964.00	\$ 554,964.00	\$ 549,021.00	\$ (5,943.00)	-1%
Debt Service	\$ 68,181.00	\$ 83,303.00	\$ -	\$ -	\$ -	\$ -	-
Total Expense	\$ 19,589,618.00	\$ 19,309,862.00	\$ 22,118,524.00	\$ 22,308,986.00	\$ 23,629,236.00	\$ 1,510,712.00	7%
Grand Total	\$ (316,420.92)	\$ (1,237,002.31)	\$ 1,983,719.00	\$ 1,869,276.00	\$ 1,885,709.00	\$ (98,010.00)	-5%

General Fund Forecast Summary

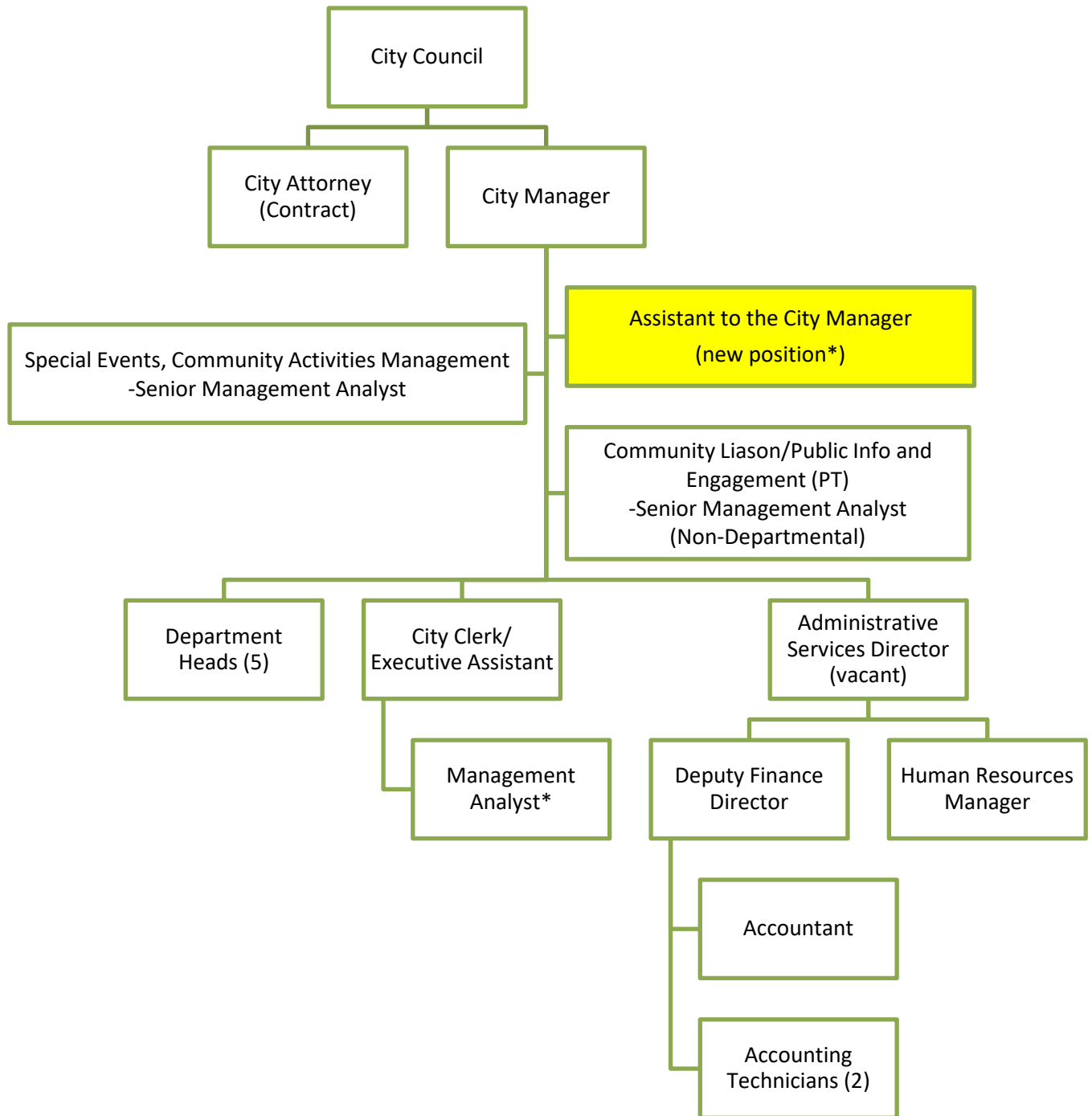
Description	2021/22 Amended Budget	2021/22 Projected Actuals	Year 1 2022/23 Proposed Budget	Year 2 2023/24 Projected Budget	Year 3 2024/25 Projected Budget	Year 4 2025/26 Projected Budget	Year 5 2026/27 Projected Budget
Revenues:							
Property Tax	\$ 4,643,155	\$ 4,643,155	\$ 4,951,750	\$ 5,185,968	\$ 5,429,190	\$ 5,685,990	\$ 5,954,938
Transient Occupancy Tax	\$ 6,190,899	\$ 6,190,899	\$ 6,359,254	\$ 6,518,235	\$ 6,681,191	\$ 6,848,221	\$ 7,019,427
Sales Tax (general, public safety)	\$ 3,739,428	\$ 3,757,349	\$ 3,888,829	\$ 3,839,697	\$ 3,959,012	\$ 4,091,903	\$ 4,218,675
Sales Tax (local half-cent)	\$ 2,826,902	\$ 2,826,902	\$ 2,887,770	\$ 2,852,831	\$ 2,953,658	\$ 3,047,566	\$ 3,138,508
Emergency Medical Services	\$ 2,100,000	\$ 2,100,000	\$ 2,275,000	\$ 2,320,500	\$ 2,366,910	\$ 2,414,248	\$ 2,462,533
Other revenues	\$ 2,203,903	\$ 2,262,001	\$ 2,621,852	\$ 2,811,630	\$ 2,954,815	\$ 2,999,844	\$ 3,045,746
Transfers In	\$ 1,079,369	\$ 1,079,369	\$ 1,211,902	\$ 886,230	\$ 902,760	\$ 916,756	\$ 931,043
Federal & State Relief Funding (ARPA & CARES)	\$ 1,318,588	\$ 1,318,588	\$ 1,318,588	\$ -	\$ -	\$ -	\$ -
TOTAL OPERATING REVENUE	\$ 24,102,244	\$ 24,178,263	\$ 25,514,945	\$ 24,415,091	\$ 25,247,536	\$ 26,004,529	\$ 26,770,869
Expenditures:							
Current Staffing (Salaries & Benefits)	\$ 4,324,139	\$ 4,324,139	\$ 4,634,618	\$ 4,755,938	\$ 4,880,454	\$ 4,989,636	\$ 5,101,349
Police Contract & Operating Costs	\$ 4,988,226	\$ 4,988,226	\$ 5,089,745	\$ 5,216,989	\$ 5,347,413	\$ 5,481,099	\$ 5,618,126
Fire/EMS Contract & Operating Costs	\$ 5,593,467	\$ 5,806,874	\$ 5,942,698	\$ 6,091,265	\$ 6,243,547	\$ 6,399,635	\$ 6,559,626
Other Professional/Contractual Services	\$ 898,839	\$ 898,839	\$ 1,059,390	\$ 949,984	\$ 959,484	\$ 969,079	\$ 978,769
Payments on accrued PERS Liability (UAL and POBs)	\$ 1,181,491	\$ 1,181,491	\$ 1,329,412	\$ 1,416,204	\$ 1,494,411	\$ 1,536,781	\$ 1,572,971
Other Operating Costs	\$ 4,653,963	\$ 4,631,018	\$ 5,333,373	\$ 4,874,069	\$ 4,893,913	\$ 4,956,496	\$ 5,020,087
Transfer to Capital Improvement Program	\$ 478,400	\$ 478,400	\$ 240,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000
TOTAL OPERATING EXPENDITURES	\$ 22,118,525	\$ 22,308,987	\$ 23,629,236	\$ 23,704,448	\$ 24,219,222	\$ 24,732,726	\$ 25,250,930
GENERAL FUND SURPLUS (DEFICIT):	\$ 1,983,719	\$ 1,869,276	\$ 1,885,709	\$ 710,642	\$ 1,028,313	\$ 1,271,803	\$ 1,519,939
Federal Relief Funding	\$ 1,318,588	\$ 1,318,588	\$ 1,318,588	\$ -	\$ -	\$ -	\$ -
GEN FUND SURPLUS/(DEFICIT) WITHOUT FED RELIEF FUNDS:	\$ 665,131	\$ 550,688	\$ 567,121	\$ 710,642	\$ 1,028,313	\$ 1,271,803	\$ 1,519,939

BUDGET DETAIL CENTRAL ADMINISTRATION

Central Administration Organizational Chart

**City Council
City Clerk
City Manager
Finance
Legal Services**

Central Administration Organizational Chart



*New Position Highlighted



CITY OF SONOMA

City Council *(100-41001)*

The Sonoma City Council represents the voters of Sonoma and oversees all municipal operations from a budget and policy level. The City Council also acts as the legislative arm of City government. The City Council determines the overall needs of the community, develops policies, goals, and projects, and establishes priorities to meet the goals. The City Council appoints the City Manager and City Attorney.

The five members of the City Council are elected at large and serve overlapping four-year terms. The City Council serves as the Successor Agency to the dissolved Sonoma Community Development Agency.

The members of the Sonoma City Council are:

Jack Ding, Mayor

Kelso Barnett, Vice Mayor

Madolyn Agrimonti, Council Member

Robert Felder, Council Member

Sandra Lowe, Council Member

Each member of the City Council is offered a stipend of \$300 per month in accordance with State law. In addition, Council members are eligible to participate in the City's health, dental, and vision care coverage for themselves and their dependents at the same costs as City employees.

In November 2021, the Council changed the date of their meetings to the first and third Wednesdays of each month at 6:00 p.m. in the City Council chambers. With the decline in COVID-19 cases and the lessening health restrictions regarding in-person meetings, the Council began holding hybrid meetings, allowing both in-person and virtual attendance. In April, 2022 the Council returned to in-person meetings only. Council members also participate in local, regional, and statewide meetings and activities.

The City Council develops goals for the City organization typically on an annual basis, approves the budget, and provides overall policy direction. In addition, the City Council initiated several special projects during FY 21/22. In many cases, a Council liaison or subcommittee worked with City staff to accomplish these projects.

FISCAL YEAR 2021-22 ACCOMPLISHMENTS:

- Completed preferred Caltrans re-striping of Broadway.
- Opened first Cannabis dispensary in City limits.
- Approved application procedures and guidelines to allow for a potential second retail storefront cannabis dispensary.
- Completed Phase II of the Council Chambers refurbishment, including the commission and installation of 10 large scale photographic art pieces.
- Adopted a Fire Impact Fee for new development within the City limits.
- Executed a fifty-five-year amended and restated lease agreement with Vintage House.

- Called a Special Election to fill an unexpected vacancy on the City Council.
 - Made appointments to the City's Commissions and Committee.
 - Adopted a set of Council Norms and Expectations and the Sonoma Way, which is a core set of values to shape the City's approach to community discussions and decision-making process.
 - Reorganized the Community Services and Environment Commission (CSEC) to create two new committees – the Parks, Recreation and Open Space Committee (PROS) and the Climate Action Committee.
 - Designated three historic districts including a Train District, Sebastiani Cottage District, and Broadway Corridor District.
 - Contracted with Andrew Henings Consulting, LLC to assess the current homelessness programs, policies and systems in the City of Sonoma and Sonoma Valley.
 - Extended the Joint and Mutual Fire Protection and Emergency Medical Services Agreement between the Sonoma Valley Fire District and the City of Sonoma for an additional five years.
 - Re-established the honorary appointed volunteer position of City Historian.
-

General Fund City Council Division

General Ledger Department 41001

RECOMMENDED FY 2022-23 BUDGET

Salary changes include any cost-of-living adjustments, step increases and minor position allocation changes as to how staff is allocated between departments. Benefit changes include vendor cost changes and employee benefit choices. If new positions are proposed, those position are outlined below.

Property and liability cost increased 8% from prior year and is allocated among City departments and funds based on how staff is allocated between departments.

Other key changes between the FY 2021-22 Amended Budget and the FY 2022-23 Budget are below:

Increase for City Share - Mayors & Council Members Association of Sonoma County PT Association Clerk	\$6,000
Increase in training/conferences for travel expense related to in-person conferences	\$8,000
Decrease for Council Chamber art renovation project (funds included in budget are needed to finish the project)	(\$4,000)
Decrease for AV City Council Chamber upgrades to allow for hybrid in-person/teleconferencing meeting capabilities – project is finished	(\$10,000)

Expenditure Category	FY 19-20 Actuals*	FY 20-21 Actuals*	FY 21-22 Adopted Budget	FY 21-22 Amended Budget	FY 21-22 Projected Actuals*	FY 22-23 Proposed Budget	\$ Change FY22-23 Proposed Budget to FY21-22 Amended Budget	% Change FY22-23 Proposed Budget to FY21-22 Amended Budget
Salary & Wages	\$ 17,584.00	\$ 17,250.00	\$ 40,965.23	\$ 40,965.00	\$ 34,710.00	\$ 37,437.00	\$ (3,528.00)	-9%
Employee Benefits	\$ 56,418.00	\$ 54,616.00	\$ 45,854.65	\$ 45,854.00	\$ 23,936.96	\$ 30,347.00	\$ (15,507.00)	-34%
PERS UAL	\$ -	\$ -	\$ 123.06	\$ 123.00	\$ 123.00	\$ 96.00	\$ (27.00)	-22%
Professional Services	\$ -	\$ 1,580.00	\$ 3,000.00	\$ 3,000.00	\$ -	\$ 9,000.00	\$ 6,000.00	200%
Property Services	\$ 4,746.00	\$ 5,317.00	\$ 20,470.72	\$ 20,470.00	\$ 13,564.57	\$ 9,111.00	\$ (11,359.00)	-55%
Operations	\$ 27,957.00	\$ 14,550.00	\$ 28,949.00	\$ 28,949.00	\$ 21,270.86	\$ 29,475.00	\$ 526.00	2%
Supplies	\$ 2,738.00	\$ 2,216.00	\$ 8,000.00	\$ 8,000.00	\$ 2,178.29	\$ 9,000.00	\$ 1,000.00	13%
Internal Service & Capital Prj	\$ -	\$ 10,465.00	\$ 5,286.00	\$ 5,286.00	\$ 5,286.00	\$ 7,189.00	\$ 1,903.00	36%
Expense Total	\$ 109,443.00	\$ 105,994.00	\$ 152,648.66	\$ 152,647.00	\$ 101,069.67	\$ 131,655.00	\$ (20,992.00)	-14%

* Unaudited



CITY OF SONOMA

City Clerk (100-41002)

Rebekah Barr, City Clerk

The City Clerk provides executive and administrative support to the City Council as a whole, to individual Councilmembers, and to the City Manager. The City Clerk is also responsible for facilitating the business proceedings of the City Council, and fulfilling legal requirements as set forth in city codes, state, and federal laws.

The mission of the City Clerk Department is to be a steward and protector of democratic processes, such as elections, and access to official records, as well as to comply with federal, state, and local statutes. The department supports the City Council in its goals of innovation, transparency and fairness while promoting community participation and awareness.

The Department, which serves as the information nucleus of the City and its departments, is dedicated to providing a high level of professional service to the citizens of Sonoma. The City Clerk's main goal is to provide these services expeditiously while ensuring compliance with all California Statutes and City Ordinances.

Some examples include:

- PUBLIC RECORD ACT REQUESTS -- The City Clerk is responsible for reviewing and processing public record act requests in coordination with the City Manager and City Attorney.
- RECORDS MANAGEMENT -- The City Clerk is also responsible for overall records management and ensuring the City's records are retained as required by State law.
- ELECTIONS OFFICIAL – The Office of the City Clerk conducts all City elections and administers campaign and financial disclosure laws.
- COMMISSION SUPPORT AND ADMINISTRATION -- The City Clerk works with the staff liaisons of each of the City's Commissions. The City Clerk also helps process and track the Commission appointments and other legal requirements/training for commission members.
- STAFF TO THE CULTURAL AND FINE ARTS COMMISSION -- The City Clerk also staffs the Cultural and Fine Arts Commission.

FISCAL YEARS 2021–22 ACCOMPLISHMENTS:

- Completed a Special Municipal Election to fill one Council vacancy.
- Completed recruitment and onboarding of new commissioners & committee members.
- Completed recruitment and onboarding of new Council member to fill Council vacancy.
- Worked with Council Ad-hoc Committee to complete Phase II Council Chamber Artwork.
- Implemented Hybrid Meetings for City Council and Commission Meetings allowing for public participation in person and via ZOOM.



FISCAL YEAR 2022–23 GOALS:

- Explore, create, and implement a city-wide email policy including routine automatic destruction and archiving processes.
 - Complete implementation of a new records retention schedule and update policy.
 - Continue to add prior City records to the records management system to facilitate access and retrieval by the public.
 - Implementation of upgraded records management/archive software which will include a public portal
 - Complete bi-annual review and implementation of the City’s conflict of interest code to ensure appropriate reporting requirements for Commissioners in conjunction with FPCC’s Statement of Economic Interests.
-



General Fund City Clerk Division

General Ledger Department 41002

RECOMMENDED FY 2022-23 BUDGET

Salary changes include any cost-of-living adjustments, step increases and minor position allocation changes as to how staff is allocated between departments. Benefit changes include vendor cost changes and employee benefit choices. If new positions are proposed, those position are outlined below.

Property and liability cost increased 8% from prior year and is allocated among City departments and funds based on how staff is allocated between departments.

Other key changes between the FY 2021-22 Amended Budget and the FY 2022-23 Budget are below:

Increase in election expense	\$75,000
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Expenditure Category	FY 19-20 Actuals*	FY 20-21 Actuals*	FY 21-22 Adopted Budget	FY 21-22 Amended Budget	FY 21-22 Projected Actuals*	FY 22-23 Proposed Budget	\$ Change FY22-23 Proposed Budget to FY21-22 Amended Budget	% Change FY22-23 Proposed Budget to FY21-22 Amended Budget
Salary & Wages	\$ 141,881.00	\$ 138,887.00	\$ 186,128.91	\$ 186,128.00	\$ 177,591.30	\$ 201,748.00	\$ 15,620.00	8%
Employee Benefits	\$ 39,386.00	\$ 45,297.00	\$ 72,727.66	\$ 72,727.00	\$ 53,861.83	\$ 61,943.00	\$ (10,784.00)	-15%
PERS UAL	\$ 204.00	\$ 590.00	\$ 862.25	\$ 862.00	\$ 862.00	\$ 723.00	\$ (139.00)	-16%
Professional Services	\$ 7,679.00	\$ 24,883.00	\$ 46,500.00	\$ 46,500.00	\$ 44,989.71	\$ 82,540.00	\$ 36,040.00	78%
Property Services	\$ 11,619.00	\$ 13,196.00	\$ 25,811.16	\$ 25,811.00	\$ 23,476.57	\$ 36,639.00	\$ 10,828.00	42%
Operations	\$ 14,495.00	\$ 10,469.00	\$ 21,340.00	\$ 21,340.00	\$ 11,750.86	\$ 19,850.00	\$ (1,490.00)	-7%
Supplies	\$ -	\$ 51.00	\$ 3,000.00	\$ 3,000.00	\$ 153.14	\$ 2,500.00	\$ (500.00)	-17%
Software & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 800.00	\$ 800.00	100%
Internal Service & Capital Prj	\$ -	\$ 13,699.00	\$ 14,070.00	\$ 14,070.00	\$ 14,070.00	\$ 15,401.00	\$ 1,331.00	9%
Expense Total	\$ 215,264.00	\$ 247,072.00	\$ 370,439.98	\$ 370,438.00	\$ 326,755.42	\$ 422,144.00	\$ 51,706.00	14%

* Unaudited



CITY OF SONOMA

City Manager (100-41003)

Susan Casey, Interim City Manager

The City Manager's Department budget encompasses overall executive management of the organization as well as several functional areas that are provided by contract services. The City Manager plans and manages the essential functions of government, assures that the policy direction, goals, and objectives established by the City Council are implemented, and assists citizens, City Council members and department staff with inquiries and projects.

As the Chief Executive Officer of the City, the City Manager is appointed by and takes direction from the City Council. The Manager is responsible for the day-to-day efficient performance of all City operations, implementing Council policy, formulating staff recommendations to Council on policy and other matters, and preparing and submitting the annual budget. The City Manager provides direct oversight of several functions, including the City Clerk, (discussed in further detail under City Clerk's Office), Special Events, Community Activities, Public Information and Engagement. In the event of a major emergency, the City Manager also serves as the Director of the Emergency Operations Center (EOC).

Overall, the City Manager focuses on:

- Assisting the City Council in defining and implementing its strategic goals.
- Providing responsive, analytical, and concise recommendations upon which the City Council can rely to make informed policy decisions.
- Managing the City's community relations with the goal of ensuring that the City's communications and outreach are effective, comprehensive, and proactive, including oversight of the City's website, social media, and other outreach efforts.
- Ensuring that the City's finances are managed in a professional, transparent, and accountable manner.
- Actively overseeing the City's public safety services provided through City contracts/partnerships with the Sonoma County Sheriff's Department and the Sonoma Valley Fire District.
- Proactively building the City's partnerships with non-profits, the City's core recreation and community service non-profit providers, and the Sonoma Valley Unified School District to pursue ways to enhance and build quality of life programs and support for the community.
- Interacting with local community organizations and groups regarding issues, concerns, and current and future service needs of City residents and businesses.
- Coordinating with other local and regional agencies to promote and protect the interests of the city and ensure the efficient delivery of services to the community.
- Supporting, developing, and leading the internal staff to provide effective, efficient services while maintaining a culture of professional pride, commitment, and fun.
- Establishing an environment that promotes innovative and creative methodologies to provide better service and value to residents.



Other functions and expenditures that are within the City Manager's office are:

- Legal Services other than City Attorney: The City contracts for several functions under this category, including City Prosecutor services, Code Enforcement, and Youth & Family Services (funding for these programs is in the Legal Services Budget).
- Economic Development & Business Assistance: The City contracts with the Sonoma Valley Chamber of Commerce to provide business assistance and economic development efforts. The Chamber acts as the City's economic development staff with regular coordination with City representatives (funding for this program is in the Community Activities Budget).
- Special Event Coordination: The City Manager's office includes the application, scheduling, review, and post-event follow-up on special events held in the Plaza or Depot Park. Coordination of Sonoma's Tuesday Night Market which runs May-Sept in partnership with the Sonoma Valley Chamber of Commerce, (see Community Activities Budget).
- Recreation/Community Activities: In lieu of providing recreation / community services directly, the City provides financial support to non-profit organizations that provide services to the community, including youth programs, athletic programs, senior services, arts and theatre, and the facilities that operate these programs, (see Community Activities budget).

FISCAL YEAR 2021-22 ACCOMPLISHMENTS:

- The City's overall COVID-19 response, including:
 - Continued community and Valley coordination with COVID-19 relief and assistance.
 - Continued adjustment of City workplaces to enhance COVID-19 protections for our staff and community that enabled City offices to safely reopen to the community.
 - Support for the Sonoma Valley Health Partners' vaccination and testing efforts.
 - Coordinating the needs of area businesses with State and local health restrictions.
 - Providing for local compliance with State and County regulations over activities, business operations, masking, social distancing, and more.
 - Opening the local economy, then closing it, then re-opening it per County and State regulations.
 - Addressing changes in homelessness and housing during COVID-19 to ensure the safety of our most vulnerable members of society.
 - Development of a Valley-wide food distribution event calendar and Sonoma Valley Volunteers website.
- Emergency preparedness, including wildfire response and preparation.
- Transitioning from one City Manager to another.
- Maintaining the quality of the City staff through effective recruitment.
- Voicing the City's needs regarding emergency preparedness within the larger Sonoma County region's interests.
- Voicing the City's needs regarding housing and homelessness services within the larger Sonoma County region's interests.
- Adopting new Financial Policies
- Working through a Councilmember vacancy with the Council and City Attorney.
- Refunded an existing RDA bond to take advantage of lower interest rates that will provide significant cost savings over the life of the bond.



FISCAL YEAR 2022-23 GOALS:

- Effectively transition to a new City Manager.
 - Support the City Council's key objectives and initiatives.
 - Manage through the remainder of the pandemic/endemic and its economic impacts.
 - Plan and prepare the community and City organization for drought, wildfire, and other emergencies.
 - Have the Council consider a Section 115 pension or OPEB trust.
 - Complete the Last & Final ROPS for the prior redevelopment agency.
 - Continue the ongoing collaboration/coordination with the Community Partners and Sonoma Valley Latinx COVID-19 Support Task Force.
 - Continue public outreach and communication through the City's website, newsletter, and social media.
 - Re-start discussions with State Parks regarding a lease of the Casa Grande Parking Lot.
 - Improve employee engagement and devise new methods for recognizing achievements and accomplishments.
 - Ensure all employees, including the management team, receive annual performance reviews that include accomplishments and performance goals for the upcoming year, as well as opportunities and assistance with promotional desires.
 - Update the Employee Policy Manual.
 - Create an effective succession plan for City departments.
 - Increase organizational effectiveness.
 - Promote employee education, training and use of technology
 - Continue hiring capable, talented employees.
-



General Fund City Manager Division

General Ledger Department 41003

RECOMMENDED FY 2022-23 BUDGET

Salary changes include any cost-of-living adjustments, step increases and minor position allocation changes as to how staff is allocated between departments. Benefit changes include vendor cost changes and employee benefit choices. If new positions are proposed, those position are outlined below.

Property and liability cost increased 8% from prior year and is allocated among City departments and funds based on how staff is allocated between departments.

Other key changes between the FY 2021-22 Amended Budget and the FY 2022-23 Budget are listed and described below:

City Manager Recruitment increase	\$30,000
Former City Manager contract	\$36,000
Labor Negotiations contract increase	\$20,000
SEIU Compensation Study increase	\$18,000
Contractor or P/T employee to administer City's Affordable Housing program decrease (moved to Planning & Community services budget)	(\$30,000)
Grant writing consultant decrease	(\$15,000)
Valley Governance Study decrease	(\$30,000)

Expenditure Category	FY 19-20 Actuals*	FY 20-21 Actuals*	FY 21-22 Adopted Budget	FY 21-22 Amended Budget	FY 21-22 Projected Actuals*	FY 22-23 Proposed Budget	\$ Change FY22-23 Proposed Budget to FY21-22 Amended Budget	% Change FY22-23 Proposed Budget to FY21-22 Amended Budget
Salary & Wages	\$ 388,359.00	\$ 402,690.00	\$ 422,002.36	\$ 422,002.00	\$ 433,677.74	\$ 562,697.00	\$ 140,695.00	33%
Employee Benefits	\$ 105,893.00	\$ 90,775.00	\$ 135,086.76	\$ 135,086.00	\$ 131,726.17	\$ 209,827.00	\$ 74,741.00	55%
PERS UAL	\$ 42,939.00	\$ 52,800.00	\$ 69,756.81	\$ 69,756.00	\$ 69,756.00	\$ 114,452.00	\$ 44,696.00	64%
Professional Services	\$ 50,164.00	\$ 27,793.00	\$ 110,000.00	\$ 150,000.00	\$ 39,541.71	\$ 138,000.00	\$ (12,000.00)	-8%
Property Services	\$ 28,558.00	\$ 36,640.00	\$ 43,863.20	\$ 43,863.00	\$ 50,524.57	\$ 84,703.00	\$ 40,840.00	93%
Operations	\$ 11,026.00	\$ 3,402.00	\$ 8,507.00	\$ 8,507.00	\$ 1,001.14	\$ 11,357.00	\$ 2,850.00	34%
Supplies	\$ 1,680.00	\$ 275.00	\$ 1,850.00	\$ 1,850.00	\$ 110.86	\$ 1,200.00	\$ (650.00)	-35%
Internal Service & Capital Prj	\$ -	\$ 5,945.00	\$ 4,825.00	\$ 4,825.00	\$ 4,825.00	\$ 4,354.00	\$ (471.00)	-10%
Expense Total	\$ 628,619.00	\$ 620,320.00	\$ 795,891.13	\$ 835,889.00	\$ 731,163.20	\$ 1,126,590.00	\$ 290,701.00	35%

* Unaudited



CITY OF SONOMA

Finance Division

(100-41004)

Susan Casey, Interim City Manager
Liz Garcia, Deputy Finance Director

The mission, vision and values of the Finance Division are to manage and safeguard City resources responsibly for the community. This is accomplished through the functional areas of accounting, billing, budgeting, and long-range financial forecasting. Responsibilities of the Finance Division include water customer setup and billing, business licenses, accounts payable, payroll, accounts receivable, cash management, annual financial audits, annual budgeting, forecasting, and financial planning. The statistical data (estimates) below provides additional perspective and insight into the daily operations.

- In FY 2021-22 the Finance Division processed over 5,000 cash receipts monthly,
- Handled monthly billing and customer service for 4,480 water utility customers,
- Renewed and managed customer service for 1,800 active business licenses plus ongoing event licenses,
- Processed 26 bi-weekly payrolls for 47 employees,
- Compiled and paid the bi-weekly, quarterly, and annual payroll tax reports,
- Processed all accounts payable for the City averaging 36 checks per weekly check run,
- Processed and reported the monthly TOT accounts receivable for 47 hoteliers,
- Reconciled 54 City funds,
- Oversaw cash management,
- Annual Budget development and oversight,
- Financial reporting, including reports for the County, State, Federal and many other compliance reports,
- Financial year-end close process,
- Financial statement audit reconciliation and preparation.

The Finance Division provides management review, ongoing monitoring, and comprehensive planning to enable City executive staff and City Council to make informed financial decisions. Ultimately, the Finance Division will provide and support more comprehensive planning and forecasting activities as the City addresses needs for new revenue sources and funding options.

There continues to be areas of need and focus, which include developing and documenting relevant financial policies, as well as implementing such policies via efficient procedures. Staff continuously review and discuss internal processes and potential improvements that may enhance the Finance Division's service to the community or provide more support to other departments within the City. The ultimate goal is to have regularly reviewed procedures and policies in place and documented so future staffing changes and transitions can occur without the work or services of the Finance Division being compromised. For several years, the Finance Division struggled to manage all the accounting management duties as well as the higher-level finance focus due to inadequate staffing levels, which had been reflected in past comments from auditors. Fiscal year 2020-21 was the first fiscal year with a fully staffed Finance Division, which substantially and positively impacted the Division's ability to provide



quality service to the community and maintain progress towards needed improvement. However, FY 2021-22 brought more staffing changes to an already thin division as the Deputy Finance Director left in August 2021 and the Assistant City Manager/Administrative Services Director was appointed the Acting City Manager in February 2022. The City was able to hire a new Deputy Finance Director in November 2021 and the City will be recruiting for a new City Manager, which will enable the former Assistant City Manager/Administrative Services Director to focus attention back on the Finance Division.

FISCAL YEAR 2021-22 ACCOMPLISHMENTS:

- FY 2021-22 comprehensive budget document was prepared and adopted on time by City Council on 06/22/21.
- Addressed the Coronavirus pandemic and effectively transitioned to an unanticipated virtual environment.
 - Made adjustments to workspaces to reopen to City offices.
- Updated water shut-off policy and procedures to respond to SB 998.
- Updated the Garbage contract and provided new funding for SB 1383 State composting requirements.
- Updated the 5-year Forecast for ongoing financial forecasting and planning.
- Completed the Federal American Rescue Plan Act reporting.
- Refunded an existing RDA bond to take advantage of lower interest rates that will provide significant cost savings over the life of the bond.
- Created and adopted a Budget & Fiscal Policy, Fixed Asset Capitalization Policy (Administrative Policy), Debt Policy & Veteran's Preference Policy
- Updated and revised comprehensive fee schedule adopted by City Council 06/22/21, (became effective on 08/23/21)

FISCAL YEAR 2022-23 GOALS:

- Update City fee schedule and move to comprehensive annual updates.
- Continue to update and add relevant financial policies, including preliminary development of a finance desk manual.
- Improve procedures for fixed asset acquisition and disposition and implement biannual inventory.
- Complete a financial analysis of the Cemetery Fund and develop a plan for resolution of the deficit in the Fund.
- Complete financial statement audits for fiscal years 2020-21 and 2021-22 by year end.
- Prepare the City's fiscal year 2022-23 Budget and submit it for state and national budget awards (California Society of Municipal Finance Officers and the Government Finance Officers Association).
- Continue cross training and identifying other opportunities for Finance staff to add value for other City Departments, residents, and customers. Identify areas where expanded use of technology can create operating efficiencies for the department and the City, allowing staff to provide higher value activities.
- Analyze and review other Financial ERP software to replace Springbrook and begin implementation processes if warranted.

General Fund Finance Division

General Ledger Department 41004

RECOMMENDED FY 2022-23 BUDGET

Salary changes include any cost-of-living adjustments, step increases and minor position allocation changes as to how staff is allocated between departments. Benefit changes include vendor cost changes and employee benefit choices. If new positions are proposed, those position are outlined below.

Property and liability cost increased 8% from prior year and is allocated among City departments and funds based on how staff is allocated between departments.

Other key changes between the FY 2021-22 Amended Budget and the FY 2022-23 Budget are below:

Increase in audit expense from the prior year for three audit years.	\$45,000
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Expenditure Category	FY 19-20 Actuals	FY 20-21 Actuals*	FY 21-22 Adopted Budget	FY 21-22 Amended Budget	FY 21-22 Projected Actuals*	FY 22-23 Proposed Budget	\$ Change FY22-23 Proposed Budget to FY21-22 Amended Budget	% Change FY22-23 Proposed Budget to FY21-22 Amended Budget
Salary & Wages	\$ 432,324.00	\$ 453,313.00	\$ 460,982.21	\$ 460,982.00	\$ 403,143.57	\$ 483,082.00	\$ 22,100.00	5%
Employee Benefits	\$ 88,079.00	\$ 107,451.00	\$ 120,608.29	\$ 120,608.00	\$ 89,857.13	\$ 125,144.00	\$ 4,536.00	4%
PERS UAL	\$ 45,707.00	\$ 53,220.00	\$ 71,274.54	\$ 71,274.00	\$ 71,274.00	\$ 58,446.00	\$ (12,828.00)	-18%
Professional Services	\$ 90,168.00	\$ 72,146.00	\$ 81,087.00	\$ 81,087.00	\$ 36,218.29	\$ 114,307.00	\$ 33,220.00	41%
Property Services	\$ 37,676.00	\$ 37,236.00	\$ 52,110.21	\$ 52,110.00	\$ 55,244.57	\$ 71,308.00	\$ 19,198.00	37%
Operations	\$ 3,610.00	\$ 1,602.00	\$ 5,845.00	\$ 5,845.00	\$ 4,312.00	\$ 9,345.00	\$ 3,500.00	60%
Supplies	\$ 3,055.00	\$ 2,829.00	\$ 2,500.00	\$ 2,500.00	\$ 2,426.29	\$ 2,500.00	\$ -	0%
Software & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Internal Service & Capital Prj	\$ -	\$ 41,120.00	\$ 40,297.00	\$ 40,297.00	\$ 40,297.00	\$ 39,822.00	\$ (475.00)	-1%
Expense Total	\$ 700,619.00	\$ 768,917.00	\$ 834,704.25	\$ 834,703.00	\$ 702,772.84	\$ 903,954.00	\$ 69,251.00	8%

* Unaudited



CITY OF SONOMA

Legal Services (100-41005)

City Attorney

City Prosecutor/Youth & Family Services/Code Enforcement

Jeff Walter, City Attorney, Colantuono, Highsmith & Whatley, PC.

Bob Smith, City Prosecutor

City Attorney/ Jeffery A. Walters, Walters & Pistole

Legal services are contracted by the City to an outside legal firm, Colantuono, Highsmith & Whatley, PC. The City Attorney is appointed by City Council to ensure compliance with laws as well as provide guidance and legal support. When necessary, the City Attorney will advise leadership regarding content of ordinances, resolutions, and contract language as well as providing representation in the event of litigation.

City Prosecutor / Sonoma Valley Youth & Family Services (SVYFS)/ Code Enforcement

The City contracts with Bob Smith for City Prosecutor, Youth and Family Services and Code Enforcement. The Office of the City Prosecutor has historically had responsibility for two primary areas; prevention, mitigation and prosecution of crimes not amounting to felonies (18 years of age and older) and Youth and Family Services (minors). In 2016, the City Council expanded the City Prosecutor agreement to include code enforcement services.

Proposed amendment to Code Enforcement agreement for 2022-23.

CONTRACT COSTS BY PROGRAM		
CITY PROSECUTOR	YOUTH AND FAMILY SERVICES	CODE ENFORCEMENT
FY 2018-19 \$40,480	\$65,000	FY 2018-19 \$62,400
FY 2019-20 \$10,000	<i>(Program is 50% funded</i>	FY 2019-20 \$87,400
FY 2020-21 \$10,000	<i>by Sheriff's Department -</i>	FY 2020-21 \$62,400
FY 2021-22 \$10,000	<i>\$32,500.)</i>	FY 2021-22 \$62,400
+ \$6,000 Hearing Officer		+ \$8,000 - Vacation Rental
		Enforcement + \$25,000 Plaza
		Parking Enforcement
FY 2022-23 included in Code Enforcement		FY 2022-23 \$60,000

CITY PROSECUTOR

When the City Prosecutor's Office was originally created in 1987, the District Attorney's office was not as active in the prosecution of some areas of the law and there was a desire to have a higher level of local control. In FY 2019-20 staff recommended that the majority of the cases could be shifted to the District Attorney for their prosecution as is done for all other Sonoma communities.

FISCAL YEAR 2021-22 ACCOMPLISHMENTS:

- Administrative Hearings (3)
- Superior Court Appearances (3)
- Superior Court Trials (1)

FISCAL YEAR 2022-23 GOALS:

- Increase community awareness of mediation services provided for issues not amounting to criminal conduct focusing on early prevention.
- Supporting Code Enforcement by handling all contested hearings and Superior Court Appeals.

YOUTH AND FAMILY SERVICES (Y&FS)

Youth & Family Services has continued a major paradigm shift from a punitive-based juvenile diversion program to skill development-based program. Community Service is a large part of the diversion contract. A large aspect of almost every juvenile's contract is community service hours. The community service component of the program has shifted to a more restorative justice approach, i.e., service to make the community whole for the impact of the juvenile wrong doer rather than simply punishing them. Under Y&FS direction the framework for all discussions and participation in the diversion program centers on a restorative justice philosophy – accountability, understanding and amends.

No diversion contract has less than 60 hours of community service. The nature of the service is determined by looking at the juvenile's grades, attendance and prior school discipline history and if appropriate discussion with relevant teachers or administrators. Diversion contracts typically contain grade improvement requirements, supervised homework, as well as participation in an Outward-Bound type training program (ropes course) to focus on self-esteem building, inclusion, teamwork, and trust. We also have provided tutoring, albeit, only as resources allow. This shifting program has helped a number of students change their behavior and lifestyle. To greater provide for an environment of success, Y&FS also provides parenting courses for parents of obedient defiant juveniles. All services are provided in Spanish and English.

The Youth & Family Services program serves to the entire Valley and is jointly funded by the City of Sonoma and the Sonoma County Sheriff's Office (\$32,500 each).

FISCAL YEAR 2021-22 ACCOMPLISHMENTS:

- Created 501(3)(c) "Sonoma Valley Youth & Family Services to support fund raising for additional services for YFS programming.
- Raised \$60,000 in grants and participating in the Community Foundation three-year program to develop sustainability and capacity.
- Hired an Executive Director to manage the programs, fund raise and develop partnerships with other non-profits and resources.
- Increased hours for SVYFS case worker to conduct additional Parenting courses in Spanish
- Established SVYFS as primary juvenile services partner of Hanna's initiative to become a hub for providing Valley wide mental health services.
- Incorporated into community service requirements previously acquired unique interactive programming to allow program juveniles to self-define a roadmap to successful graduation.
- Incorporated unique interactive programming to help juveniles understand the value of inclusion and successfully and positively identifying, interrupting, and resolving implied bias.

- Continue to provide ten-week course to parents of obedient defiant children both in English and Spanish, (the first post-Covid class included 18 parents who spoke only Spanish).
- We continue to adapt to the unforeseen course of Covid and its variants. Our online programs were a great support for our participants. We had 54 students successfully complete their contracts remotely.
- The experience of distance learning and peer isolation on juveniles has been traumatic. We are working on a MOU with the district to become an alternative to standard discipline protocols of suspension and expulsion.

FISCAL YEAR 2022-23 GOALS:

- SVYFS continues to look forward to another year, preparing even better equipped support for our local families, school district and youth, all in an effort to foster healthy boundaries, loving engagement, and respect for oneself and our community.
- Working with School district on providing an alternative to discipline (which greatly increases a juvenile's likelihood of entering Juvenile Justice System) in a post-Covid environment.
- Completing our ropes course
- Continue to support a partnership with Hanna, Teen Services, Mentoring Boys and Girls Club and CSARC to establish summer programs for juveniles.

CODE ENFORCEMENT

The City began contracting with the City Prosecutor for code enforcement services in March of 2016. The part-time Code Enforcement Officer (24 hours per week) is supported by an attorney supervisor and an office administrator. In addition to responding to citizen and staff inquiries, the Code Enforcement Officer investigates and documents findings, prepares evidence, patrols for violations, and works to educate the community on municipal code provisions.

Contract provider is proposing an amendment to the existing Code Enforcement/City Prosecutor contract.

- Code Enforcement experience is that the best and most effective use of Code Enforcement to insure that property related violations are brought into compliance (building, zoning, planning, use)
- Changes in the law regarding safety issues for Code enforcement Officers
- Almost all non-property related offenses reach compliance by education and communication. The lack of citable activity (only four citations issued in the last year and all were Covid related) does not support a Code Enforcement patrol position.

The proposed amendments:

- Code Enforcement focuses on property matters including use of public property (parklets, etc)
- 24/7 phone access with response next business day
- All necessary steps to obtain compliance from investigation, pre-liminary notice, formal notice, hearings, appeals, superior court trial, collections.
- City Prosecutor and code enforcement merged for a proposed annual cost not to exceed \$60,000
- Reduce the annual cost of Code Enforcement/City Prosecutor by \$37,400

FISCAL YEAR 2021-2022 ACCOMPLISHMENTS:

- 436 cases opened; 414 cases closed.
- COVID-19 Enforcement (diminished by year end)
- STR compliance
- Focused on property related issues (planning/building/noise/setback violations/use)

FISCAL YEAR 2022-23 GOALS:

- Work with community for compliance through education and dialogue.
- Revise identified City Ordinances to reflect current quality of life issues.
- Continue annual inspections of tobacco and cannabis retailers.
- Remain vigilant as short-term rentals (STR) start to emerge from Covid-19 shutdown.
- Utilize Superior Court actions for moving Administrative awards to recordable property liens.
- Focus on property related issues including parklets
- Increase communication and coordination with City departments.



General Fund

Legal Services Division

General Ledger Department 41005

RECOMMENDED FY 2022-23 BUDGET

City Prosecutor to increase community awareness of mediation services and handle all contested hearings and Superior Court appeals for code enforcement.

City Prosecutor and Code Enforcement merged for a proposed annual cost not to exceed \$60,000

Youth and Family Services to complete ropes course.

Code Enforcement focuses on property matters, including parklets, provides 24/7 telephone access and takes all necessary steps to obtain compliance.

Other key changes between the FY 2021-22 Amended Budget and the FY 2022-23 Budget are below:

Reduce annual cost of Code Enforcement/City Prosecutor	(\$37,400)
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Expenditure Category	FY 19-20 Actuals*	FY 20-21 Actuals*	FY 21-22 Adopted Budget	FY 21-22 Amended Budget	FY 21-22 Projected Actuals*	FY 22-23 Proposed Budget	\$ Change FY22-23 Proposed Budget to FY21-22 Amended Budget	% Change FY22-23 Proposed Budget to FY21-22 Amended Budget
Professional Services	\$ 634,906.00	\$ 400,730.00	\$ 476,900.00	\$ 476,900.00	\$ 316,147.43	\$ 337,000.00	\$ (139,900.00)	-29%
Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Internal Service & Capital Prj	\$ -	\$ 1,320.00	\$ 1,395.00	\$ 1,395.00	\$ 1,395.00	\$ 848.00	\$ (547.00)	-39%
Expense Total	\$ 634,906.00	\$ 402,050.00	\$ 478,295.00	\$ 478,295.00	\$ 317,542.43	\$ 337,848.00	\$ (140,447.00)	-29%

* Unaudited

BUDGET DETAIL

PUBLIC SAFETY

**Police Department
Fire Department**





CITY OF SONOMA

Police Department ***(100-42101)***

Orlando Rodriguez, Police Chief

The Police Department is responsible for the protection of life and property, maintenance of order, control and prevention of crime and the enforcement of motor vehicle laws and regulations. We play an important role in helping to maintain and improve the quality of life in Sonoma. Since 2004, the City has contracted with the Sonoma County Sheriff's Office for law enforcement services. Per the agreement, the Chief provides the city with a "Service Plan" each year, which outlines the level of service to be provided including, but not limited to, the staffing plan, position descriptions, and training and equipment needed to perform services.

The Police Department has a staff of 16 employees, which consists of a Police Chief, two Police Sergeants, ten Deputy Sheriffs, two Community Service Officers and one Administrative Clerk (City employee). The Police Department also utilizes dedicated volunteers through the Sheriff's Volunteer in Policing Services (VIPS) program. Under the law enforcement contract, many professional administrative and managerial functions, such as dispatch, investigations, fiscal and records management, and property/evidence are handled by subject matter experts located at the Sheriff's main office in Santa Rosa.

HISTORY OF CONTRACT WITH SONOMA COUNTY SHERIFF'S DEPARTMENT

In 2004, the City entered into a five-year contract with the Sheriff's Office for law enforcement services. In 2009, the City renewed the contract for a period of ten years, ending in June 2019. In 2020, the City again renewed the contract for a five-year period, ending in 2025. The below chart outlines the total contract cost for each year of past ten-years, followed by the cost increase and percentage increase from the previous fiscal year. Also included is the Administrative Overhead percentage as a reference which is paid on salaries and benefits only and is for a variety of central and specialized services.

During the economic downturn, the Deputy Sheriff's Association agreed to several concessions to help balance the budget, including 40 hours of mandatory time off, as well as termination of vacation/comp time/sick leave buy-out, to name a few. During those years, the City benefited from these concessions without having to negotiate with the labor unions. After the October 2017 Fires, the Sheriff's Department absorbed time of October 9, 2017 to October 17, 2017 of Sonoma Police staff costs (salary, benefits, overtime) in recognition that the focus of the fires was supporting the Sonoma Valley. By absorbing these costs and submitting for reimbursement directly to FEMA, the Sheriff saved the City hours of FEMA processing and a budget reduction of \$345,378. Below is a summary of other impacts and benefits of the contract.

The FY 2019-20 contract with the Sheriff's Office was \$4,642,010, which is a \$311,083 increase from the adopted FY 2018-19 contract of \$4,549,731 (this includes compensation adjustments for the FY 2018-19 budget that were not budgeted prior). The Sheriff's Office labor unions negotiated a 3% wage increases that were included as an assumption in the FY 2019-20 budget.

Due to budget constraints, proposed FY 2020-21 contract cost increases, and the COVID-19 economic effects to the community, Sonoma City Council eliminated an administrative assistant position, a K9 officer



and School Resource Officer. They also vacated a Deputy Sheriff and Community Service Officer (CSO) position. Through these reductions, cost savings to the FY 2020-21 Sonoma PD budget total \$632,895, including overhead costs of \$124,357.

The FY 2021-22 budget added a Deputy Sheriff position and in January of 2022 added a CSO position.

- Contract provides the following additional benefits:
 - (1) Reduced workload of other city departments, such as HR, Finance, Administration, and Legal;
 - (2) Highly trained, competent, and professional staff and an ability to backfill quickly;
 - (3) Additional staff support due to integration with valley-wide management of law enforcement;
 - (4) Access to significant resources and specialized investigative units as response to incidents requires;
 - (5) Reduced liability for critical incidents since this risk is transferred to the County.

Fiscal Year	Contract Cost Actual	Cost Change	Percent increase	Overhead Percent*	Comment
22-23	5,089,745 <i>Requested</i>	22,063	.44%	26.65	No additional staff added
21-22	5,067,682 <i>Adopted</i>	790,728	15.6%	24.76	Restore vacant Deputy; Restore CSO position mid-fiscal year.
20-21	4,276,954 <i>Actual</i>	-161,286	-3.77%	25.07	Reduction in Staff: Deputy and CSO Vacant Eliminate Admin Aide, K9 Officer and School Resource Officer
19-20	4,438,240	-110,721	-2.43%	26.03	Cost savings realized - decreased detective time & reduced service/supply costs due to COVID restrictions. Service and supply line item moved to overhead.
18-19	4,548,961	310,313*	7.32% (Reflects return to baseline after one-time Fire reduction.)	26.18	Labor contract increases and grant expenses added. 1x fire reduction in prior year. See FY 18-19 increases noted below by asterisk.
17-18	4,614,201 Approved Budget 4,238,648 <i>Actual Cost</i>	56,162	1.32%	26.40	1X Fire reduction of \$345,378 by Sheriff; see note below; 3% salary increase; insurance; WC; admin
16-17	4,182,486	39,982	1.0%	24.78	3% salary increase; health care
15-16	4,142,504	245,118	6.3%	22.76	SRO contribution started
14-15	3,897,386	-28,656	-0.7%	22.15	
13-14	3,926,042	59,974	1.6%	22.94	
12-13	3,866,068	241,234	6.6%	23.43	Add K-9 program
*Includes contract direct reduction due to FEMA cost absorption from Sheriff for October 2017 wildfires -- \$345,378.					



FISCAL YEAR 2021-22 ACCOMPLISHMENTS:

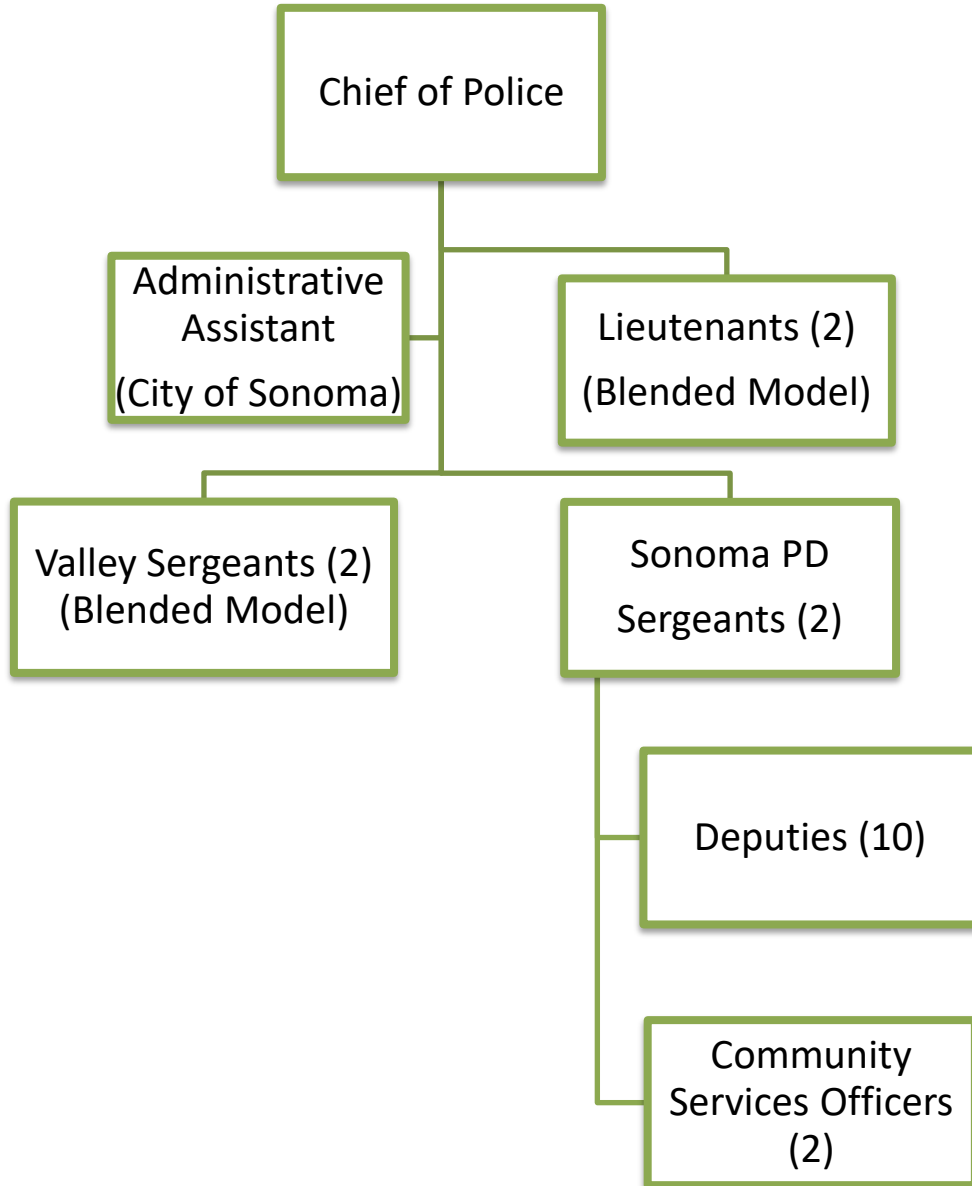
- Managed the Law Enforcement Services contract with the County to ensure the delivery of high quality public service and fiscal accountability.
- Provided significant public outreach and education to continue to build public trust.
- Worked with our Business partners to promote safe Parklets dining areas to help with the COVID-19 economic effects.
- Collaborated with Sonoma Overnight Support (SOS) and the Field of Dreams Directors to provide a safe environment to the community.
- Acquired a new Police Motorcycle.
- Partnered with the Sonoma County Deputy Sheriff's Association in the "turkey" giveaway where we donated turkeys to needy families during Thanksgiving.
- Partnered with the Sonoma County Deputy Sheriff's Association in the end of the year "Toy" drive.
- Attended several community and school events.
- Provided "gang" recognition training to the Sonoma Valley Unified School District Administration.
- Hired two new Community Services Officers.

FISCAL YEAR 2022-23 GOALS:

- Manage the Law Enforcement Services contract with the County to ensure a high quality of public service and fiscal accountability.
 - Add a Community Oriented Policing and Problem Solving (COPPS) Deputy.
 - Research additional grant opportunities consistent with our mission.
 - Build relationships with community leaders, churches, schools and clubs.
 - Continue strong community outreach through "Coffee with a Cop" program, Citizen's Academy, Responsible Beverage Service training, and our presence at many of our local events.
 - Recruit, select, and train new Volunteers in Policing Service (VIPS) and Explorer Scouts.
-

Police Department -- Organization Chart

(The City contracts with the Sonoma County Sheriff's Office to provide law enforcement services in Sonoma.)



General Fund Police Department

General Ledger Department 42101

RECOMMENDED FY 2022-23 BUDGET

The FY 2022-23 recommended budget of \$5,089,745 adds a Community Oriented Policing and Problem Solving (COPPS) Deputy. This COPPS Deputy will be uniquely dedicated to work one-on-one with community members to resolve issues currently facing our city. Some of the issues include:

- Collaborate with residents to coordinate with California State Parks Police to bring solutions to the “Casa Grande” parking lot.
- Collaborate with the City of Sonoma Events Manager to provide security for events.
- Continue working with SOS, Field of Dreams Committee, and the Ecology Center to ensure that our un-housed community are provided with resources.
- Attend community events and provide training or crime recognition awareness to residents.
- Partner with La Luz and the Community Health Center to provide mental health awareness.
- Collaborate with the Sonoma Valley Unified School District to provide security and vulnerability checks of all the schools, attend SARB meeting, train staff, and
- Partner with Youth and Family Services.
- Collaborate with City Staff and Council.
- Abandoned vehicle-abatement program.
- Bicycle Patrol, to interact positively with community members.

Expenditure Category	FY 19-20 Actuals*	FY 20-21 Actuals*	FY 21-22 Adopted Budget	FY 21-22 Amended Budget	FY 21-22 Projected Actuals*	FY 22-23 Proposed Budget	\$ Change FY22-23 Proposed Budget to FY21-22 Amended Budget	% Change FY22-23 Proposed Budget to FY21-22 Amended Budget
Salary & Wages	\$ 58,710.00	\$ 64,533.00	\$ 66,125.48	\$ 66,125.00	\$ 60,815.13	\$ 78,010.00	\$ 11,885.00	18%
Employee Benefits	\$ 31,406.00	\$ 36,691.00	\$ 33,042.19	\$ 33,042.00	\$ 34,113.13	\$ 38,576.00	\$ 5,534.00	17%
PERS UAL	\$ 222,657.00	\$ 258,231.00	\$ 264,994.33	\$ 264,994.00	\$ 264,994.00	\$ 316,421.00	\$ 51,427.00	19%
Professional Services	\$ 460.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Sheriff Contract	\$ 4,439,437.00	\$ 4,272,585.00	\$ 4,988,226.00	\$ 4,988,226.00	\$ 4,988,226.00	\$ 5,089,745.00	\$ 101,519.00	2%
Property Services	\$ 203,466.00	\$ 103,189.00	\$ 134,283.30	\$ 134,283.00	\$ 120,817.14	\$ 301,644.00	\$ 167,361.00	125%
Operations	\$ 184,980.00	\$ 179,226.00	\$ 212,600.00	\$ 212,600.00	\$ 171,764.57	\$ 212,050.00	\$ (550.00)	0%
Supplies	\$ 55,587.00	\$ 54,785.00	\$ 60,000.00	\$ 60,000.00	\$ 60,298.29	\$ 78,200.00	\$ 18,200.00	30%
Software & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Internal Service & Capital Prj	\$ -	\$ 19,122.00	\$ 69,089.00	\$ 69,089.00	\$ 69,089.00	\$ 55,206.00	\$ (13,883.00)	-20%
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Expense Total	\$ 5,196,703.00	\$ 4,988,362.00	\$ 5,828,360.30	\$ 5,828,359.00	\$ 5,770,117.26	\$ 6,169,852.00	\$ 341,493.00	6%

* Unaudited



CITY OF SONOMA

Fire Department (100-42201)

Sonoma Valley Fire District

Stephen Akre, Fire Chief

The mission of the Fire Department is to protect the quality of life for present and future generations through interaction with our community, compassionate service, and an atmosphere that encourages innovation, professionalism, and diversity. The City's Fire Department is operated through a long-term successful collaborative partnership with the Sonoma Valley Fire District (formerly the Valley of the Moon Fire Protection District).

The Fire Department now consists of 61 full-time staff, one part-time staff member, and a cadre of 50+ dedicated volunteer firefighters who supplement daily staffing. The daily staffing consists of 17 personnel who staff four engine companies, two ambulances, and a command vehicle out of four strategically located fire stations. The Fire district also provides staffing on one shift (two personnel) covering the Eldridge Fire Department, stationed at the Sonoma Developmental Center. In July of 2020, the Valley of the Moon and Glen Ellen Fire Districts along with the Mayacamas Fire Department formally consolidated into the Sonoma Valley Fire District. This has resulted in increased staffing in the District and improved services to all of the Communities the Fire District serves, by adding much needed capacity and efficiencies to the District's response system.

The Fire Department provides advanced life support (ALS) medical services through the use of dual-role firefighters, who are also trained as paramedics. All staffed engines and ambulances are ALS equipped and staffed with at least one paramedic, often two or three.

The Fire Prevention division is responsible for ensuring the safety of the community, as well as the members of the fire department, through public education, fire inspection and code enforcement, conducting plan reviews of residential and commercial occupancies, and providing fire investigation services to determine cause and origin.

The District entered into a contract for services with Whittman Enterprises for ambulance billing in July 2020. Billing is efficiently handled using advanced software that integrates with the Fire Department's records management system.

CHALLENGES

There continues to be a need to identify long-term funding for the 3 SAFER Grant firefighter/paramedics that are critical to providing fire and EMS services to the City. There is also a need for more staff resources to focus on increasing demands for services, succession planning, prevention and emergency operations, management, and planning. Staff will continue to explore options in these areas in the coming year.

HISTORY OF CONTRACT WITH VALLEY OF THE MOON FIRE DISTRICT

From 2001 through 2011, the Sonoma Valley Fire and Rescue Authority (SVFRA) operated under a joint-powers agreement (JPA) between the City of Sonoma and the Valley of the Moon Fire Protection District for joint purchasing, training, and staffing. Through collaborative discussions between the two agencies,



it was determined that the most strategic and cost-effective model for sustainability of all-risk fire services was for the City of Sonoma to contract with the Valley of the Moon Fire Protection District.

On December 19, 2011, the City Council approved a Contract for Services with the Valley of the Moon Fire District for five years with an initial term that ended on February 1, 2017. The contract has been renewed twice by the City Council and Fire Board for additional five year terms, first in January 2017 and again in March of 2022. This contract remains in effect through March 2027 with the Sonoma Valley Fire District.

Under the terms of the contract for services, the expenditures of the historic SVFRA are split between the City (57%) and the Fire District (43%). The City receives 100% of the Emergency Medical Services revenues, including governmental reimbursement programs such as the Ground Emergency Medical Transport (GEMT) and Intergovernmental transfer (IGT). Each agency retains financial responsibility for its own buildings and vehicles. All City fire employees were transitioned to the Valley of the Moon Fire Protection District in 2012. The City is still required to pay the unfunded liability for the prior employees' PERS costs. For the purposes of this budget, the revenues and expenditures are the City's portion of the shared SVFRA budget fund. The chart below shows historical cost increases and revenues.

Fiscal Year	Total Contract Cost	Cost Increase	% Change	EMS Revenue	Net Fire/EMS Costs	Net % Change	Comment
22-23	5,942,697	347,837	6.2%				COLA + COVID Costs
21-22	5,594,860	217,548	4.0%	-	-	-	COLA + COVID costs
20-21	5,377,311	-102,147	-1.9%	\$2,637,093*	\$2,740,218	-11.7%	COVID reductions
19-20	5,479,458	224,416	4.2%	\$2,375,871*	\$3,103,586	-3.5%	2 years COLA, +16% Health
18-19	5,255,042	85,435	1.7%	\$2,037,700	\$3,217,342	-0.5%	+ 2.5% ER retire
17-18	5,169,607	166,776	3.3%	\$1,937,000	\$3,232,607	2.9%	COLA, +EE 1.5% retire, + 20% WC, + health
16-17	5,002,831	166,197	3.4%	\$1,860,561	\$3,142,270	0.1%	COLA, +EE 1.5% retire; health, FC recruit
15-16	4,836,634	131,446	2.8%	\$1,690,788	\$3,145,846	2.1%	COLA, +EE pay 100% retire, +health, OT budget adj., REDCOM
14-15	4,705,188	96,526	2.1%	\$1,626,443	\$3,078,745	- 4.6%	COLA, +EE pay 2/3 retire, OT budget adj. + utilities, + health, CQI
13-14	4,608,662	130,209	2.9%	\$1,381,200	\$3,227,462	17.6%	COLA, SCERA + 3.7%, + EE pay 1/3 retire
12-13	4,478,453	331,977	8.0%	\$1,733,919	\$2,744,534	11.4%	Cost formula change from 53/47 to 57/43
11-12	4,146,476	-68,241	-1.6%	\$1,683,275	\$2,463,201	- 3.8%	Start of 5-year contract
10-11	4,214,717	-	-	\$1,654,250	\$2,560,467	-	Last year of JPA

*does not include GEMT reimbursements

FISCAL YEAR 2021-22 ACCOMPLISHMENTS:

- Received a \$15,000 grant to begin an Unmanned Aerial Vehicle Program (UAV) to assist in fire investigation, fire suppression, and search for missing persons. (August 24th, 2020)
- Continue to participate in the Ground Emergency Medical Transport (GEMT) and the Inter-Governmental Transfer (IGT) reimbursement program.



- Received a \$93,000 grant from Sonoma County (Sonoma County Ag & Open Space) to secure equipment and funding to operate a roadside chipping program within our service area. (May 28, 2021)
- Collaborated with Sonoma County and other local partners to develop the Sonoma County Multi-jurisdictional Hazard Mitigation Plan. (2020-2021)
- Worked with Sonoma County and local partners to develop the Sonoma County Community Wildfire Protection Plan (2020-2022)
- Evaluation and adoption of 2022 Fire Prevention Fee Schedule (January 2022)
- Added capacity to the Fire Prevention Office in the form as a Fire Inspector position. This position was created to ensure compliance with state laws associated with mandated fire inspections.
- Placed an order for a new ambulance to replace the oldest in the fleet
- Ordered a new Type 3 Wildland Engine
- Took delivery of two new command vehicles (Battalion 3 and Chief 3300)
- Took delivery of a new utility truck and chipper to assist in our Vegetation management Program
- Took delivery of two new Type 1 engines to replace 3383 and 3385 that were over 20 years old
- Installed a new storage building to house additional fire apparatus and equipment.
- Ordered a new trailer for the UTV, and will be repurposing the old trailer for fire investigation equipment (SVFFA Project)
- Collaborated with the County of Sonoma for installation of two new LED Safety signs at Sta.3 and 5 providing vital information to the community.
- Hired 11 new Volunteers
- Replaced all Rope Rescue gear via a Homeland Security Grant for \$30,000
- Was able to secure \$6,000 from Homeland Security Grant for rescue training
- Hired two more of our Volunteers into Full time positions
- Supported six full time personnel through Paramedic training and certification
- Sponsored two volunteers through FF1 academy
- Reinstatement of the Administrative Battalion Chief – District Funded Position

FISCAL YEAR 2022–23 GOALS:

- Make transition to new accounting software separate from the City’s as part of “best practice initiative”
- Continue to be actively engaged in the Planning Process for Sonoma Developmental Center (SDC)
- Continue to develop our Fuels Management and Defensible Space Program including Vegetation Management Inspections, Chipper Program, and prescribed burning
- Continue to promote and deliver our Emergency Preparedness Training Program in English and Spanish – Sonoma Citizens Organized and Prepared for Emergencies (SCOPE)
- Continue to collaborate with Department of Emergency Management for drill and exercise opportunities in the Sonoma Valley.
- Fire District and community members to participate in a Community Driven Strategic Plan to update current six year old plan
- Place order for another ambulance
- Place order for two command vehicles
- Place an order for a Type 3 fire engine
- Improve/Upgrade infrastructure at Stations 8 and 9 (Funding through Mayacamas Fire Foundation)
- Complete the renumbering and renaming of all stations
- Through collaboration with Sonoma County Department of Emergency Management install an additional two LED Safety signs
- Obtain FEMA Grant funding and begin the seismic retrofit of Station 5
- Apply for a new SAFER Grant to fund the three City SAFER Positions



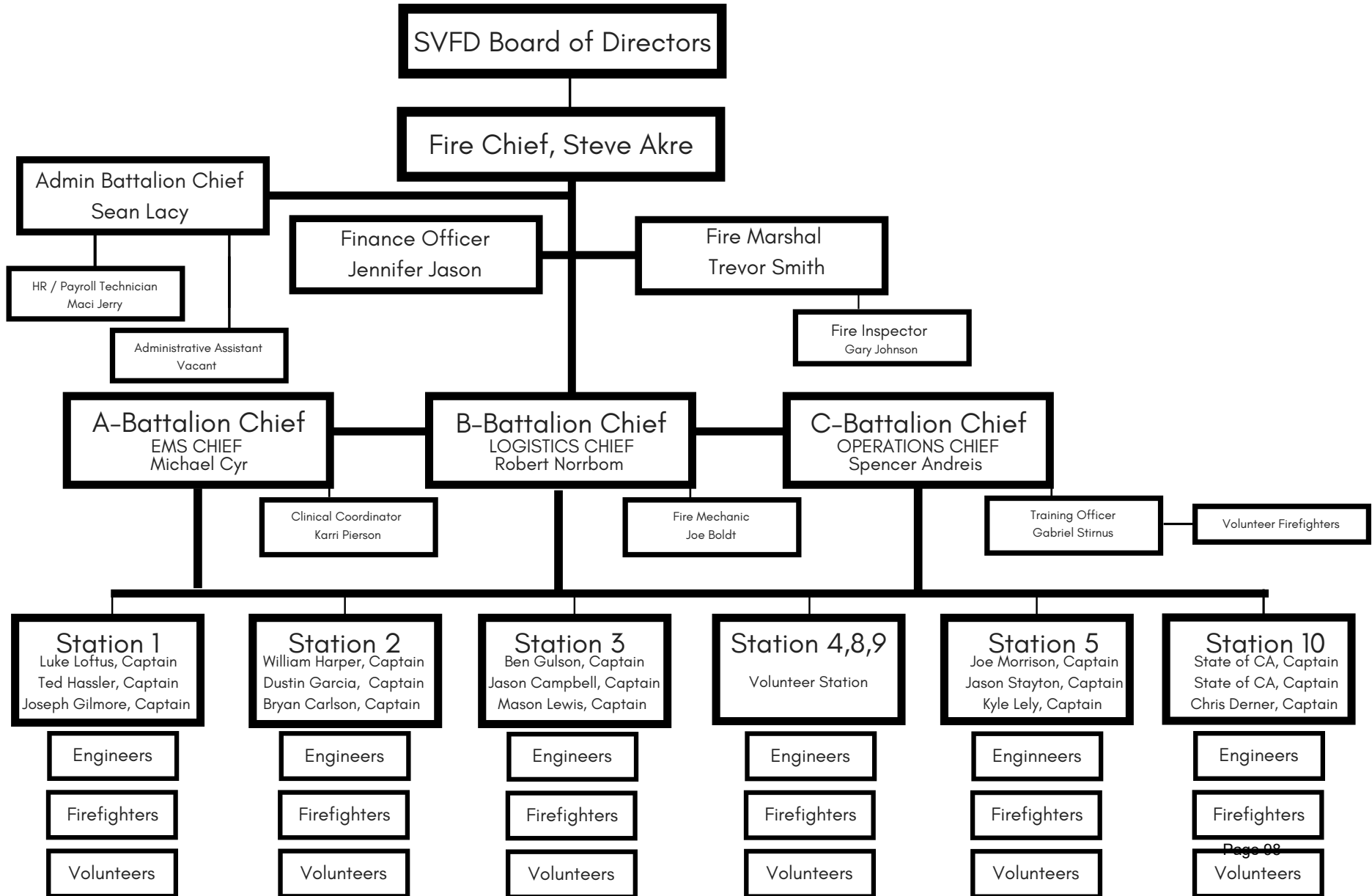
- Continue to be actively involved both regionally and statewide in Fire Service leadership, including: Fire Operational Area Coordinators, REDCOM (Board President, DOAG Chair, and Duty Officers), Fire District and Chiefs' Associations, EMS, and FASIS and EBA Boards
-



SONOMA VALLEY FIRE DISTRICT

ORGANIZATIONAL CHART

REVISED 03/2022



General Fund Fire Department

General Ledger Department 42201

RECOMMENDED FY 2022-23 BUDGET

The City's portion of the historic SVFRA budget (57% of these costs are the City's per our contract with the Sonoma Valley Fire District) will increase by \$78,065 (1.3%) from the previous year's budget. Below are changes within the contract. The increase in contract amount is primarily the result of a modest cost of living increase for fire personnel and continuing to reinstate some of the critically important expenditures that were one-time COVID related cuts in 2020-21. Below amounts are totals for the SVFRA contract, not the City's share.

Overall increase in personnel costs in the SVFRA Budget due to negotiated labor agreements. The District did have an offset in some personnel costs due to a reduction in retirement costs through SCERA.	\$382,811
Continued increase in worker's compensation insurance	\$42,425
Increase in SVFRA's portion of property and general liability insurance	\$64,509
Addition to personal protective clothing budget for 40 FTE and 31 volunteers in alignment with NFPA 1851 national standard	\$15,000
Reinstatement to original training budget for 40 FTE and 31 volunteers	\$15,000
Reinstatement to Fire and EMS equipment budget that was reduced due to COVID	\$30,000
Increase in REDCOM dispatch fees	\$29,626

In addition, there other city costs associated with supporting the contract including:

- Employee benefits costs include increase for unfunded liability due to pensions from past employees (see Expenditure Summary for a cost breakdown).
- In accordance with Senate Bill (SB) 523 (Chapter 773, Statutes of 2017), the Department of Health Care Services (DHCS) established the Ground Emergency Medical Transport (GEMT) Quality Assurance Fee (QAF) program to provide supplemental Medi-Cal payments to GEMT providers. Using data collected from GEMT providers, DHCS calculates an annual GEMT QAF rate that will be imposed on each emergency medical transport provided by each GEMT provider subject to QAF. The QAF collected is used to increase Medi-Cal reimbursement to GEMT providers by application of an add-on to the fee-for-services (FFS) fee schedule rate for the affected emergency medical transport billing codes. The QAF fee is billed to the District and the expense is paid by the City as the City receives all of the EMS Revenue. For FY 2021-22 the annual QAF fee (estimated at \$84,000) has been added in as an expense. (In prior fiscal years it was posted as an offset to the EMS revenue.)
- The Wittman Billing Contract includes fees for service of \$90,000. These new fees are offset by an increase in EMS revenue.
- We are in the last year of the SAFER Grant program which has funded the third person (firefighter/paramedic) on the City's fire engine. In this final year, the costs share increases for the grant awardee from 25% match to 65%. The total costs for these three personnel are: \$417,662. The City's 65% share of this is \$271,480. This program was approved by previous Council action and has been a separate line item and is not included in the Contract amount.

Description	FY 19-20 Actuals*	FY 20-21 Actuals*	FY 21-22 Adopted Budget	FY 21-22 Amended Budget	FY 21-22 Projected Actuals*	FY 22-23 Proposed Budget	\$ Change FY22-23 Proposed Budget to FY21-22 Amended Budget	% Change FY22-23 Proposed Budget to FY21-22 Amended Budget
PERS UAL	\$ 394,282.00	\$ 446,032.00	\$ 487,845.00	\$ 487,845.00	\$ 487,845.00	\$ 535,517.00	\$ 47,672.00	10%
Professional Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
SVFRA Contract	\$ 5,470,908.00	\$ 5,377,311.00	\$ 5,550,749.87	\$ 5,689,849.00	\$ 5,689,849.00	\$ 6,241,038.00	\$ 551,189.00	10%
EMS Billing Contract	\$ -	\$ 83,007.00	\$ 90,000.00	\$ 90,000.00	\$ 117,025.00	\$ 102,375.00	\$ 12,375.00	14%
Operations	\$ 105,336.00	\$ 149,294.00	\$ 153,000.00	\$ 153,000.00	\$ 6,988.00	\$ 128,000.00	\$ (25,000.00)	-16%
Supplies	\$ 194.00	\$ 3,236.00	\$ -	\$ -	\$ -	\$ -	\$ -	
Software & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Internal Service & Capital Prj	\$ -	\$ 123,851.00	\$ 242,326.00	\$ 242,326.00	\$ 242,326.00	\$ 245,448.00	\$ 3,122.00	1%
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Expense Total	\$ 5,970,720.00	\$ 6,182,731.00	\$ 6,523,920.87	\$ 6,663,020.00	\$ 6,544,033.00	\$ 7,252,378.00	\$ 589,358.00	9%

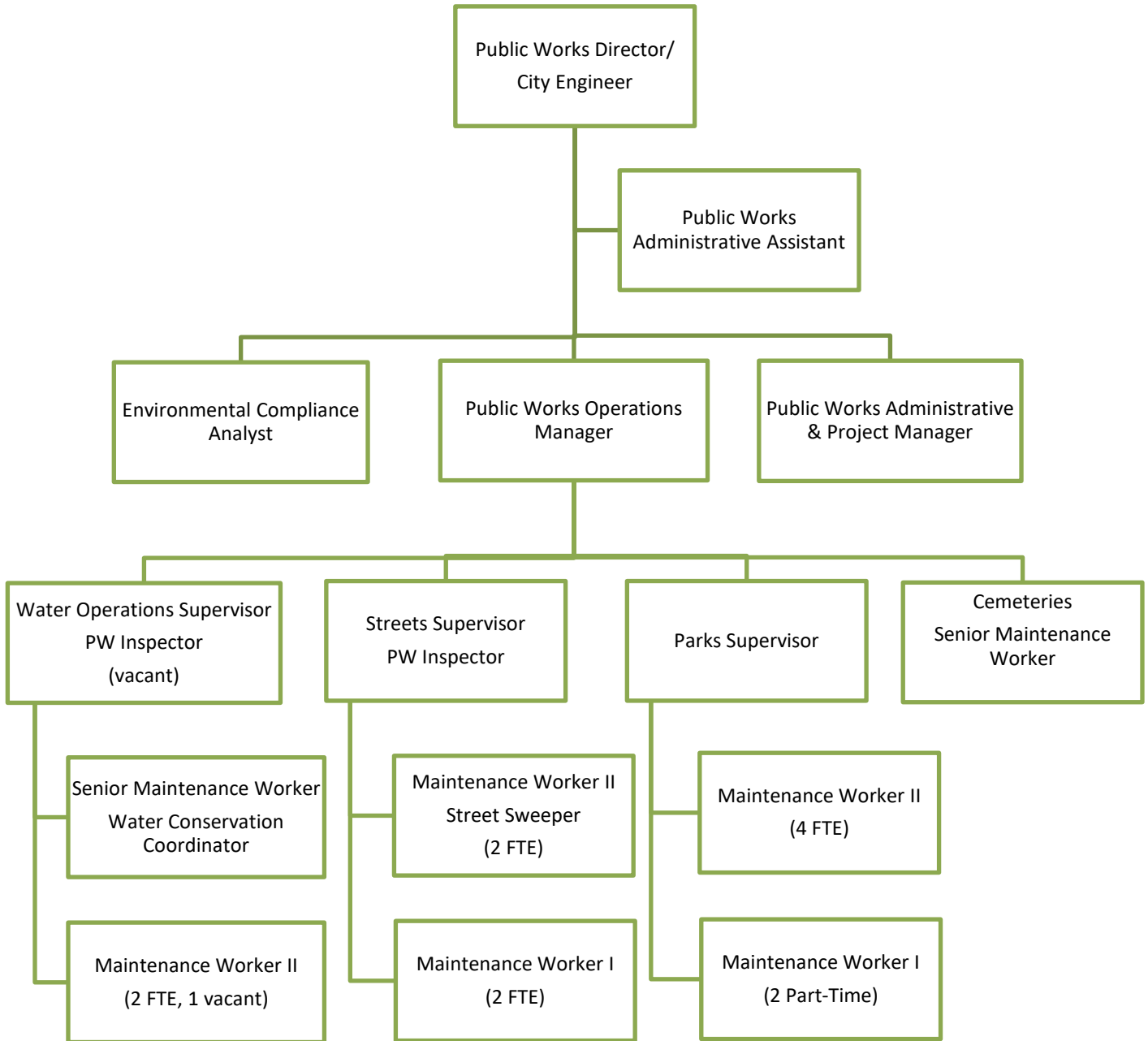
* Unaudited

BUDGET DETAIL

PUBLIC WORKS

Organizational Chart
Administration & Stormwater
Streets Maintenance
Parks Maintenance

Public Works -- Organization Chart





CITY OF SONOMA

Public Works Department **Administration & Stormwater (100-43020)**

Michael Berger, Public Works Director

The mission of the Public Works Department is to serve the needs of Sonoma's citizens by maintaining, operating, and improving the City's infrastructure, including: transportation, water distribution, well water supply, storm drainage, parks and trails, City-owned streetlights, City-owned buildings, and City-owned cemeteries. This public infrastructure is the foundation that connects the City's businesses, communities, and people; drives our economy; improves our quality of life; and ensures our public health and safety. The Department also serves a coordination role for special events, other utilities, and solid waste/recycling/compost collection services. Public Works has 21 full-time staff positions and 2 part-time positions. The Department cross-trains staff to maximize cross-functional resource sharing efficiencies across various programs.

In addition to supporting the City Council with respect to public infrastructure and related matters, the Public Works Department staff represent the City on the following staff-level regional committees: Sonoma County Transportation Authority Technical Advisory Committee (SCTA TAC), Sonoma County Water Agency Water Contractors Technical Advisory Committee, Sonoma Valley Groundwater Sustainability Agency Working Group, the Sonoma County Water Agency Flood Protection Zone 3A Advisory Committee, and the Sonoma County Parks Measure M Technical Advisory Committee.

The Storm Water Pollution Prevention program works to protect local creeks and the bay from pollutants associated with storm water runoff. The three creeks receiving storm water runoff from the City of Sonoma are Nathanson Creek, Sonoma Creek, and Fryer Creek. Storm Water Pollution Prevention is a rapidly evolving function to comply with the State and Federal discharge requirements included in the Municipal Phase II Storm Water Permit. The Storm Water Pollution Prevention program also supports flood prevention efforts and competes for grant funding to address the City's storm water needs. This program is funded primarily through the City's General Fund.

The Engineering Services program provides engineering and technical support to various City departments, responds to citizen inquiries about public infrastructure and traffic concerns, performs development review and plan check, performs engineering and construction management of capital improvement projects, provides mapping and engineering records support, and seeks grant funding for capital projects.

FISCAL YEAR 2021–22 ACCOMPLISHMENTS

Coronavirus Pandemic

- Continued to provide public works operations and maintenance services while implementing extensive precautions to maintain staff and community safety during the long duration of the coronavirus pandemic

Public Works Staffing

- Recruited for and filled the vacant positions of Public Works Director/Engineer, Public Works Administrative and Project Manager, Environmental Compliance Analyst, and Administrative Assistant.

Stormwater Pollution Prevention

- Storm Water Discharge Permit compliance activities, including: development review and inspection, public education, spill response, and water quality monitoring.
- Contracted with Sonoma County to use Clean Streams in Southern Sonoma County grant funds to advance CIP-CD3 for Trash Capture at Leveroni and Broadway.

Engineering Services / Development / Traffic Safety

- Conducted a Traffic Safety Committee meeting to discuss operation of the Lodge loading zone on Clay Street.
- Managed contract with Moe Engineering for on-call development services.
- Provided City Engineer and inspection services for development projects and work performed in the City's right-of-way under encroachment permits.
- Responded to requests for outside service area connections to the City's water system.
- Responded to requests for lot line adjustments, lot mergers, and deferred improvement agreements.

FISCAL YEAR 2022–23 GOALS:

- Assist with Council goals related to parks, streets, cemetery, and water as outlined in the Council's strategic goals.
- Serve the needs of Sonoma's citizens by maintaining, operating, and improving the City's infrastructure, including City-owned buildings and storm drainage.
- Onboard and train new employees on Public Works Team.
- Continue to cross-train staff to maximize cross-functional resource sharing efficiencies across various programs.
- Serve in a coordination role for other utilities.
- Document development review and encroachment permit processes.
- In partnership with other regional agencies, develop a required grant applications to address trash capture requirements in Storm Water Permit.

CHALLENGES:

The Public Works Department, Administration & Stormwater Division has several challenges, including: aging infrastructure, ADA compliance needs, increasingly stringent stormwater regulations, limited staff resources, incomplete development review process documentation, and additional complexity in overall state and federal regulations.

General Fund

Public Works Division

Administration & Stormwater

General Ledger Department 43020

RECOMMENDED FY 2022-23 BUDGET

Salary changes include any cost-of-living adjustments, step increases and minor position allocation changes as to how staff is allocated between departments. Benefit changes include vendor cost changes and employee benefit choices. If new positions are proposed, those position are outlined below.

Property and liability cost increased 8% from prior year and is allocated among City departments and funds based on how staff is allocated between departments.

Other key changes between the FY 2021-22 Amended Budget and the FY 2022-23 Budget are below:

Increase for Injury and Illness Prevention Plan (IPP) Consultant	\$30,000
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Expenditure Category	FY 19-20 Actuals*	FY 20-21 Actuals*	FY 21-22 Adopted Budget	FY 21-22 Amended Budget	FY 21-22 Projected Actuals*	FY 22-23 Proposed Budget	\$ Change FY22-23 Proposed Budget to FY21-22 Amended Budget	% Change FY22-23 Proposed Budget to FY21-22 Amended Budget
Salary & Wages	\$ 213,791.00	\$ 243,864.00	\$ 251,670.77	\$ 251,670.00	\$ 164,758.61	\$ 196,973.00	\$ (54,697.00)	-22%
Employee Benefits	\$ 53,612.00	\$ 63,076.00	\$ 83,114.24	\$ 83,114.00	\$ 39,009.04	\$ 48,638.00	\$ (34,476.00)	-41%
PERS UAL	\$ 22,596.00	\$ 24,633.00	\$ 41,303.10	\$ 41,303.00	\$ 41,303.00	\$ 699.00	\$ (40,604.00)	-98%
Professional Services	\$ 9,127.00	\$ 3,454.00	\$ 4,600.00	\$ 4,600.00	\$ 41,864.00	\$ 40,600.00	\$ 36,000.00	783%
Cost Recovery	\$ 209,007.00	\$ 101,983.00	\$ -	\$ -	\$ 72,558.86	\$ -	\$ -	
Property Services	\$ 145,447.00	\$ 114,551.00	\$ 31,140.38	\$ 31,140.00	\$ 148,849.14	\$ 37,094.00	\$ 5,954.00	19%
Operations	\$ 24,219.00	\$ 17,200.00	\$ 25,750.00	\$ 25,750.00	\$ 52,163.43	\$ 30,235.00	\$ 4,485.00	17%
Supplies	\$ 3,635.00	\$ 5,826.00	\$ 5,500.00	\$ 5,500.00	\$ 11,153.14	\$ 9,000.00	\$ 3,500.00	64%
Software & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Internal Service & Capital Prj	\$ 1,117.00	\$ 13,432.00	\$ 12,492.00	\$ 12,492.00	\$ 12,492.00	\$ 16,179.00	\$ 3,687.00	30%
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Expense Total	\$ 682,551.00	\$ 588,019.00	\$ 455,570.49	\$ 455,569.00	\$ 584,151.22	\$ 379,418.00	\$ (76,151.00)	-17%

* Unaudited



CITY OF SONOMA

Public Works Department Streets Maintenance (100-43022)

Michael Berger, Public Works Director

Keeping Sonoma Moving Safely! The Streets Maintenance Program maintains the City's roads, bridges, sidewalks, bike paths, and storm drains. This includes 34 miles of roads, 11 bridges, four miles of bike paths, 40 miles of storm drain pipes, three miles of roadside ditches, over 2,000 road signs, and 485 storm drain inlets. In addition to directly implementing maintenance activities, the program also includes select administration of the City's ordinances controlling vehicle parking, sidewalk trip hazards, illegal dumping, vehicle-type restrictions on designated roads, right-of-way encroachments, and correction of some issues related to street trees.

The Streets Maintenance Program is funded by the General Fund. The program's annual budget includes expenses for personnel, equipment, materials, and services.

FISCAL YEAR 2021–22 ACCOMPLISHMENTS:

- Maintained the appearance of City streets, reduced litter, improved storm drain performance, and improved water quality in the City's creeks through daily street sweeping activities.
- Timely completed repaving of utility trench cuts for all City-controlled underground utility work.
- Improved the night-time visibility of key road signs by replacing 225 lower-retroreflectivity road signs with diamond grade high-retroreflectivity road signs.
- Extended the useful life of asphalt paving on City streets by sealing cracks with an adhesive sealant to prevent moisture intrusion into the road base.
- Coordinated and implemented storm preparedness, response, and recovery for a historic rainfall event on October 24th and 25th of 2021.
- Rehabilitated pedestrian and vehicle guardrails on the Chase Street Bridge.
- Repaved sections of the Fryer Creek Bike Path that were damaged by roots and installed root barriers to prevent further pavement damage.
- Reduced fire hazards through participation in joint vegetation management activities along Cypress Drive with the Parks and Cemeteries Divisions.
- Reduced fire fuels on City properties and along rights-of-way through mowing and other mechanical methods of vegetation management.
- Applied select thermoplastic pavement markings to finalize the Broadway restriping plan.
- Coordinated repair and replacement of damaged or burnt-out streetlights.
- Maintained curb markings and signs for loading zones, no stopping zones, and restricted parking areas.

FISCAL YEAR 2022–23 GOALS:

- Improve the street sweeping program by rescheduling sweeping activities in some neighborhoods to remove scheduling conflicts with the solid waste collection schedule.
- Accelerate enforcement and abatement when illegal dumping occurs on City streets and sidewalks.
- Improve pedestrian safety through optimized administration of the City's Sidewalk Trip Hazard Repair Policy.
- Update the City's Pavement Management Plan, a grant-funded biennial activity, and prepare five-year paving plan.
- Secure environmental permits for vegetation management in drainageways to reduce flood hazards.
- Continue to improve nighttime vehicle and pedestrian safety on City streets through improved sign and pavement marking visibility.

CHALLENGES:

Environmental permit requirements for maintaining vegetation in open drainage channels, frequent strong wind events leading to downed trees and limbs, vehicle-object collisions involving City-maintained streetscape features (e.g. streetlights), and downtime associated with equipment maintenance all present ongoing challenges to the Streets Maintenance Program.

General Fund

Public Works Division

Streets Maintenance

General Ledger Department 43022

RECOMMENDED FY 2022-23 BUDGET

Salary changes include any cost-of-living adjustments, step increases and minor position allocation changes as to how staff is allocated between departments. Benefit changes include vendor cost changes and employee benefit choices. If new positions are proposed, those position are outlined below.

Property and liability cost increased 8% from prior year and is allocated among City departments and funds based on how staff is allocated between departments.

Other key changes between the FY 2021-22 Amended Budget and the FY 2022-23 Budget are below:

Management Information Services cyber security increases	\$10,000
General Supplies increase due to delayed maintenance needs	\$30,000

Expenditure Category	FY 19-20 Actuals*	FY 20-21 Actuals*	FY 21-22 Adopted Budget	FY 21-22 Amended Budget	FY 21-22 Projected Actuals*	FY 22-23 Proposed Budget	\$ Change FY22-23 Proposed Budget to FY21-22 Amended Budget	% Change FY22-23 Proposed Budget to FY21-22 Amended Budget
Salary & Wages	\$ 359,378.00	\$ 366,987.00	\$ 381,396.52	\$ 381,396.00	\$ 341,870.61	\$ 419,171.00	\$ 37,775.00	10%
Employee Benefits	\$ 101,684.00	\$ 118,542.00	\$ 130,189.98	\$ 130,189.00	\$ 106,396.52	\$ 130,217.00	\$ 28.00	0%
PERS UAL	\$ 44,641.00	\$ 42,129.00	\$ 35,815.07	\$ 35,815.00	\$ 35,815.00	\$ 23,462.00	\$ (12,353.00)	-34%
Professional Services	\$ 91,120.00	\$ 22,629.00	\$ 29,600.00	\$ 29,600.00	\$ 41,034.29	\$ 31,000.00	\$ 1,400.00	5%
Property Services	\$ 88,634.00	\$ 98,805.00	\$ 94,008.22	\$ 94,008.00	\$ 95,162.29	\$ 116,004.00	\$ 21,996.00	23%
Operations	\$ 81,167.00	\$ 84,804.00	\$ 80,620.00	\$ 80,620.00	\$ 67,592.00	\$ 84,350.00	\$ 3,730.00	5%
Supplies	\$ 50,045.00	\$ 55,291.00	\$ 46,000.00	\$ 46,000.00	\$ 79,965.71	\$ 77,000.00	\$ 31,000.00	67%
Software & Equipment	\$ 26,656.00	\$ -	\$ 4,170.00	\$ 4,170.00	\$ -	\$ 5,460.00	\$ 1,290.00	31%
Internal Service & Capital Prj	\$ 2,376.00	\$ 58,515.00	\$ 113,800.00	\$ 113,800.00	\$ 113,800.00	\$ 118,958.00	\$ 5,158.00	5%
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Expense Total	\$ 845,701.00	\$ 847,702.00	\$ 915,599.79	\$ 915,598.00	\$ 881,636.42	\$ 1,005,622.00	\$ 90,024.00	10%

* Unaudited



CITY OF SONOMA

Public Works Department **Parks Maintenance (100-43023)**

Michael Berger, Public Works Director

Parks: Making Life Better! The Parks Maintenance Program maintains the City's parks and many of its paths and trails. This includes the flagship Plaza Park, the historic Depot Park, 11 neighborhood parks, and the trees and vegetation along 4 miles of bike paths and the Sonoma Overlook Trail. Special park amenities maintained by the program include 9 playgrounds, two public restrooms, memorial benches, picnic areas and barbecues, 3 water features, a rose garden, drinking fountains, and an outdoor amphitheater for performing arts. The program also includes support for special events in City parks, including major holiday events, foot races, farmer's markets, public art displays, and film festivals.

The Parks Maintenance Program is funded by the City's General Fund. The program's annual budget includes expenses for personnel, equipment, materials, and services.

FISCAL YEAR 2021–22 ACCOMPLISHMENTS:

- Improved the appearance of the Plaza by reconstructing the enclosure for solid waste collection containers at the Plaza.
- Improved park safety by replacing worn playground equipment at The Plaza, K.T. Carter Park, and MacArthur Park.
- Supported the monthly exchanges of banners on streetlights surrounding the Plaza.
- Promoted drought resistance by adapting turf irrigation schedules at City parks to reduce water use.
- Supported installation of wreaths, garlands, and lights on streetlights surrounding the Plaza and on Broadway during the winter holidays.
- Supported Tuesday night and Friday morning farmer's markets with signage, temporary traffic and parking controls, and electricity.
- Contracted with a qualified arborist for a Tree Assessment in the Plaza Park.
- Initiated a formal needs assessment to drive improved asset management, inform long-range parks maintenance planning, and identify opportunities for enhanced programs or facilities at parks.

FISCAL YEAR 2022–23 GOALS:

- Assist with Council goals related to parks as outlined in the Council's strategic goals.
- Complete the needs assessment report and prepare recommendations for strategic investment in rehabilitation projects at City parks.
- Serve the needs of Sonoma's citizens by maintaining, operating, and improving the City's parks and trails.
- Serve in a coordination role for special events and solid waste/recycling/compost collection services.
- Continue to cross-train staff to maximize cross-functional resource sharing efficiencies across various programs.

- Install two additional water bottle filling stations in the Plaza Park, adjacent to Carnegie Building.
- Manage contract for Montini Preserve fuel reduction measures, hazard tree assessment, trail maintenance, invasive plant control, and restoration.
- Manage contract for Nathanson Creek Oxbow and Demonstration Garden maintenance.

CHALLENGES:

The Parks Maintenance Program absorbed some routine services previously performed by contractors to reduce operational expenses during the COVID-19 pandemic. The program has continued to deliver these expanded services internally since, which has decreased resources available to advance special projects and develop predictive maintenance schedules for parks assets.



General Fund

Public Works Division

Parks Maintenance

General Ledger Department 43023

RECOMMENDED FY 2022-23 BUDGET

Salary changes include any cost-of-living adjustments, step increases and minor position allocation changes as to how staff is allocated between departments. Benefit changes include vendor cost changes and employee benefit choices. If new positions are proposed, those position are outlined below.

Property and liability cost increased 8% from prior year and is allocated among City departments and funds based on how staff is allocated between departments.

Other key changes between the FY 2021-22 Amended Budget and the FY 2022-23 Budget are below:

Increase for temporary staff in Parks Department	\$15,000
Decrease from the prior year for Vehicle Replacement transfers	(\$20,000)

Expenditure Category	FY 19-20 Actuals*	FY 20-21 Actuals*	FY 21-22 Adopted Budget	FY 21-22 Amended Budget	FY 21-22 Projected Actuals*	FY 22-23 Proposed Budget	\$ Change FY22-23 Proposed Budget to FY21-22 Amended Budget	% Change FY22-23 Proposed Budget to FY21-22 Amended Budget
Salary & Wages	\$ 348,764.00	\$ 372,926.00	\$ 459,403.54	\$ 459,403.00	\$ 398,700.96	\$ 556,088.00	\$ 96,685.00	21%
Employee Benefits	\$ 127,805.00	\$ 134,820.00	\$ 159,639.05	\$ 159,639.00	\$ 165,909.39	\$ 198,535.00	\$ 38,896.00	24%
PERS UAL	\$ 51,832.00	\$ 67,613.00	\$ 71,606.28	\$ 71,606.00	\$ 71,606.00	\$ 84,310.00	\$ 12,704.00	18%
Professional Services	\$ 227.00	\$ 11,881.00	\$ 5,400.00	\$ 5,400.00	\$ 33,920.00	\$ 21,000.00	\$ 15,600.00	289%
Property Services	\$ 138,029.00	\$ 30,327.00	\$ 234,828.27	\$ 234,828.00	\$ 76,913.14	\$ 291,239.00	\$ 56,411.00	24%
Operations	\$ 19,903.00	\$ 88,773.00	\$ 103,635.00	\$ 103,635.00	\$ 13,491.43	\$ 71,785.00	\$ (31,850.00)	-31%
Supplies	\$ 38,837.00	\$ 34,520.00	\$ 35,000.00	\$ 35,000.00	\$ 21,013.71	\$ 33,500.00	\$ (1,500.00)	-4%
Software & Equipment	\$ -	\$ 6,696.00	\$ 4,690.00	\$ 4,690.00	\$ (30.00)	\$ 4,784.00	\$ 94.00	2%
Internal Service & Capital Prj	\$ -	\$ 14,321.00	\$ 60,053.00	\$ 60,053.00	\$ 60,053.00	\$ 46,411.00	\$ (13,642.00)	-23%
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Expense Total	\$ 725,397.00	\$ 761,877.00	\$ 1,134,255.14	\$ 1,134,254.00	\$ 841,577.63	\$ 1,307,652.00	\$ 173,398.00	15%

* Unaudited

BUDGET DETAIL COMMUNITY DEVELOPMENT

**Organizational Chart
Planning and Community Services
Building and Development Services**

**Community Development Organizational Chart:
Planning and Community Services Department
Building and Development Services Department**





CITY OF SONOMA

Planning and Community Services Department ***(100-43030)***

David A. Storer, Planning and Community Services Director

The Department currently consists of the Planning and Community Services Director, two Associate Planners, a part-time limited term Sustainability Coordinator, and a Permit Technician position. In terms of ongoing activities, the responsibilities of the Department are as follows:

Council/Commission Staffing: In addition to supporting the City Council with respect to planning and related matters, the Department provides staff support to the following commissions and committees: the Planning Commission (PC), the Design Review/Historic Preservation Commission (DRHPC), the Community Services and Environment Commission (CSEC), the City Council Joint Climate Action Subcommittee, the Sonoma Valley Citizens Advisory Commission (as needed), the Traffic Safety Committee (as needed) and the City's internal Project Advisory Committee (PAC). Staff also provides support to various Ad Hoc Committees of the City Council (i.e., the Development Code and "Parklets").

Current Planning: The Department is responsible for processing applications for planning permits, such as Use Permits, Variances, Tentative Subdivision Maps and Tentative Parcel Maps through the Planning Commission, the Design Review/Historic Preservation Commission, and, if necessary, the City Council. This activity also includes a range of projects, from home occupations to large-scale commercial development. Staff also reviews referrals from the Sonoma County Planning Department for development proposals nearby that may impact the City.

Advanced Planning: The Department is responsible for maintaining and updating the Development (Zoning) Code and General Plan to be consistent with State law. This involves reviewing potential legislation and new laws that become effective each year and ensuring that the City is in compliance with the new statutes. Staff also monitors housing policy matters related to the Housing Element of the General Plan, Annexation requests, the City's Growth Management Ordinance, and the City's Regional Housing Needs Allocation (RHNA).

Building Permit Plan Check: Review of Building Permits, including those not subject to other forms of planning review (e.g., Use Permit review or Design Review) to assure compliance with applicable building codes and regulations.

Site Inspections: Site inspections are conducted to assure that conditions of approval for new development projects have been completed.

Enforcement: Sign and other code enforcement activities are primarily performed by the Associate Planners, in conjunction with the City Prosecutor/Code Enforcement unit.

Affordable Housing Management: The City is responsible for managing affordable housing agreements. Work in this area includes annually reviewing rent levels, screening prospective tenants and homebuyers, and setting prices for the sale and resale of affordable ownership units.

Climate Action / Sustainability: The Department is responsible for preparing the Climate Action Plan. The City Council re-stated its commitment to reducing greenhouse gas (GHG) emissions through the adoption of a Climate Emergency Resolution that contained a target of net zero carbon emissions by 2030 for municipal operations and communitywide. The Climate Action Plan sets forth a path to achieve these targets. Staff participates in monthly meetings with the Regional Climate Protection Authority for county-wide planning on GHG reductions.

Solid Waste Reduction SB 1383: The Department is responsible for implementing the mandatory organic separation requirements under SB 1383. The City of Sonoma adopted its SB 1383 implementation ordinance and environmentally preferable procurement policy. Staff participates in monthly meetings with Zero Waste Sonoma for county-wide implementation issues and strategies for SB 1383.

Maintenance of Geographic Information System (GIS): The City's GIS now includes the following layers: streets, parcels, city limits, sphere of influence, flood areas, historic sites, and air photographs. The parcel layer is tied to a database that tracks property ownership, units, and land use, among other items. To maintain the utility and validity of the system, it is important to keep the information on these layers up-to-date.

Bike Plan Implementation: Researching and preparing grant applications, attending meetings including Sonoma County Transportation Authority Bike Committee, implementing programs and projects called for in the Bicycle and Pedestrian Master Plan.

Staff participates in regional activities/meetings with several organizations, including but not limited to the Association of Bay Area Governments (ABAG), the Regional Climate Protection Authority (RCPA), the Sonoma County Transportation Authority (SCTA) and the Sonoma County Community Development Commission (CDC).

CHALLENGES:

The number of private development projects going through the planning and entitlement process continues to be high. Additionally, Sonoma residents and neighbors are actively participating and monitoring key development projects resulting in a higher level of staff interaction and responsiveness. Staff is also involved with assisting legal staff on active land use related cases.

FISCAL YEAR 2021–22 ACCOMPLISHMENTS:

▪ Public meetings:

The Planning Department supported the following hearings, including noticing in the paper, mailings and minutes:

- Planning Commission (PC) (11)
- Special Planning Commission meetings (3)
- Design Review and Historic Preservation meetings (DRHPC) (8)
- Community Services and Environmental Commission meetings (CSEC) (8)
- Joint CC/PC/DRHPC (1)
- Staff also attended most City Council meetings throughout the year.

▪ Housing Opportunities and Affordable Housing Management:

- Participated in the 6th Cycle Housing Element RHNA process at ABAG.
- Commenced the Housing Element Update 2023-2031 for the 6th Cycle (Kickoff meeting)
- Created Housing Element web page for increased community input
- Submitted Annual Progress Report to HCD.

- Changes to the Sonoma Municipal Code (SMC) to facilitate 25% “Affordability” requirement. Up from 20% requirement.
- Application and award of grant of \$65,000 for Local Early Action Planning (LEAP) funding from State Department of Housing and Community Development (HCD) to assist in development of policies to increase the production of housing.
- Received \$20,000 ABAG Regional Early Action Planning (REAP) Grant award for affordable housing policy development.
- Received \$8,000 competitive grant for “Balancing Act” tool for housing simulation.
- Worked with Council to adopt SB9 Urgency regulations to increase housing development
- Amended Municipal Code to add housing opportunities in Commercial and Mixed-Use zones.
- Worked with Council to adopt Multi-Family Objective Design Standards

Other:

- Worked with Council on the following Sonoma Municipal Code changes:
 - Accessory Dwelling Unit (ADU) Ordinance and Zoning Clean Up
 - Site Coverage and Planning Areas
 - Cannabis Ordinance to allow a second retail storefront
 - Appeal Fees updated – includes resident versus non-resident fees
 - Electrical Vehicle (EV) Charging stations
 - Mandatory Organic Waste Disposal Reduction Ordinance
- Worked with Council to adopt first Commercial Cannabis Business Permit
- Assistance with litigation regarding land use approvals.
- Coordinated the implementation of California’s Short-Lived Climate Pollutants SB 1383.
- Worked with Council to adopt prohibition for timeshares and fractional ownership developments.
- Assistance with Citywide business re-opening and recovery efforts.
- Staffed City Council Ad Hoc Committee – Zoning Code Update
- Selection of consultant to prepare Downtown Parking study.
- Worked with Council to adopt three Historic Districts – Train, Sebastiani and Broadway enlargement
- Tree Committee: prepared agendas for and staffed meetings. (7)
- Sonoma County Bicycle and Pedestrian Advisory Committee meetings. (4)
- Participated on Permit Evaluation Team that selected “OpenGov” for permitting system.
- Worked with “OpenGov” to Develop Planning Application permit processes.
- Worked with Public Works and Consultant to switch ArcMap to ArcGIS Pro and Environmental Systems Research Institute (ESRI) Online.
- Provided training for the Planning Administrative Assistant/Permit Technician position.
- Participated in the Middle Housing Working Group series.
- Participating in the Napa Sonoma Housing Collaborative Group.
- Attended monthly meetings for Sonoma County Transportation Agency and Planning Advisory Group.
- Provided comments to the County on the Amazon last mile project and the Sonoma Developmental Center.
- Secured technical assistance grant to assess and recommend energy efficiency improvements at municipal buildings.
- Created and launched an educational campaign, “Sort It Sonoma!” to improve recycling and organics separation.
- Assisted in securing the installation of the Tesla electric vehicle charging center at the Community Center with 10 EV chargers.
- Staff submitted a \$12,250 Local Assistance Grant to CalRecycle to support the city's implementation of SB 1383.



FISCAL YEAR 2022-23 GOALS

- Housing Element Update – Adoption of the Element and have HCD certify it prior to January 31, 2023
 - Development Code – Continue to make changes to streamline the development process and make it easier to understand and implement.
 - Downtown Parking Study – Complete the downtown parking study and commence implementation measures as directed by the City Council.
 - Submit annexation requests to to Local Agency Foundation Commission (LAFCo) as determined by the City Council.
 - Modify SMC to create Climate Action Committee and Parks, Recreation and Open Space Committee (PROSCo)
 - Participate with LAFCo staff and its consultant in the preparation of an updated Municipal Services Review (MSR) for the City.
 - Process Recirculated Environmental Impact Report (EIR) for a hotel project.
 - Process project resubmittals consistent with Settlement and Release Agreement
 - Monitor County development proposals near the City.
 - Sustainability and Climate Action: Update the workplan
 - Finalize the Climate Action Plan
 - Complete the Energy Efficiency Upgrade Project
 - Assess the expansion of PV solar on municipal buildings
 - Continue efforts to support professional development of department staff.
 - Update Sonoma’s local inventory of historic resources
-

General Fund

Planning and Community Services Division

General Ledger Department 43030

RECOMMENDED FY 2022-23 BUDGET

Salary changes include any cost-of-living adjustments, step increases and minor position allocation changes as to how staff is allocated between departments. Benefit changes include vendor cost changes and employee benefit choices. If new positions are proposed, those position are outlined below.

Property and liability cost increased 8% from prior year and is allocated among City departments and funds based on how staff is allocated between departments.

Other key changes between the FY 2021-22 Amended Budget and the FY 2022-23 Budget are below:

Additional funding for training of staff and Planning Commission and Design Review and Historical District Commission	\$15,000
Funding for Climate Action activities as determined by the City Council	\$35,000
Funding for Rise Housing Solutions (RISE) to administer City's Affordable Housing program	\$35,000

Expenditure Category	FY 19-20 Actuals*	FY 20-21 Actuals*	FY 21-22 Adopted Budget	FY 21-22 Amended Budget	FY 21-22 Projected Actuals*	FY 22-23 Proposed Budget	\$ Change FY22-23 Proposed Budget to FY21-22 Amended Budget	% Change FY22-23 Proposed Budget to FY21-22 Amended Budget
Salary & Wages	\$ 444,217.00	\$ 490,697.00	\$ 514,611.02	\$ 514,611.00	\$ 450,489.57	\$ 515,394.00	\$ 783.00	0%
Employee Benefits	\$ 119,869.00	\$ 139,815.00	\$ 150,888.19	\$ 150,888.00	\$ 135,040.61	\$ 142,767.00	\$ (8,121.00)	-5%
PERS UAL	\$ 28,767.00	\$ 60,029.00	\$ 66,790.24	\$ 66,790.00	\$ 66,790.00	\$ 83,941.00	\$ 17,151.00	26%
Professional Services	\$ 125,012.00	\$ 9,027.00	\$ 51,000.00	\$ 51,000.00	\$ 57,836.57	\$ 75,000.00	\$ 24,000.00	47%
Cost Recovery	\$ 153,174.00	\$ 73,806.00	\$ 85,000.00	\$ 85,000.00	\$ 40,248.00	\$ 85,000.00	\$ -	0%
Property Services	\$ 35,965.00	\$ 41,736.00	\$ 55,587.13	\$ 55,587.00	\$ 59,206.86	\$ 70,111.00	\$ 14,524.00	26%
Operations	\$ 29,967.00	\$ 19,251.00	\$ 30,942.00	\$ 30,942.00	\$ 38,758.86	\$ 57,431.00	\$ 26,489.00	86%
Supplies	\$ 2,286.00	\$ 1,809.00	\$ 3,000.00	\$ 3,000.00	\$ 4,989.71	\$ 4,500.00	\$ 1,500.00	50%
Software & Equipment	\$ 116.00	\$ -	\$ 2,100.00	\$ 2,100.00	\$ 204.57	\$ 2,100.00	\$ -	0%
Internal Service & Capital Prj	\$ -	\$ 22,525.00	\$ 12,393.00	\$ 12,393.00	\$ 12,393.00	\$ 32,412.00	\$ 20,019.00	162%
Expense Total	\$ 939,373.00	\$ 858,695.00	\$ 972,311.58	\$ 972,311.00	\$ 865,957.75	\$ 1,068,656.00	\$ 96,345.00	10%

* Unaudited



CITY OF SONOMA

Building and Development Services Department (100-43040)

Wayne Wirick, Development Services Director / Building Official

Through the issuance of building permits, the Building Department promotes the health, safety, welfare and sustainability of the built environment and the public by ensuring that structures and their components are accessible, energy efficient, “green” and safe for use and occupancy. The Building Department strives to provide professional and proficient plan review and inspection services to the public in a courteous and timely fashion. Most regulations enforced by the Building Department are mandated by state law or are otherwise adopted by local ordinances. New regulations increase the demands placed on Building Department staff which impacts the Building Department’s ability to continue to provide fast, effective and high quality services.

The FY 2022-23 Building Department budget reflects the maintenance of current Building Department staffing with 3.45 Full-Time Equivalent employees including the Development Services Director/Building Official, Plans Examiner, Building Inspector, and a shared Development Services Supervisor. The Development Services Director/Building Official also coordinates and oversees the City’s management information services (MIS) and assists the City Manager with Emergency Management coordination and planning.

FISCAL YEAR 2021-22 ACCOMPLISHMENTS:

- Maintained Building Department service levels without increasing staffing.
- Issued RFP, selected a vendor and negotiated a contract for a new cloud-based electronic permitting system. Managed the development and testing of the permitting system with the product vendor and selected City staff.
- Implemented a cloud-based electronic plan review system including new policy and procedures.
- Completed the City’s Annex to the Sonoma County Multijurisdictional Hazard Mitigation Plan. The City Council adopted the plan in November 2021
- Managed the Emergency Operations Center Working Group to help develop, prioritize, and implement the Emergency Preparedness Work Plan.
- Represented the City during ongoing Sonoma County Operational Area Weekly Situational Briefings.
- Coordinated emergency management training exercises and briefings.
- Provided weekly one on one training for the new Permit Technician.
- Updated building permit fees and fee calculations worksheets.
- Worked on the City Council subcommittee to develop temporary City standards for parklets and sidewalk extensions.

FISCAL YEAR 2022-23 GOALS:

- Maintain our good customer service levels.
 - Continue to train Building Department staff and the and Permit Technician on the vast array of regulations, policies, and procedures applicable to Building Department activities.
 - Go-Live with the new OpenGov Citizen Services cloud-based electronic permitting system. Resolve issues with the system as they arise.
 - Review the changes in the new 2022 California Building Standards Code (12 codes in total – more than 6,000 pages) and prepare the necessary evaluation, modifications, and ordinance for the adoption of the construction codes.
 - Review and update all building department handouts (60) for conformance with new codes.
 - Calculate and add a new “Technology Fee” for all City issued permits and applications processed with the new electronic permitting system to help cover the costs of the on-gong subscription costs for the service.
 - Prepare Building Department personnel succession and transition plan.
-

General Fund

Building and Development Services Division

General Ledger Department 43040

RECOMMENDED FY 2022-23 BUDGET

Salary changes include any cost-of-living adjustments, step increases and minor position allocation changes as to how staff is allocated between departments. Benefit changes include vendor cost changes and employee benefit choices. If new positions are proposed, those position are outlined below.

Property and liability cost increased 8% from prior year and is allocated among City departments and funds based on how staff is allocated between departments.

Other key changes between the FY 2021-22 Amended Budget and the FY 2022-23 Budget are below:

Increase in training and conferences expense to facilitate the anticipated training and certification of the Building Inspector as a Certified Access Specialist (CASp).	\$1,800
Increase in Books & Periodicals expense to cover the required purchase of new 2022 California Building Standards code books.	\$3,400
Increase in Machinery & Equipment expense to cover the purchase of an electronic tablet with a keyboard cover and data plan for use by the Building Inspector in the field.	\$500
Increase in Management information System transfer expense to cover the costs of the new cloud-based electronic permitting system, the new electronic plan review software and the new cyber security services that have been initiated.	\$15,270

Expenditure Category	FY 19-20 Actuals*	FY 20-21 Actuals*	FY 21-22 Adopted Budget	FY 21-22 Amended Budget	FY 21-22 Projected Actuals*	FY 22-23 Proposed Budget	\$ Change FY22-23 Proposed Budget to FY21-22 Amended Budget	% Change FY22-23 Proposed Budget to FY21-22 Amended Budget
Salary & Wages	\$ 349,603.00	\$ 404,608.00	\$ 419,329.88	\$ 419,329.00	\$ 393,644.52	\$ 382,798.00	\$ (36,531.00)	-9%
Employee Benefits	\$ 105,339.00	\$ 127,624.00	\$ 126,676.21	\$ 126,676.00	\$ 127,415.83	\$ 122,311.00	\$ (4,365.00)	-3%
PERS UAL	\$ 54,212.00	\$ 52,344.00	\$ 63,437.42	\$ 63,437.00	\$ 72,499.43	\$ 99,612.00	\$ 36,175.00	57%
Professional Services	\$ 24,574.00	\$ 12,273.00	\$ 21,000.00	\$ 21,000.00	\$ 1,160.00	\$ 18,000.00	\$ (3,000.00)	-14%
Property Services	\$ 30,797.00	\$ 35,248.00	\$ 46,577.89	\$ 46,577.00	\$ 49,381.71	\$ 58,852.00	\$ 12,275.00	26%
Operations	\$ 7,456.00	\$ 14,967.00	\$ 14,300.00	\$ 14,300.00	\$ 2,330.29	\$ 16,200.00	\$ 1,900.00	13%
Supplies	\$ 4,709.00	\$ 571.00	\$ 2,650.00	\$ 2,650.00	\$ 1,353.14	\$ 6,350.00	\$ 3,700.00	140%
Software & Equipment	\$ -	\$ -	\$ 1,200.00	\$ 1,200.00	\$ -	\$ 1,700.00	\$ 500.00	42%
Internal Service & Capital Prj	\$ -	\$ 6,411.00	\$ 8,103.00	\$ 8,103.00	\$ 8,103.00	\$ 23,373.00	\$ 15,270.00	188%
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Expense Total	\$ 576,690.00	\$ 654,046.00	\$ 703,274.40	\$ 703,272.00	\$ 655,887.92	\$ 729,196.00	\$ 25,924.00	4%

* Unaudited

BUDGET DETAIL

MISCELLANEOUS

Community Activities
Successor Agency Administration
Non-Departmental/Facility Maintenance
Transfers – General Fund to Other Funds



CITY OF SONOMA

Community Activities ***(100-43101)***

Susan Casey, Interim City Manager

Lisa Janson, Senior Management Analyst/Events Manager

Community Activities represents services that benefit the entire community of Sonoma. For Fiscal Year 2022-23, the following programs are included in the recommended budget:

FACILITY SUPPORT TO NON-PROFITS

- Sebastiani Theatre: Rental and associated costs (share of property tax and insurance) for the Sebastiani Theatre. This includes a small ADA contract to ensure renovation is done accurately and to have a consultant involved on the front end and back end of the project.
- Lease Subsidies: For decades, the City has supported various non-profits by entering into lease agreements for City owned property at virtually no cost or dramatically reduced costs:
 - Field of Dreams Organization
 - Sonoma Ecology Center – Sonoma Garden Park
 - Sonoma Historical Society
 - Sonoma League for Historic Preservation
 - The Haven/Sonoma Overnight Support
 - Valley of the Moon Preschool
 - Vintage House Senior Center
 - Visitor Bureau
- Water Utility Subsidies: The City supplies water at no cost or dramatically reduced costs to a number of our community partners. In prior fiscal years, the expense for the water was included in the Non-Departmental budget. For FY 2022-23, the City will account for these expenses in the Community Activities budget. The community partners that the City supplies water at no cost or reduced costs are:
 - Arnold Field Irrigation (Sonoma County Regional Parks)
 - Field of Dreams
 - Hugh's Field (Sonoma County Regional Parks)
 - Sebastiani Theatre
 - Teeter Field (Sonoma County Regional Parks)
 - The Haven/Sonoma Overnight Shelter

SUPPORT FOR YOUTH

- Sonoma Valley High School (SVHS) Support: The City contributes a portion of the cost of Crossing Guard Services and Grad Night at SVHS. In addition, the City waives the special event fees associated with the homecoming parade and installs green up-lights for a few days, the week of homecoming, and again the week of graduation.
- Sonoma Valley Health and Recreation: When the new pool opens at the high school, the City will provide funding for pool scholarships, with a goal to ensure that our youth all have access to swim lessons. The funds for the scholarships have been held in a separate fund for this purpose.

SUPPORT FOR ECONOMIC DEVELOPMENT

- Chamber of Commerce Contract
- Sonoma Valley Visitor's Bureau Contract

SUPPORT FOR THE ARTS & SPECIAL EVENTS

- Cultural and Fine Arts Commission (CFAC)
- Special Events: Senior Management Analyst/Events Manager coordinates, plans and oversees special events on the Plaza including Sonoma's Tuesday Night Market, City Party, Press Events, and Special Community acknowledgments.
- Police Services for the 4th of July event –Police overtime services due to the 4th of July event and fireworks amount to approximately \$49,000 of the Police contract.

FINANCIAL SUPPORT TO NON-PROFITS

- Lease of the Veteran's Building – Community FREE Days
- Recreation and Community Services Fund Program

FISCAL YEAR 2021-22 ACCOMPLISHMENTS:

In response to COVID-19, the City continued to work closely with our key community services providers as their programming evolved in response to COVID-19. A lot of effort was put into providing additional support to our community during this unprecedented time.

- Provided funding to Sonoma Ecology Center which expanded community garden plots, Master Gardeners demonstrated low gardening, 4th Grade field trips resumed, drought resistant native plants are now provided for residents from the nursery in spring and fall. In addition, a covered outdoor space for movement classes and yoga was created to replace indoor space. Also, a children's play area, featuring unique, interactive structures to engage young minds and bodies was designed and construction started in 2022.
- Provided funding to the Vintage House for community food support, social activities, outreach to homebound seniors and myRide programs.
- Provided funding to the Sonoma Community Center to facilitate eight summer camps, scholarships to low-income families, in-school programming on two school campuses and several other events for Sonoma residents.
- Provided funding to the Boys and Girls Club of Sonoma Valley, which allowed parents of young children the opportunity to go back to in-person essential services work and scholarships to low-income families.
- Reinstated a 50-year land lease with the Vintage House Senior Center.
- In progress with goal to complete by June 1, 2022- Reinstated a three-year lease agreement with the Valley of the Moon Preschool.
- Provided one-time funds to support Comida Para Toda in their efforts to deliver food and essentials to our most vulnerable populations in Sonoma Valley.
- Provided funding to Sonoma Overnight Support.
- The City hired a consultant who will be providing a strategic assessment of local homelessness efforts in Sonoma and the Valley.
- Provided additional funding to the Field of Dreams organization to assist with maintenance and repairs of the aging infrastructure.
- Launched a modified Sonoma's Tuesday Night Farmers market which transitioned to a community event in June 2021, when COVID-19 related public health orders were lifted. New to the market in 2021 was the addition of the community non-profit participation opportunity. Alongside the market was a successful launch of the Breath event which focused on Community resiliency and emergency preparedness.

- Updated the City's Special Event Fees.
- In progress with the goal to complete by June 1, updating the City's Special Event Policy, including revisions to the Waste Minimization policies for events tied to SB1383.
- Coordinated the implementation of an online Recreation Service Providers Directory for Sonoma Valley.
- Made updates to the City's website to make it easier for the community to find the Recreation and Community services programs and Park information.
- Working with the Recreation Task Force, hired a consultant to assist with the Parks and Recreation assessment.
- Assisted in the coordination of the 2021 Valley of the Moon Vintage Festival with Sonoma Valley Vintners and Growers Alliance, the new organization responsible for its operations.
- Negotiated a three-year agreement with the Sonoma Valley Visitors Bureau to provide visitor services, marketing/promotions, and economic development.
- Negotiated a three-year contract with the Sonoma Valley Chamber of Commerce for economic and business development services, including the coordination/contracting of the City of Sonoma's Economic Development Strategy Plan which will be included in the City's general plan updates, small business assisted services, economic development diversification, community and civic development, and communication and data collection.
- Continued support of the Historical Society thru rent subsidy for both Depot Park Museum and Marcy House, in addition to a special event fee waiver for their Exhibit opening celebration event.
- Continued the City's support of the Sonoma League for Historic Preservation with rent subsidy for the use of the Maysonnave House.

FISCAL YEAR 2022-23 GOALS:

- Update the City's Light Post banner policy and fees.
- Update the City's Film Permit ordinance and fees.
- Work with the Cultural and Fine Arts Commission to update the Public Art Policy to include a Temporary Art Policy which will include temporary art installation sites.
- Continue discussions with community organizations and the County to create a City Cultural plan.
- Continue updates to the City's website to make it easier for the community to find the Recreation and Community services programs and Park information.
- Create a quarterly Parks, Recreation and Open Spaces focused newsletter which will include updates to programming and services.
- Build on the accomplishments of the Recreation Task Force by working with the new Parks Recreation and Open Spaces Commission to create a park master plan.
- Creation of new annual reporting standards for City's Parks and Community Services partners, which will include equity metrics.
- Continue to build Sonoma's Tuesday Night Market into a whole community event, providing more opportunities to highlight our non-profits in Sonoma Valley. Launch a monthly art show working closely with the Sonoma Community Center. Continue to provide access to healthy farm fresh fruits and vegetables to those individuals who participate in the EBT program and work towards providing a 100% market match on all EBT purchases.
- Continue to work with the County to facilitate a long-term strategic approach and solution to Sonoma and Valley's homelessness.
- Continue to provide funding to Vintage House Senior Center to expand scholarships for Seniors in need, increase vital services (free food, free transportation, and resource referrals) and broaden mental health support programs directed to the 55+ community of Sonoma.

- Continue to provide funding to Sonoma Community Center and Boys and Girls Club of Sonoma Valley to assist with lower registration fees and expanding their scholarship fund to lower financial access barrier to their programs.
- Continue to participate in the Sonoma Valley Homeless Facility Initiative project in partnership with Supervisor Gorin
- Continue to partner with Sonoma County Transit in providing free transportation via route 30.
- Continue to Sponsor Heritage Events as identified in the Recreation and Community Services Program – Sponsorship Recommendations for FY 2022-23:

Event / Organizer	2022-23 Fee Waiver <i>Note 1</i>	2022-23 Financial Sponsorship
4 th of July Celebration and Fireworks -By Sonoma Valley Fire District	\$3,106	\$7,500 \$49,440 for Police Services \$17,500 in Public Works Costs associated with Street Closures
Valley of the Moon Vintage Festival -By Sonoma Valley Vintners and Growers Alliance	\$2,328	\$0
Bear Flag Celebration -By Native Sons	\$2,128	\$0
Mexican Independence Day -By VIDA	\$2,874	\$0
Totals	\$10,436	\$74,440

Note 1 – The fees for FY 22/23 are estimated based on previous year’s event applications.

Note 2 – The Police Services Cost is an estimate of the overtime assigned to the 4th of July activities for 43 additional personnel within City limits.

- Continue to Sponsor Community Events as identified in the Recreation and Community Services Program -- Sponsorship Recommendations for FY 22/23

Event / Organizer	22/23 Fee Waiver <i>Note 1</i>	22/23 Financial Sponsorship
Sonoma’s Tuesday Night Market -By City of Sonoma		(\$2,110.00)
Sonoma City Party -By City of Sonoma		\$13,300
Cinco de Mayo -La Luz	\$2,525	\$0
Plaza Lighting Celebration -Sonoma Valley Visitors Bureau	\$2,728	\$0
Spring Egg Hunt -By Sonoma Soroptimist	\$931	\$0
Hot Chocolate with Santa -By Sonoma Soroptimist	\$831	\$0
SVHS Homecoming Rally and Parade -By Sonoma Valley High School	\$1,031	\$0
Totals	\$8,046	\$11,190

*Doesn’t include fully allocated staff time for the coordination of the Farmers Market or the City Party

- Continue the Community Fund Program with the following contracts and sponsorship for a total of \$271,852:
 - 90% = \$244,667.25 Core / Heritage Events
 - \$55,000 Boys & Girls Club
 - \$40,000 Community Center
 - \$40,000 Vintage House
 - \$25,000 Sonoma Ecology Center
 - \$15,000 SV Field of Dreams
 - \$13,500 Sonoma County Transit

- *\$48,667 Preliminary Unallocated Core Recreation & Community Services, Heritage & Community Events (90%)*
 - 10% = \$27,185.25 Discretionary
-

General Fund Community Activities

General Ledger Department 43101

RECOMMENDED FY 2022-23 BUDGET

Key changes between the FY 2021-22 Amended Budget and the FY 2022-23 Budget are below:

Increase due to moving water service to community partners from Non-Department to Community Activities	\$50,260
Increase in Community Fund Program to bring funding back to core recreation partners at FY2019-20 levels. Included in this amount is \$48,667.25 in unallocated Core Recreation & Community Services, Hertiage & Community Events.	\$64,755
Additional funding for homelessness consultant contract	\$30,000
Code Enforcement for special events and high traffic weekends: July-October 2022 and May-June 2023	\$40,000
Added funding to Sonoma Valley Health and Recreation Association (new community pool to open September 2022) to fund scholarships for youth and senior swimming programs. Funding will be transferred from Pool Scholarship Fund.	\$25,000
Added Farmer's Market projected revenue of \$89,000 and expenses of \$86,890	(\$2,110)

Expenditure Category	FY 19-20 Actuals*	FY 20-21 Actuals*	FY 21-22 Adopted Budget	FY 21-22 Amended Budget	FY 21-22 Projected Actuals*	FY 22-23 Proposed Budget	\$ Change FY22-23 Proposed Budget to FY21-22 Amended Budget	% Change FY22-23 Proposed Budget to FY21-22 Amended Budget
Salary & Wages	\$ 73,622.00	\$ 56,664.00	\$ -	\$ -	\$ -	\$ -	\$ -	
Employee Benefits	\$ 3,907.00	\$ 6,460.00	\$ -	\$ -	\$ -	\$ -	\$ -	
PERS UAL	\$ -	\$ 259.00	\$ -	\$ -	\$ -	\$ -	\$ -	
Property Services	\$ 363,116.00	\$ 333,570.00	\$ 383,021.00	\$ 383,021.00	\$ 416,107.43	\$ 606,957.00	\$ 223,936.00	58%
Operations	\$ 233,467.00	\$ 205,755.00	\$ 292,562.53	\$ 292,562.00	\$ 263,052.57	\$ 317,702.00	\$ 25,140.00	9%
Expense Total	\$ 674,112.00	\$ 602,708.00	\$ 675,583.53	\$ 675,583.00	\$ 679,160.00	\$ 924,659.00	\$ 249,076.00	37%

* Unaudited



CITY OF SONOMA

Successor Agency Administration (100-43199)

Susan Casey, Interim Executive Director, Successor Agency

One of the most profound impacts to the City's budget in many years was the dissolution of California redevelopment agencies by the State of California. The Redevelopment Dissolution Act, ABx1 26, signed by the Governor Jerry Brown in June 2011, was upheld by the California Supreme Court on December 29, 2011. The Court set the date of February 1, 2012, for dissolution of all California redevelopment agencies. The purpose for the State's elimination of redevelopment agencies was to realign property tax contribution from redevelopment agencies to schools and other property tax agencies within each county.

The City of Sonoma has elected to serve as the Successor Agency to the Sonoma Redevelopment Agency. The Dissolution Act requires that each successor agency have an Oversight Board composed of seven members appointed by specific governmental agencies. In addition, the City of Sonoma elected to not serve as the Housing Successor Agency and therefore transferred its housing assets and remaining housing funding to the Sonoma County Community Development Agency.

The elimination of all redevelopment revenue funding for projects and associated administrative costs resulted in unprecedented challenges for the City. Historically, the City has funded portions of staff time and key city investments with redevelopment funds. With the dissolution, each prior redevelopment agency (in Sonoma named the "Community Development Agency") was replaced with a Successor Agency to close out all Redevelopment activity, and to absorb administrative costs now unfunded in a post redevelopment era. Employees who were previously responsible for and funded by redevelopment were shifted to the newly created Successor Agency and other related expenses were absorbed by the General Fund.

With the elimination of redevelopment, the City moved the cost of Economic Vitality Program with the Sonoma Valley Chamber of Commerce and Emergency Shelter Utilities to the General Fund. In addition, the City moved the expenses for the master lease and associated costs of the Sebastiani Theatre to the Community Activities Budget. These were costs that were covered by the City's prior redevelopment agency.

The Dissolution Act provides the Successor Agency with an Administrative Cost Allowance to reimburse its costs to wind down the affairs of the dissolved redevelopment agency. Reimbursement will be made from property tax revenues, not to exceed 5% of the property tax allocated. For FY 2022-23 Sonoma's Successor Agency will receive \$250,000 in Administrative Costs Allowance.

The Successor Agency budget includes the following expenditures:

- Portion of staff costs including Interim City Manager, Finance Director, Deputy Finance Director, and Accountant.
- Legal advice and any costs associated with potential litigation with the Department of Finance.

General Fund

Successor Agency Administration

General Ledger Department 43199

RECOMMENDED FY 2022-23 BUDGET

Salary changes include any cost-of-living adjustments, step increases and minor position allocation changes as to how staff is allocated between departments. Benefit changes include vendor cost changes and employee benefit choices. If new positions are proposed, those position are outlined below.

Property and liability cost increased 8% from prior year and is allocated among City departments and funds based on how staff is allocated between departments.

Other key changes between the FY 2021-22 Amended Budget and the FY 2022-23 Budget are below:

Increase in expenses based on Administrative Cost Reimbursement	\$142,000
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Expenditure Category	FY 19-20 Actuals*	FY 20-21 Actuals*	FY 21-22 Adopted Budget	FY 21-22 Amended Budget	FY 21-22 Projected Actuals*	FY 22-23 Proposed Budget	\$ Change FY22-23 Proposed Budget to FY21-22 Amended Budget	% Change FY22-23 Proposed Budget to FY21-22 Amended Budget
Salary & Wages	\$ 91,946.00	\$ 82,092.00	\$ 34,037.02	\$ 34,037.00	\$ 29,923.74	\$ 63,971.00	\$ 29,934.00	88%
Employee Benefits	\$ 20,899.00	\$ 14,322.00	\$ 8,710.40	\$ 8,710.00	\$ 6,114.52	\$ 13,090.00	\$ 4,380.00	50%
PERS UAL	\$ 15,439.00	\$ 12,020.00	\$ -	\$ -	\$ -	\$ 11,732.00	\$ 11,732.00	100%
Professional Services	\$ 1,053.00	\$ 1,548.00	\$ 7,252.58	\$ 7,252.00	\$ 56.00	\$ 97,000.00	\$ 89,748.00	1238%
Property Services	\$ 10,917.00	\$ 12,562.00	\$ -	\$ -	\$ 6,856.00	\$ 9,396.00	\$ 9,396.00	100%
Operations	\$ 22.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	\$ 1,275.00	\$ 2,300.00	\$ -	\$ -	\$ 1,028.57	\$ -	\$ -	
Internal Service & Capital Prj	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Expense Total	\$ 141,551.00	\$ 124,844.00	\$ 50,000.00	\$ 49,999.00	\$ 43,978.83	\$ 195,189.00	\$ 145,190.00	290%

* Unaudited



CITY OF SONOMA

Non-Departmental / Facility Maintenance (100-43200)

*Susan Casey, Interim City Manager
Michael Berger, Public Works Director
Chris Pegg, Public Works Operations Manager*

Non-Departmental expenses represent functions that span the entire City organization with the majority of the costs related to facility maintenance. In these cases, instead of allocating expenses to a specific general fund department, the expenses are charged through this Non-Departmental budget. Non-Departmental expenses include: positions that help numerous departments (public information and records assistance), utilities on City buildings that benefit multiple departments (gas, electric, water, and sewer), custodial services, leases, communications, contract services (including videotaping of Council and Commission meetings), and repairs and maintenance required to maintain the City's properties and deliver service to the public. In addition, general supplies that are for the benefit of the entire City rather than a specific department are also included.

The Facilities Maintenance Program provides various levels of repair and maintenance services for 60,000 square feet of building space in 11 buildings, according to the terms of any agreements between the City and the building's tenants (for leased facilities). Repair and maintenance of buildings serving a single department is included in the respective budget for that department and is excluded from this budget.

CHALLENGES:

Standard requirements for repair and maintenance contracts led by the City (especially minimum insurance coverage type and limit requirements to engage in repair work on government buildings) can pose a challenge to small businesses in the Sonoma area otherwise capable of delivering required technical services. The breadth, complexity, license or certification requirements, and relatively infrequent need for many of these services also precludes the City from keeping staff trained to perform all required services.

FISCAL YEAR 2021–22 ACCOMPLISHMENTS:

- Managed contractual service providers providing technical services, including: elevator and wheelchair lift inspection and repairs, custodial services, HVAC maintenance and repairs, plumbing maintenance and repairs, information technology and telecommunications services, pest control services, electrical repairs and maintenance (including maintenance of solar PV arrays, backup generators, and building automation systems), backflow prevention assembly testing, fire sprinkler services, security and alarm monitoring, and locksmith services.
- Electronic Permitting & Plan Review system implementation on target for Fall 2022 launch.
- Implemented Network & Data Cyber Security Software as required for City Liability Cyber Security Insurance.

FISCAL YEAR 2022–23 GOALS:

- Improve service coordination for facility repairs to reduce backlogs and decrease wait times for new facility service request fulfillment.
 - Finish Electronic Permitting & Plan Review system implementation scheduled for Fall 2022 launch.
 - Research, evaluation, and potential implementation of new Budgeting/Accounting/ERP software.
-

General Fund

Non-Departmental/Facility Maintenance

General Ledger Department 43200

RECOMMENDED FY 2022-23 BUDGET

Salary changes include any cost-of-living adjustments, step increases and minor position allocation changes as to how staff is allocated between departments. Benefit changes include vendor cost changes and employee benefit choices. If new positions are proposed, those position are outlined below.

Property and liability cost increased 8% from prior year and is allocated among City departments and funds based on how staff is allocated between departments.

Other key changes between the FY 2021-22 Amended Budget and the FY 2022-23 Budget are below:

Increase in transfer to MIS Internal Service Fund for network & data cyber security software and electronic permitting & plan review subscription costs	\$39,200
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Expenditure Category	FY 19-20 Actuals*	FY 20-21 Actuals*	FY 21-22 Adopted Budget	FY 21-22 Amended Budget	FY 21-22 Projected Actuals*	FY 22-23 Proposed Budget	\$ Change FY22-23 Proposed Budget to FY21-22 Amended Budget	% Change FY22-23 Proposed Budget to FY21-22 Amended Budget
Salary & Wages	\$ 58,332.00	\$ 62,779.00	\$ 17,674.58	\$ 17,674.00	\$ 43,878.96	\$ 46,377.00	\$ 28,703.00	162%
Employee Benefits	\$ 9,728.00	\$ 12,298.00	\$ 3,274.63	\$ 3,274.00	\$ 5,559.48	\$ 5,464.00	\$ 2,190.00	67%
PERS UAL	\$ -	\$ 205.00	\$ 7,683.03	\$ 7,683.00	\$ 7,683.00	\$ -	\$ (7,683.00)	-100%
Professional Services	\$ 18,333.00	\$ 21,818.00	\$ 22,500.00	\$ 22,500.00	\$ 19,392.00	\$ 60,000.00	\$ 37,500.00	167%
Property Services	\$ 269,691.00	\$ 233,609.00	\$ 196,829.47	\$ 196,829.00	\$ 196,829.00	\$ 128,192.00	\$ (68,637.00)	-35%
Operations	\$ 86,541.00	\$ 214,518.00	\$ 129,430.00	\$ 129,430.00	\$ 111,977.14	\$ 105,930.00	\$ (23,500.00)	-18%
Supplies	\$ 67,200.00	\$ 21,473.00	\$ 20,000.00	\$ 20,000.00	\$ 25,520.00	\$ 26,250.00	\$ 6,250.00	31%
Software & Equipment	\$ -	\$ 2,638.00	\$ 330,000.00	\$ 330,000.00	\$ 330,000.00	\$ 200,100.00	\$ (129,900.00)	-39%
Internal Service & Capital Prj	\$ -	\$ 136,165.00	\$ 287,817.00	\$ 287,817.00	\$ 287,817.00	\$ 313,090.00	\$ 25,273.00	9%
Debt Service	\$ 68,181.00	\$ 83,303.00	\$ 68,182.00	\$ -	\$ -	\$ -	\$ -	
Expense Total	\$ 578,006.00	\$ 788,806.00	\$ 1,083,390.71	\$ 1,015,207.00	\$ 1,028,656.58	\$ 885,403.00	\$ (129,804.00)	-13%

* Unaudited



CITY OF SONOMA

Transfers - General Fund to Other Funds (100-43999)

Susan Casey, Interim City Manager

Inter-fund transfers (General Fund to Other Funds) include transfers to debt service funds to pay General Fund debt service costs, the transfer of 1% TOT to the Housing Trust Fund, General Fund transfers to CIP and General Fund miscellaneous transfers to other funds for various projects and expenditures as described below.

This account does not include transfers related to Internal Service Funds including: Management Information Systems, Vehicle Replacement, Insurance Fund, Employee Benefits, and Long-Term Building Maintenance. Transfers related to Internal Service Funds are included in the separate department budgets based on cost allocations described in those budgets.

Transfers - General Fund to Other Funds

Fiscal Year 2022-23

From	From	Amount	To	To	Amount	Description
100	General Fund	\$ 60,000.00	301	City Cap Improv Prog	\$ 60,000.00	T-4 Citywide Sidewalk Inspection & Repair Program
100	General Fund	50,000.00	301	City Cap Improv Prog	50,000.00	T-5 Ongoing Pavement Rehab & Water Service Replacement Projects
100	General Fund	20,000.00	304	Parks & Fac. Cap Improv Prog	20,000.00	BF-8 Depot Park Museum HVAC
100	General Fund	30,000.00	304	Parks & Fac. Cap Improv Prog	30,000.00	P-6 Montini Trail Connection & Enhancement Project
100	General Fund	30,000.00	304	Parks & Fac. Cap Improv Prog	30,000.00	P-8 Olsen Park Improvement Project
100	General Fund	50,000.00	304	Parks & Fac. Cap Improv Prog	50,000.00	P-9 Depot Park Renovation / Chase Bio Offset
100	General Fund	41,749.00	495	Clean Renewable Eng Bond	41,749.00	Lease 2008 Clean Renewable Energy Bond (CREB)
100	General Fund	507,272.00	732	Housing Trust Fund	507,272.00	Transfer 1% TOT to Housing Trust
Transfers From General Fund		\$ 789,021.00			\$ 789,021.00	
217	SLESF Cops Grant	\$ 100,000.00	100	General Fund	\$ 100,000.00	Transfer from COPS
510	Water Fund	561,256.79	100	General Fund	561,256.79	Based on Matrix Cost Allocation Plan
510	Water Fund	41,923.09	100	General Fund	41,923.09	Lease Access Road Water Tank
510	Water Fund	41,923.09	100	General Fund	41,923.09	Lease Norrbom Road Water Tank
715	Pool Scholarship	25,000.00	100	General Fund	25,000.00	Scholarship Funding for New Pool at High School
796	IGT Fire	441,800.00	100	General Fund	441,800.00	IGT for Safer Grant Employees
Transfers To General Fund		\$ 1,211,902.97			\$ 1,211,902.97	

Enterprise Funds

**Water Utility – Operating
Cemetery – Operating
Cemetery – Endowment**





CITY OF SONOMA

Public Works Department Water Utility (Fund 510)

*Michael Berger, Public Works Director
Susan Casey, Interim City Manager*

Providing High Quality, Dependable Water! Residents, visitors, and businesses in Sonoma count on the City to deliver high quality, dependable water for a variety of needs including consumption, irrigation, and fire protection. The Water Utility is an Enterprise Fund.

The City's water sources are the Sonoma County Water Agency (Sonoma Water) Aqueduct and City-owned and operated groundwater wells. In calendar year 2021, the Water Utility Operations Program delivered over 600 million gallons of potable water to its customers from these sources.

The Water Utility Operations Program operates and maintains 3 active City-owned tanks with a combined storage capacity of 5.5 million gallons, 7 production wells and appurtenant treatment facilities, 2 pump stations with a combined 140 horsepower maximum output, 56 miles of active water main ranging from 8" to 14" in diameter, 513 fire hydrants, and approximately 4,500 active service connections. The program also maintains some decommissioned facilities, including 3 decommissioned water tanks.

Regular operational activities include:

- Ensuring that the City delivers drinking water that meets or exceeds all EPA drinking water standards through diligent adherence to a State-approved schedule of water sampling and laboratory analysis.
- Monitoring and adjusting water tank levels, pumping schedules, and pressure reducing station parameters to maintain system pressures across three pressure zones at higher and lower elevations.
- Ensuring that the City's drinking water cannot become contaminated through administration of a robust backflow-prevention and cross-connection control program.
- Protecting property and conserving water by promptly repairing system leaks (e.g. water main breaks) and damage (e.g. vehicle collisions with fire hydrants).
- Operating ground water wells and protecting public health through implementation of industry-standard disinfection and treatment methods.
- Precisely measuring and maintaining accurate records of water production and delivery using 4,554 water meters, read each month.
- Providing customer service related to water bills and water quality inquiries.
- Promoting water conservation through public information and outreach campaigns, administration of rebate and incentive programs, and advance water supply and resiliency planning.
- Responding to 811 Underground Service Alert requests from the excavation community to prevent dig-ins and damage to the City's infrastructure during excavation.

FISCAL YEAR 2021–22 ACCOMPLISHMENTS:

- Contracted with waterTALENT for highly qualified interim Water Supervisor to supervise operation of the system until a successful recruitment of a Water Supervisor is completed.
- Completed America’s Water Infrastructure Act Emergency Response Plan for the Water Utility.
- Responded to Grand Jury reports: Emergency Water Shortages in Sonoma Valley *The Situation has Worsened* and Sonoma Valley Regional Water Resources *Water for a Changing Future*. Commissioned and trained staff to operate an emergency system intertie between City of Sonoma and Valley of the Moon Water District.
- Completed motor and pump overhauls on Pumps #1 and #2 at the Norrbom Pump Station.
- Completed vault improvements and transitioned Supervisory Control and Data Acquisition (SCADA) equipment loads to a solar-photovoltaic array at the Pressure Zone 1-2 intertie facility.
- Improved security at key facilities through improved fencing and remote surveillance.
- Improved resiliency to staff shortages by completing emergency service contracts with neighboring water utilities and private contractors.
- Updated key Supervisory Control and Data Acquisition (SCADA) hardware and software components to support multi-operator remote notification, operation, and collaborative troubleshooting of system parameters.

FISCAL YEAR 2022–23 GOALS:

- Recruit and onboard highly-qualified water system operators. Continue to develop a capable and dedicated workforce to safeguard the City’s drinking water.
- Respond to severe drought, including implementation of water shortage contingency plan, enforcement of mandatory water use restrictions, increased water production from City wells, and continued water conservation community partnership activities.
- Expand use of City’s Computerized Maintenance Management System (CMMS) for water system.
- Continue staff support of the Sonoma Valley Groundwater Sustainability Agency (SV GSA) and Sonoma County Water Agency Water Contractors Technical Advisory Committee.
- Improve system asset inventories and predictive maintenance schedules to improve equipment reliability and reduce repair costs.

CHALLENGES

Recruiting operators and supervisory staff that meet the minimum education and experience requirements and possess required State certifications to operate public water systems has been a serious and ongoing challenge for the Water Utility Operations Program.

Enterprise Funds

Public Works Division

Water Utility

General Ledger Fund 510

RECOMMENDED FY 2022-23 BUDGET

Salary changes include any cost-of-living adjustments, step increases and minor position allocation changes as to how staff is allocated between departments. Benefit changes include vendor cost changes and employee benefit choices. If new positions are proposed, those position are outlined below.

Property and liability cost increased 8% from prior year and is allocated among City departments and funds based on how staff is allocated between departments.

Other key changes between the FY 2021-22 Amended Budget and the FY 2022-23 Budget are below:

Increase for temporary Water Supervisor (waterTALENT)	\$250,000
Increase water purchase	\$145,000

Description	FY 19-20 Actuals*	FY 20-21 Actuals*	FY 21-22 Adopted Budget	FY 21-22 Amended Budget	FY 21-22 Projected Actuals*	FY 22-23 Proposed Budget	\$ Change FY22-23 Proposed Budget to FY21-22 Amended Budget	% Change FY22-23 Proposed Budget to FY21-22 Amended Budget
Licenses & Permits	\$ 2,374.00	\$ 3,247.00	\$ 1,000.00	\$ 1,000.00	\$ 7,168.00	\$ 1,000.00	\$ -	0%
State Grants & Other Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Charges For Services	\$ 42,665.00	\$ 49,688.00	\$ 62,382.00	\$ 62,382.00	\$ 62,734.86	\$ 62,593.00	\$ 211.00	0%
Capital Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Miscellaneous	\$ 5,842,273.00	\$ 5,543,815.00	\$ 6,003,325.00	\$ 6,003,325.00	\$ 6,071,804.57	\$ 6,485,869.00	\$ 482,544.00	8%
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Transfer from Reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Other Revenues	\$ -	\$ 126.00	\$ -	\$ -	\$ -	\$ -	\$ -	-
Interest Revenue	\$ -	\$ 37,848.00	\$ 30,000.00	\$ 30,000.00	\$ -	\$ 30,000.00	\$ -	0%
Other Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Total Revenue	\$ 5,887,312.00	\$ 5,634,724.00	\$ 6,096,707.00	\$ 6,096,707.00	\$ 6,141,707.43	\$ 6,579,462.00	\$ 482,755.00	8%
Salary & Wages	\$ 519,778.00	\$ 560,725.00	\$ 756,494.00	\$ 756,494.00	\$ 756,494.00	\$ 712,877.00	\$ (43,617.00)	-6%
Employee Benefits	\$ (358,543.00)	\$ 294,726.00	\$ 389,964.00	\$ 389,964.00	\$ 389,964.00	\$ 370,749.00	\$ (19,215.00)	-5%
Professional Services	\$ 133,325.00	\$ 106,180.00	\$ 339,590.00	\$ 339,590.00	\$ 139,341.71	\$ 421,135.00	\$ 81,545.00	24%
Property Services	\$ 164,313.00	\$ 379,436.00	\$ 184,530.00	\$ 184,530.00	\$ 448,027.43	\$ 251,295.00	\$ 66,765.00	36%
Operations	\$ 164,187.00	\$ 163,988.00	\$ 237,305.00	\$ 237,305.00	\$ 153,414.86	\$ 194,790.00	\$ (42,515.00)	-18%
Supplies	\$ 2,365,718.00	\$ 2,280,929.00	\$ 2,453,543.00	\$ 2,453,543.00	\$ 1,501,718.86	\$ 2,595,347.00	\$ 141,804.00	6%
Software & Equipment	\$ 4,868.00	\$ 7,920.00	\$ 15,420.00	\$ 15,420.00	\$ 9,051.43	\$ 15,420.00	\$ -	0%
Internal Service & Capital Prj	\$ 412,875.00	\$ 135,934.00	\$ 631,336.00	\$ 631,336.00	\$ 631,336.00	\$ 625,601.00	\$ (5,735.00)	-1%
Transfers Out - CIP	\$ -	\$ -	\$ -	\$ 80,000.00	\$ 80,000.00	\$ -	\$ (80,000.00)	-100%
Transfers	\$ 632,923.00	\$ 651,318.00	\$ 669,459.00	\$ 678,239.00	\$ 678,239.00	\$ 1,154,526.00	\$ 476,287.00	70%
Debt Service	\$ 44,996.00	\$ 117,802.00	\$ 117,803.00	\$ 117,803.00	\$ 117,803.00	\$ 117,803.00	\$ -	0%
Total Expense	\$ 4,084,440.00	\$ 4,698,958.00	\$ 5,795,444.00	\$ 5,884,224.00	\$ 4,905,390.29	\$ 6,459,543.00	\$ 575,319.00	10%
Excess/(Deficiency) of Revenue over Expense	\$ 1,802,872.00	\$ 935,766.00	\$ 301,263.00	\$ 212,483.00	\$ 1,236,317.14	\$ 119,919.00	\$ (92,564.00)	-44%
Beginning Fund Balance	\$ 1,370,504.00	\$ 3,173,376.00	\$ 4,109,142.00	\$ 4,109,142.00	\$ 4,109,142.00	\$ 5,345,459.14		
Ending Fund Balance	\$ 3,173,376.00	\$ 4,109,142.00	\$ 4,410,405.00	\$ 4,321,625.00	\$ 5,345,459.14	\$ 5,465,378.14		

* Unaudited



CITY OF SONOMA

Public Works Department **Cemetery (Fund 501)**

Michael Berger, Public Works Director

The Cemetery Program is funded by the Cemetery Enterprise Fund. There are three cemeteries, including: Mountain, Veterans, and Valley cemeteries, encompassing over 15 usable acres. Operations and maintenance responsibilities include: burial and inurnment preparation and coordination, cemetery improvements, tree hazard assessment and abatement, grounds maintenance, mausoleum maintenance, road maintenance, and vandalism abatement.

In prior years, the Cemetery Fund's budget showed expenses exceeding revenues, so the City's General Fund made transfers to the Cemetery Fund to balance the budget.

FISCAL YEAR 2021–22 ACCOMPLISHMENTS:

- Continued to provide compassionate and respectful customer service to residents during stressful and emotional times.
- Trimmed substantial overgrowth of vegetation and improved sight lines throughout Mountain Cemetery.
- Completed construction of Peace Triangle #2, creating 49 new in-ground cremains burial plots in the Mountain Cemetery Annex

FISCAL YEAR 2022–23 GOALS:

- Work with the City Council Ad-Hoc Committee on cemetery strategy and options for the future.
- Continue to provide compassionate and respectful customer service to residents during stressful and emotional times.
- Create more cremain niches inventory in the Valley and Veterans' cemeteries.
- Conduct a tree hazard assessment in all cemeteries.
- Review City cemetery services fee information.
- Continue fiscally responsible maintenance efforts in all cemeteries.

CHALLENGES:

The primary challenge for cemeteries is the lack of available space for additional burials. Another challenge is that the condition of the City's cemeteries degrades, which results in the need for additional maintenance every year. City staff resources for cemetery maintenance is limited to one maintenance worker, with some assistance by other Public Works staff as needed. All cemeteries are constrained by financial limitations.

Enterprise Funds

Public Works Division

Cemetery

General Ledger Fund 501

RECOMMENDED FY 2022-23 BUDGET

Salary changes include any cost-of-living adjustments, step increases and minor position allocation changes as to how staff is allocated between departments. Benefit changes include vendor cost changes and employee benefit choices. If new positions are proposed, those position are outlined below.

Property and liability cost increased 8% from prior year and is allocated among City departments and funds based on how staff is allocated between departments.

Other key changes between the FY 2021-22 Amended Budget and the FY 2022-23 Budget are below:

Increase for temporary staff	\$35,000
Increase for costs of engraving services	\$5,000

Description	FY 19-20 Actuals*	FY 20-21 Actuals*	FY 21-22 Adopted Budget	FY 21-22 Amended Budget	FY 21-22 Projected Actuals*	FY 22-23 Proposed Budget	\$ Change FY22-23 Proposed Budget to FY21-22 Amended Budget	% Change FY22-23 Proposed Budget to FY21-22 Amended Budget
Licenses & Permits	\$ 81,320.00	\$ 101,918.00	\$ 115,000.00	\$ 115,000.00	\$ 111,683.43	\$ 115,000.00	\$ -	0%
Charges For Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Transfers	\$ 88,929.00	\$ 89,903.00	\$ 120,900.00	\$ 120,900.00	\$ 120,900.00	\$ 91,923.00	\$ (28,977.00)	-24%
Other Revenues	\$ 108,926.00	\$ 105,092.00	\$ 135,000.00	\$ 135,000.00	\$ 104,451.43	\$ 135,000.00	\$ -	0%
Interest Revenue	\$ -	\$ -	\$ 450.00	\$ 450.00	\$ -	\$ 450.00	\$ -	0%
Other Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Revenue	\$ 279,175.00	\$ 296,913.00	\$ 371,350.00	\$ 371,350.00	\$ 337,034.86	\$ 342,373.00	\$ (28,977.00)	-8%
Salary & Wages	\$ 141,458.00	\$ 149,982.00	\$ 159,474.00	\$ 159,474.00	\$ 144,286.43	\$ 169,813.00	\$ 10,339.00	6%
Employee Benefits	\$ 131,830.00	\$ 79,849.00	\$ 80,187.00	\$ 80,187.00	\$ 80,505.04	\$ 96,492.00	\$ 16,305.00	20%
Professional Services	\$ 17,535.00	\$ 26,809.00	\$ 25,000.00	\$ 25,000.00	\$ 42,778.29	\$ 85,000.00	\$ 60,000.00	240%
Property Services	\$ 48,913.00	\$ 37,154.00	\$ 62,476.00	\$ 62,476.00	\$ 38,048.00	\$ 55,170.00	\$ (7,306.00)	-12%
Operations	\$ 9,041.00	\$ 13,045.00	\$ 11,450.00	\$ 11,450.00	\$ 13,460.57	\$ 23,800.00	\$ 12,350.00	108%
Supplies	\$ 5,503.00	\$ 9,906.00	\$ 8,500.00	\$ 8,500.00	\$ 10,662.86	\$ 8,500.00	\$ -	0%
Software & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Internal Service & Capital Prj	\$ -	\$ 9,151.00	\$ 7,706.00	\$ 7,706.00	\$ 7,706.00	\$ 5,370.00	\$ (2,336.00)	-30%
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Depreciation	\$ 38,898.00	\$ -	\$ 39,000.00	\$ 39,000.00	\$ 39,000.00	\$ 39,000.00	\$ -	0%
Total Expense	\$ 393,178.00	\$ 325,896.00	\$ 393,793.00	\$ 393,793.00	\$ 376,447.19	\$ 483,145.00	\$ 89,352.00	23%
Excess/(Deficiency)of Revenue over Expense	\$ (114,003.00)	\$ (28,983.00)	\$ (22,443.00)	\$ (22,443.00)	\$ (39,412.34)	\$ (140,772.00)	\$ (118,329.00)	527%
Beginning Fund Balance	\$ (1,640,191.00)	\$ (1,754,194.00)	\$ (1,783,177.00)	\$ (1,783,177.00)	\$ (1,783,177.00)	\$ (1,822,589.34)		
Ending Fund Balance	\$ (1,754,194.00)	\$ (1,783,177.00)	\$ (1,805,620.00)	\$ (1,805,620.00)	\$ (1,822,589.34)	\$ (1,963,361.34)		

* Unaudited



CITY OF SONOMA

Public Works Department Cemetery Endowment (Fund 504)

*Michael Berger, Public Works Director
Susan Casey, Interim City Manager*

The Cemetery Endowment Fund was created to record the income received from Cemetery sales that is designated as endowment care. The City's Municipal Code defines endowment care as the general maintenance of the City's three cemeteries that is necessitated by natural growth and ordinary wear. This maintenance includes the planting, cutting, watering, and care of lawns, trees and shrubs; the cleaning and upkeep of buildings; and the maintenance of utilities, walls, roadways and walks. The City Council may also direct and use a portion of the income from such fund for such general care, maintenance, repairs, and section embellishment that they deem to be in the best interest of the cemeteries in order that the cemeteries are generally kept in the best condition possible within the limits of such income. The City determines the amount to be collected for endowment care from each purchaser of a cemetery plot. This amount is specified and listed in the schedule of fees adopted by the City Council. The City's Municipal Code also specifies that the City Manager or his/her designee shall oversee the maintenance, supervision and upkeep of all city cemeteries as well as all other applicable ordinances and state law or regulations respecting the conduct of public cemeteries.

Enterprise Funds

Public Works Division

Cemetery Endowment

General Ledger Fund 504

RECOMMENDED FY 2022-23 BUDGET

Description	FY 19-20 Actuals*	FY 20-21 Actuals*	FY 21-22 Adopted Budget	FY 21-22 Amended Budget	FY 21-22 Projected Actuals*	FY 22-23 Proposed Budget	\$ Change FY22-23 Proposed Budget to FY21-22 Amended Budget	% Change FY22-23 Proposed Budget to FY21-22 Amended Budget
Transfer from Reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Other Revenues	\$ 41,201.00	\$ 39,367.00	\$ 40,500.00	\$ 40,500.00	\$ 37,691.00	\$ 40,500.00	\$ -	0%
Interest Revenue	\$ -	\$ -	\$ 120.00	\$ 120.00	\$ -	\$ 120.00	\$ -	0%
Total Revenue	\$ 41,201.00	\$ 39,367.00	\$ 40,620.00	\$ 40,620.00	\$ 37,691.00	\$ 40,620.00	\$ -	0%
Transfers	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ -	\$ 50,000.00	\$ -	0%
Total Expense	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ -	\$ 50,000.00	\$ -	0%
Excess/(Deficiency) of Revenue over Expense	\$ (8,799.00)	\$ (10,633.00)	\$ (9,380.00)	\$ (9,380.00)	\$ 37,691.00	\$ (9,380.00)	\$ -	0%
Beginning Fund Balance	\$ 775,506.00	\$ 766,707.00	\$ 756,074.00	\$ 756,074.00	\$ 756,074.00	\$ 793,765.00		
Ending Fund Balance	\$ 766,707.00	\$ 756,074.00	\$ 746,694.00	\$ 746,694.00	\$ 793,765.00	\$ 784,385.00		

* Unaudited

INTERNAL SERVICE FUNDS

**Internal Service Funds Narrative
Management Information Services
Vehicle Replacement
Long-Term Building Maintenance**





CITY OF SONOMA

Internal Service Funds

Internal service funds predominantly provide services to other City departments. They operate as cost-reimbursement mechanisms and as such are expected to recover the full cost of providing a given service over time.

Schedules for Management Information Services (MIS), Vehicle Replacement Fund and the Long-Term Building Maintenance Fund outline the operating plan of the internal service funds, including anticipated income, expenses and net change in working capital.

Internal service funds receive their revenue from the other departments based on the service provided to the other departments. The revenue for the internal service fund is in Charges for Services. The internal service funds also owe the other funds for expenses incurred on the fund's behalf, such as payroll processing costs, these expenses are shown in the related expense accounts.



CITY OF SONOMA

Management Information Services - MIS (Fund 601)

Wayne Wirick, Development Services Director / Building Official

The purpose of the Management Information Services (MIS) fund is to provide a funding mechanism for the operational costs, maintenance, and planned replacement of installed computer systems, equipment, software, telephone systems and other critical office equipment needed for the delivery of information and the conduct of business. All funds allocated for this purpose are derived from annual transfers from other City operations and therefore are reimbursements versus true revenues. The MIS Fund helps to prevent excessive swings in annual costs by anticipating future MIS replacement needs and amortizing the replacement costs over a period of time.

The City contracts with a computer consulting business for its network administration, network security and help desk support. Numerous other software vendors provide support to specific applications. There is no City employee position that is dedicated solely to City management information services. MIS coordination is absorbed and fulfilled by the Development Services Director / Building Official.

It is typical within the MIS Fund for equipment and software purchase costs to fluctuate from year-to-year due to normal cyclical buying patterns and equipment replacement needs.

The City has been very proactive in investing in its MIS software, hardware and cybersecurity initiatives and we continue to evaluate new technologies that enhance customer service, data security and further improve staff efficiency and effectiveness.

FISCAL YEAR 2021-22 ACCOMPLISHMENTS:

- Completed Phase 2 of a two-phased project (2020 - 2-Year Plan to Improve Priority 1 Network Security Issues) to enhance network cybersecurity and implement selected network cybersecurity recommendations identified in the 2019 network security assessment report. This includes, but is not limited to the following:
 - Helped develop and initiate an Acceptable Use & Password Policy for City computer and e-mail users.
 - Maintained City information Systems hardware and software inventory.
 - On & Offsite Backup / Hosted Disaster Recovery Service.
 - Creation of a Disaster Recovery (DR) Plan.
 - Mobile Device Management (MDM) software on City owned mobile devices.
 - Multi-Factor Authentication (MFA) for network connected computers.
 - Replacing the City's anti-virus software solution with new Endpoint Protection – EDR software for enhanced cyber security protection that detects and mitigates cyber threats by continuously monitoring endpoint devices and analyzing endpoint data.
 - Employee education and Phish testing.
- Assisted with the replacement and configuration of iPads for City Council members and Planning Commissioners.

- Replaced a router, uninterruptable power supply and switch and added storage and memory capacity for the City’s computer server.
- Worked with the City Clerk to help evaluate document management and retention systems.

FISCAL YEAR 2022-23 GOALS:

- Replace (by lease or purchase) 23 desktop and notebook computers with new laptop computers with docking stations.
- Continue to maintain the City’s Information Management Services (MIS) systems including the scheduled replacement of MIS equipment and software.
- Replace and develop programing criteria for the EOC Audio/Visual System Control Unit. **[A portion of this replacement is an Above-Base Budget Request due to higher than anticipated replacement costs.]**
- Enhance cybersecurity measures by adding Security Hardening/Engineering consultation. **[Above-Base Budget Request]**
- Initiate Security Information and Event Management (SIEM) to provide real-time monitoring and analysis of events as well as tracking and logging of security data for compliance or auditing purposes. **[Above-Base Budget Request]**
- Add Business Continuity Enhancement – by adding a Secondary circuit for failover for the City’s computer server at the Police Station. **[Above-Base Budget Request]**
- Increase the Internet service circuit at Corp Yard from 20 mbps to 100 mbps. **[Above-Base Budget Request]**
- Design EOC Audio/Visual System Enhancements. **[Above-Base Budget Request]**
- Install videoconferencing hardware in the City Hall Conference Room. **[Above-Base Budget Request]**

FY 2022-23 BUDGET MODIFICATIONS

It should be noted that all FY 2019-20 General Fund transfers into the MIS Fund were suspended due to the potential economic impacts of the COVID 19 pandemic. The cancelation of the transfers resulted in a loss of \$186,512 to the MIS fund, which will likely result in longer IT equipment and software replacement periods.

FY 2022-23 base budget transfers into the MIS fund reflects a \$166,765 (161%) increase over the previous year transfers due to the addition of a new permitting software subscription (OpenGov), added cybersecurity software subscriptions, and normal cyclical budget variations.

The other key base budget expense differences (other than transfers) are highlighted below.

Account and Description	Difference from Previous FY budget
Net reduction of Professional Services account to return to base level funding (excludes “above-base requests”).	(\$24,608)

Account and Description	Difference from Previous FY budget
Net increase in Repair and Maintenance account to cover increases in software subscriptions, cybersecurity measures and network maintenance services.	\$104,301
Increase of Capital Assets (Computer Equipment) resulting from projected computer equipment replacement spending and other cyclical equipment and software replacement needs.	\$69,444

FY 2022-23 Above-Base Budget Requests Cybersecurity and Other Project Initiatives		2022-23 1st Year Cost	Ongoing Cost After First Year
Professional & Technical Services	Setup Secure Socket Layer Extended Validation (SSL EV) – this is a new type of digital authentication certificate where a certification authority must confirm the legal existence of the organization by verifying the organization’s registered legal name, registration number, registered address, and physical business address.	\$380	-
Professional & Technical Services	Initiate SIEM - Security information and event management – This provides real-time monitoring and analysis of events as well as tracking and logging of security data for compliance with cybersecurity best practices and for auditing purposes.	27,000	\$24,000
Professional & Technical Services	Security Hardening/Engineering (labor costs for various cyber security initiatives)	7,600	-
Professional & Technical Services	Business Continuity Enhancement – Provide secondary circuit for failover at Police Station. (Implement after 1/1/23)	11,580	18,600
Professional & Technical Services	Increase Internet circuit throughput at Corp Yard from 20 mbps to 100 mbps. (Implement after 1/1/23)	7,820	12,600
Professional & Technical Services	Design and develop cost estimate for new Audio/Visual System Enhancements for the Emergency Operations Center (EOC) – Implement enhancements as budget allows.	5,000	-
Professional & Technical Services	Replace and program EOC Audio/Visual System Control Unit (currently failing)	7,500	-
Computer Equipment	Replace and Augment EOC A/V Control System [This is in addition to the \$19,505 budgeted for the Equipment Replacement]	11,500	
Computer Equipment	Install Video Conferencing capability in the City Hall Conference Room	1,150	-
Total Above-Base 2022-23 Cybersecurity and Other Project Initiatives		\$79,530	\$55,200

Internal Service Funds

Management Information Services - MIS

General Ledger Fund 601

RECOMMENDED FY 2022-23 BUDGET

It should be noted that all FY 2019-20 General Fund transfers into the MIS Fund were suspended due to the potential economic impacts of the COVID 19 pandemic. The cancelation of the transfers resulted in a loss of \$186,512 to the MIS fund, which will likely result in longer IT equipment and software replacement periods.

FY 2022-23 base budget transfers into the MIS fund reflects a \$166,765 (161%) increase over the previous year transfers due to the addition of a new permitting software subscription (OpenGov), added cybersecurity software subscriptions, and normal cyclical budget variations.

The other key base budget expense differences (other than transfers) are highlighted below.

Net reduction of Professional Services account to return to base level funding (excludes "above-base requests")	(\$24,608)
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Description	FY 19-20 Actuals*	FY 20-21 Actuals*	FY 21-22 Adopted Budget	FY 21-22 Amended Budget	FY 21-22 Projected Actuals*	FY 22-23 Proposed Budget	\$ Change FY22-23 Proposed Budget to FY21-22 Amended Budget	% Change FY22-23 Proposed Budget to FY21-22 Amended Budget
Charges For Services	\$ -	\$ 233,120.00	\$ 373,624.00	\$ 373,624.00	\$ 325,886.86	\$ 425,982.00	\$ 52,358.00	14%
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Transfer from Reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Interest Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Other Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Revenue	\$ -	\$ 233,120.00	\$ 373,624.00	\$ 373,624.00	\$ 325,886.86	\$ 425,982.00	\$ 52,358.00	14%
Professional Services	\$ 1,299.00	\$ 41,294.00	\$ 77,388.00	\$ 77,388.00	\$ 35,748.57	\$ 68,380.00	\$ (9,008.00)	-12%
Property Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Operations	\$ 112,497.00	\$ 136,315.00	\$ 198,198.00	\$ 198,198.00	\$ 195,350.86	\$ 313,220.00	\$ 115,022.00	58%
Supplies	\$ 116.00	\$ -	\$ 500.00	\$ 500.00	\$ -	\$ 500.00	\$ -	0%
Software & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Internal Service & Capital Prj	\$ 110,111.00	\$ 16,869.00	\$ 83,836.00	\$ 83,836.00	\$ 83,836.00	\$ 152,830.00	\$ 68,994.00	82%
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Depreciation	\$ 14,575.00	\$ -	\$ 17,000.00	\$ 17,000.00	\$ 17,000.00	\$ 17,000.00	\$ -	0%
Total Expense	\$ 238,598.00	\$ 194,478.00	\$ 376,922.00	\$ 376,922.00	\$ 331,935.43	\$ 551,930.00	\$ 175,008.00	46%
Excess/(Deficiency) of Revenue over Expense	\$ (238,598.00)	\$ 38,642.00	\$ (3,298.00)	\$ (3,298.00)	\$ (6,048.57)	\$ (125,948.00)	\$ (122,650.00)	3719%
Beginning Fund Balance	\$ 407,124.00	\$ 168,526.00	\$ 207,168.00	\$ 207,168.00	\$ 207,168.00	\$ 201,119.43		
Ending Fund Balance	\$ 168,526.00	\$ 207,168.00	\$ 203,870.00	\$ 203,870.00	\$ 201,119.43	\$ 75,171.43		

* Unaudited



CITY OF SONOMA

Vehicle Replacement (Fund 603)

Chris Pegg, Public Works Operations Manager

The purpose of the Vehicle Replacement fund is to provide a funding mechanism for the planned replacement of existing vehicles and equipment. All funds are derived from annual transfers made by City departments where the vehicles are assigned.

The Vehicle Replacement fund helps to prevent excessive swings in annual vehicle replacement costs by anticipating future vehicle and equipment replacement needs and amortizing the replacement costs over a period of time. Existing vehicles and equipment are replaced based on their need to be replaced such as obsolescence, high maintenance costs, loss of productivity or efficiency. It is common to see significant increases and decreases in this budget fund due to varying amortization and replacement cycles.

The fund is calculated on an amortization replacement schedule based on the estimated useful life and estimated replacement cost of the vehicle. There is an annual review of all vehicles and equipment to determine replacement needs and available replacement funding. Transferred funds exceeding planned purchases during the year are held in reserve until vehicles are purchased.

Special Revenue Funds

EMS Equipment Replacement

General Ledger Fund 521

RECOMMENDED FY 2022-23 BUDGET

Description	FY 19-20 Actuals*	FY 20-21 Actuals*	FY 21-22 Adopted Budget	FY 21-22 Amended Budget	FY 21-22 Projected Actuals*	FY 22-23 Proposed Budget	\$ Change FY22-23 Proposed Budget to FY21-22 Amended Budget	% Change FY22-23 Proposed Budget to FY21-22 Amended Budget
Miscellaneous	\$ -	\$ 131,974.00	\$ -	\$ -	\$ -	\$ -	\$ -	
Interest Revenue	\$ -	\$ -	\$ 2,500.00	\$ 2,500.00	\$ -	\$ 2,500.00	\$ -	0%
Total Revenue	\$ -	\$ 131,974.00	\$ 2,500.00	\$ 2,500.00	\$ -	\$ 2,500.00	\$ -	0%
Software & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Transfers	\$ 283,872.00	\$ -	\$ 32,750.00	\$ 47,750.00	\$ 47,750.00	\$ 79,500.00	\$ 31,750.00	66%
Total Expense	\$ 283,872.00	\$ -	\$ 32,750.00	\$ 47,750.00	\$ 47,750.00	\$ 79,500.00	\$ 31,750.00	66%
Excess/(Deficiency) of Revenue over Expense	\$ (283,872.00)	\$ 131,974.00	\$ (30,250.00)	\$ (45,250.00)	\$ (47,750.00)	\$ (77,000.00)	\$ (31,750.00)	70%
Beginning Fund Balance	\$ 383,496.00	\$ 99,624.00	\$ 231,598.00	\$ 231,598.00	\$ 231,598.00	\$ 183,848.00		
Ending Fund Balance	\$ 99,624.00	\$ 231,598.00	\$ 201,348.00	\$ 186,348.00	\$ 183,848.00	\$ 106,848.00		

* Unaudited

Internal Service Funds

Vehicle Replacement

General Ledger Fund 603

RECOMMENDED FY 2022-23 BUDGET

The following vehicles or equipment are scheduled for replacement this budget year:

2004 Ford Ambulance Type III (305)	\$225,000
2012 Chevy Silverado 4x4 Pickup (3320)	\$75,000

Description	FY 19-20 Actuals*	FY 20-21 Actuals*	FY 21-22 Adopted Budget	FY 21-22 Amended Budget	FY 21-22 Projected Actuals*	FY 22-23 Proposed Budget	\$ Change FY22-23 Proposed Budget to FY21-22 Amended Budget	% Change FY22-23 Proposed Budget to FY21-22 Amended Budget
Transfers	\$ 297,194.00	\$ 189,190.00	\$ 398,233.00	\$ 413,233.00	\$ 413,233.00	\$ 390,424.00	\$ (22,809.00)	-6%
Other Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Interest Revenue	\$ 3,378.00	\$ -	\$ 8,500.00	\$ 8,500.00	\$ -	\$ 8,500.00	\$ -	0%
Other Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Revenue	\$ 300,572.00	\$ 189,190.00	\$ 406,733.00	\$ 421,733.00	\$ 413,233.00	\$ 398,924.00	\$ (22,809.00)	-5%
Software & Equipment	\$ 107,490.00	\$ -	\$ 454,312.00	\$ 469,312.00	\$ 120,068.57	\$ 300,000.00	\$ (169,312.00)	-36%
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Transfer To Reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Depreciation	\$ 316,227.00	\$ -	\$ 236,000.00	\$ 236,000.00	\$ 236,000.00	\$ 236,000.00	\$ -	0%
Total Expense	\$ 423,717.00	\$ -	\$ 690,312.00	\$ 705,312.00	\$ 356,068.57	\$ 536,000.00	\$ (169,312.00)	-24%
							\$ -	
Excess/(Deficiency) of Revenue over Expense	\$ (123,145.00)	\$ 189,190.00	\$ (283,579.00)	\$ (283,579.00)	\$ 57,164.43	\$ (137,076.00)	\$ 146,503.00	-52%
Beginning Fund Balance	\$ 1,279,455.00	\$ 1,156,310.00	\$ 1,345,500.00	\$ 1,345,500.00	\$ 1,345,500.00	\$ 1,402,664.43		
Ending Fund Balance	\$ 1,156,310.00	\$ 1,345,500.00	\$ 1,061,921.00	\$ 1,061,921.00	\$ 1,402,664.43	\$ 1,265,588.43		

* Unaudited



CITY OF SONOMA

Long-Term Building Maintenance (Fund 610)

*Wayne Wirick, Development Services Director / Building Official
Chris Pegg, Public Works Operations Manager*

The Long-Term Building Maintenance (LTBM) Fund is an Internal Service Fund, which allows the City to set aside funds for the future replacement or repair of certain maintenance items in City owned building facilities. This fund anticipates the eventual replacement of roofing, exterior and interior paint, floor coverings, HVAC equipment, parking lot paving, and miscellaneous other items in City owned and maintained facilities and provides a mechanism by which the City can recover some or all of the expected maintenance costs by spreading the anticipated long-term maintenance costs out annually and including the anticipated expenses in the overhead formulas for fees for services.

Large swings in annual LTBM repair and maintenance project costs are normal and expected due to the varying types of projects being performed from year-to-year.

One of the challenges surrounding the maintenance of the City's facilities is the limited staff capacity to initiate and implement renovation or rehabilitation projects. Both Building Department and Public Works staff have other primary duties and facility maintenance often gets deferred for more immediate or time sensitive City priorities. Another area of future focus might be to hire an outside study and review of each of the City's facilities to ensure that the proper amount of funding is being set aside each year to truly meet the maintenance needs. Sonoma has been proactive in setting aside funding through industry benchmarks, but a specific asset/facility assessment has not been completed.

FISCAL YEAR 2021-22 ACCOMPLISHMENTS:

- Completed select replacement of heating, ventilation, and air-conditioning equipment at the Police Department/Council Chambers Building and Fire Station #1.
- Replaced apparatus bay door openers and equipment at Fire Station #1.

FISCAL YEAR 2022-23 GOALS:

- Prepare an asset/facility assessment, prioritize building maintenance needs, and prepare contracts for construction in FY 2023-24.

Internal Service Funds

Long-Term Building Maintenance

General Ledger Fund 610

RECOMMENDED FY 2022-23 BUDGET

The Long-Term Building Maintenance budget includes very limited changes compared to the prior fiscal year. Small increases in revenue reflect transfers from operational budgets that have been adjusted annually to account for inflation.

Description	FY 19-20 Actuals*	FY 20-21 Actuals*	FY 21-22 Adopted Budget	FY 21-22 Amended Budget	FY 21-22 Projected Actuals*	FY 22-23 Proposed Budget	\$ Change FY22-23 Proposed Budget to FY21-22 Amended Budget	% Change FY22-23 Proposed Budget to FY21-22 Amended Budget
Charges For Services	\$ -	\$ 183,846.00	\$ 314,635.00	\$ 314,635.00	\$ 299,651.43	\$ 295,672.00	\$ (18,963.00)	-6%
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Transfer from Reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Interest Revenue	\$ -	\$ -	\$ 8,000.00	\$ 8,000.00	\$ -	\$ 8,000.00	\$ -	0%
Total Revenue	\$ -	\$ 183,846.00	\$ 322,635.00	\$ 322,635.00	\$ 299,651.43	\$ 303,672.00	\$ (18,963.00)	-6%
Professional Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Operations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Software & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Internal Service & Capital Prj	\$ 23,756.00	\$ 59,844.00	\$ 305,000.00	\$ 305,000.00	\$ 305,000.00	\$ 305,000.00	\$ -	0%
Transfer To Reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Expense	\$ 23,756.00	\$ 59,844.00	\$ 305,000.00	\$ 305,000.00	\$ 305,000.00	\$ 305,000.00	\$ -	0%
Excess/(Deficiency) of Revenue over Expense	\$ (23,756.00)	\$ 124,002.00	\$ 17,635.00	\$ 17,635.00	\$ (5,348.57)	\$ (1,328.00)	\$ (18,963.00)	-108%
Beginning Fund Balance	\$ 2,015,382.00	\$ 1,991,626.00	\$ 2,115,628.00	\$ 2,115,628.00	\$ 2,115,628.00	\$ 2,110,279.43		
Ending Fund Balance	\$ 1,991,626.00	\$ 2,115,628.00	\$ 2,133,263.00	\$ 2,133,263.00	\$ 2,110,279.43	\$ 2,108,951.43		

* Unaudited

SPECIAL REVENUE FUNDS

**Public Education and Government (PEG)
Citizen's Option for Public Safety (COPS) Grant
Gas Tax Funding
Road Maintenance and Rehab. Act (RMRA: SB 1)
Traffic Relief Act for Sonoma County (MeasM)
Parks in Lieu - Quimby Act Fees
So. Cnty Parks Imprv, Water Quality & Fire Safety (MeasM)
Cal. Parks, Environment, and Water Bond (Prop 68)
Grants Restricted
Swimming Pool Scholarship
Housing Trust Fund
Rate Range Intergovernmental Transfer (IGT-EMS)**



CITY OF SONOMA

Public Education and Government (PEG)

(Fund 202)

Susan Casey, Interim City Manager

This fund accumulates funding from telecommunication operators, to support costs associated with acquiring Public Education and Government (PEG) access equipment, capital costs associated with renovating and constructing PEG related facilities and to support public, educational and government transparency by broadcasting public meetings.

Special Revenue Funds

Public Education and Government (PEG)

General Ledger Fund 202

RECOMMENDED FY 2022-23 BUDGET

Description	FY 19-20 Actuals*	FY 20-21 Actuals*	FY 21-22 Adopted Budget	FY 21-22 Amended Budget	FY 21-22 Projected Actuals*	FY 22-23 Proposed Budget	\$ Change FY22-23 Proposed Budget to FY21-22 Amended Budget	% Change FY22-23 Proposed Budget to FY21-22 Amended Budget
Fees	\$ 45,970.00	\$ 32,553.00	\$ 52,000.00	\$ 52,000.00	\$ 22,636.00	\$ 55,120.00	\$ 3,120.00	6%
Interest & Rents	\$ -	\$ -	\$ 80.00	\$ 80.00	\$ -	\$ 80.00	\$ -	0%
Total Revenue	\$ 45,970.00	\$ 32,553.00	\$ 52,080.00	\$ 52,080.00	\$ 22,636.00	\$ 55,200.00	\$ 3,120.00	6%
Professional Services	\$ 49,297.00	\$ 49,734.00	\$ 52,000.00	\$ 52,000.00	\$ 25,163.43	\$ 55,000.00	\$ 3,000.00	6%
Total Expense	\$ 49,297.00	\$ 49,734.00	\$ 52,000.00	\$ 52,000.00	\$ 25,163.43	\$ 55,000.00	\$ 3,000.00	6%
Excess/(Deficiency) of Revenue over Expense	\$ (3,327.00)	\$ (17,181.00)	\$ 80.00	\$ 80.00	\$ (2,527.43)	\$ 200.00	\$ 120.00	150%
Beginning Fund Balance	\$ 11,590.00	\$ 8,263.00	\$ (8,918.00)	\$ (8,918.00)	\$ (8,918.00)	\$ (11,445.43)		
Ending Fund Balance	\$ 8,263.00	\$ (8,918.00)	\$ (8,838.00)	\$ (8,838.00)	\$ (11,445.43)	\$ (11,245.43)		

* Unaudited



CITY OF SONOMA

Citizen's Option for Public Safety (COPS) Grant (Fund 217)

*Susan Casey, Interim City Manager
Orlando Rodriguez, Police Chief*

The State of California has provided supplemental funding to local law enforcement agencies through continuation of funding for the Citizen's Option for Public Safety (COPS) grant program through the Supplemental Law Enforcement Services Account. These funds are distributed by the State to the County which passes through the funding to local agencies proportionally based on population, to be allocated at a minimum of \$100,000.

These funds have traditionally been used to support the costs of the Community Service Officer staff in the Police Department.

Special Revenue Funds

Citizen's Option for Public Safety

(COPS) Grant

General Ledger Fund 217

RECOMMENDED FY 2022-23 BUDGET

No significant changes between the FY 2021-22 and the FY 2022-23 budget.

Description	FY 19-20 Actuals*	FY 20-21 Actuals*	FY 21-22 Adopted Budget	FY 21-22 Amended Budget	FY 21-22 Projected Actuals*	FY 22-23 Proposed Budget	\$ Change FY22-23 Proposed Budget to FY21-22 Amended Budget	% Change FY22-23 Proposed Budget to FY21-22 Amended Budget
Other Revenues	\$ 122,791.00	\$ 111,452.00	\$ 100,000.00	\$ 100,000.00	\$ 54,374.00	\$ 100,000.00	\$ -	0%
Interest Revenue	\$ -	\$ -	\$ 2,000.00	\$ 2,000.00	\$ -	\$ 2,000.00	\$ -	0%
Total Revenue	\$ 122,791.00	\$ 111,452.00	\$ 102,000.00	\$ 102,000.00	\$ 54,374.00	\$ 102,000.00	\$ -	0%
Software & Equipment	\$ -	\$ -	\$ 2,100.00	\$ 2,100.00	\$ -	\$ 2,100.00	\$ -	0%
Transfers	\$ 100,000.00	\$ 100,000.00	\$ 118,312.00	\$ 118,312.00	\$ -	\$ 100,000.00	\$ (18,312.00)	-15%
Total Expense	\$ 100,000.00	\$ 100,000.00	\$ 120,412.00	\$ 120,412.00	\$ -	\$ 102,100.00	\$ (18,312.00)	-15%
Excess/(Deficiency) of Revenue over Expense	\$ 22,791.00	\$ 11,452.00	\$ (18,412.00)	\$ (18,412.00)	\$ 54,374.00	\$ (100.00)	\$ 18,312.00	-99%
Beginning Fund Balance	\$ 71,388.00	\$ 94,179.00	\$ 105,631.00	\$ 105,631.00	\$ 105,631.00	\$ 160,005.00		
Ending Fund Balance	\$ 94,179.00	\$ 105,631.00	\$ 87,219.00	\$ 87,219.00	\$ 160,005.00	\$ 159,905.00		

* Unaudited



CITY OF SONOMA

Gas Tax Funding (Fund 302)

Michael Berger, Public Works Director

The State of California imposes per-gallon excise taxes and sales taxes on gasoline and diesel fuel, and registration taxes on motor vehicles with allocations dedicated to transportation purposes. These allocations flow through the Highway Users Tax Account (HUTA), these gasoline tax revenues have been in place for decades. Gas taxes can be used for any street or road purpose; however, it is best practice to focus on maintenance and rehabilitation costs only. The City expects to receive Gas Tax revenues in the amount of \$325,924 in FY 2022-23, which will supplement previous years' retention funds. Significant additional gas tax revenue from the Road Maintenance and Rehabilitation Act (RMRA: SB 1, Fund 303) is described separately. Gas Tax funds are proposed to be applied to the following Capital Improvement Program (CIP) projects. The CIP budget provides descriptions of each of these projects. Transportation CIPs begin with 'CIP #T'.

FY 2022-23 Projects to be Funded -- <i>The CIP budget provides a description of listed projects.</i>	
\$228,713	Chase Street Bridge Replacement Project (CIP #T-1) Carry-over FY-20/21 Budget
\$120,000	Fryer Creek Bicycle and Pedestrian Bridge (CIP #T-2) Carry-over FY-21/22 Budget
\$120,836	Citywide Roadway Safety Improvement Projects (CIP #T-6) Carry-over FY-19/20 Budget
\$50,000	Citywide Roadway Safety Improvement Projects (CIP #T-6)
\$250,000	Citywide Streets Rehabilitation & Water Services Replacement Project (CIP #T-5)
\$764,549	<i>TOTAL programmed</i>

Special Revenue Funds

Gas Tax Funding

General Ledger Fund 302

RECOMMENDED FY 2022-23 BUDGET

Description	FY 19-20 Actuals*	FY 20-21 Actuals*	FY 21-22 Adopted Budget	FY 21-22 Amended Budget	FY 21-22 Projected Actuals*	FY 22-23 Proposed Budget	\$ Change FY22-23 Proposed Budget to FY21-22 Amended Budget	% Change FY22-23 Proposed Budget to FY21-22 Amended Budget
Property Taxes	\$ 257,308.00	\$ 249,066.00	\$ 279,679.00	\$ 279,679.00	\$ 200,362.00	\$ 325,924.00	\$ 46,245.00	17%
Miscellaneous	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Interest Revenue	\$ -	\$ 1,581.00	\$ -	\$ -	\$ -	\$ -	\$ -	
Proceeds from Issuance of Debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Revenue	\$ 257,308.00	\$ 250,647.00	\$ 279,679.00	\$ 279,679.00	\$ 200,362.00	\$ 325,924.00	\$ 46,245.00	17%
Salary & Wages	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Employee Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Professional Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Property Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Operations	\$ 5,679.00	\$ 2,950.00	\$ -	\$ -	\$ 685.71	\$ -	\$ -	
Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Software & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Internal Service & Capital Prj	\$ 329,109.00	\$ 130,653.00	\$ 611,400.00	\$ 611,400.00	\$ 611,400.00	\$ 300,000.00	\$ (311,400.00)	-51%
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Expense	\$ 334,788.00	\$ 133,603.00	\$ 611,400.00	\$ 611,400.00	\$ 612,085.71	\$ 300,000.00	\$ (311,400.00)	-51%
Excess/(Deficiency) of Revenue over Expense	\$ (77,480.00)	\$ 117,044.00	\$ (331,721.00)	\$ (331,721.00)	\$ (411,723.71)	\$ 25,924.00	\$ 357,645.00	-108%
Beginning Fund Balance	\$ 406,107.00	\$ 328,627.00	\$ 445,671.00	\$ 445,671.00	\$ 445,671.00	\$ 33,947.29		
Ending Fund Balance	\$ 328,627.00	\$ 445,671.00	\$ 113,950.00	\$ 113,950.00	\$ 33,947.29	\$ 59,871.29		

* Unaudited



CITY OF SONOMA

Road Maintenance and Rehabilitation Act (RMRA: SB 1) (Fund 303)

Michael Berger, Public Works Director

The Road Maintenance and Rehabilitation Account (RMRA) which allocates much of the revenue from the Road Repair and Accountability Act of 2017 (SB1) is a significant investment in California’s transportation system. The Act increased per-gallon excise taxes and sales taxes on gasoline and diesel fuel, and vehicle registration taxes, stabilized price-based fuel tax rates and provided for inflationary adjustments to rates in future years. The increased funding from RMRA will help to slow the decline in the City’s pavement condition. RMRA funds may be used for road maintenance and rehabilitation, safety projects, “complete street” components, and traffic control devices.

RMRA contains a local agency maintenance of effort (MOE) requirement that the City must maintain general fund spending for street, road, and highway purposes at not less than the average spent in 2009-10, 2010-11, and 2011-12 fiscal years. The required MOE amount for Sonoma is \$250,663. General fund spending for maintenance and operations and for Capital Improvement Projects for street and road purposes qualify for meeting the MOE requirement. The proposed FY 2022-23 budget would allow the City to meet the RMRA MOE. The City’s 2021-22 Slurry Seal Project will be completed in June 2022. The City expects to receive \$249,009 of RMRA funds in FY 2022-23 which will be retain for the 2023-24 Slurry Seal.

FY 2022-23 Projects to be Funded -- <i>The CIP budget provides a description of listed projects.</i>	
\$249,009	2023-24 Annual Slurry Seal Project (CIP #T-3) – retain for next biennial Slurry Seal.
\$249,009	<i>TOTAL programmed</i>

Special Revenue Funds

Road Maintenance and Rehabilitation Act

(RMRA: SB1)

General Ledger Fund 303

RECOMMENDED FY 2022-23 BUDGET

Description	FY 19-20 Actuals*	FY 20-21 Actuals*	FY 21-22 Adopted Budget	FY 21-22 Amended Budget	FY 21-22 Projected Actuals*	FY 22-23 Proposed Budget	\$ Change FY22-23 Proposed Budget to FY21-22 Amended Budget	% Change FY22-23 Proposed Budget to FY21-22 Amended Budget
State Grants & Other Revenues	\$ 12,991.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Transfer from Reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Fees &	\$ 200,148.00	\$ 204,850.00	\$ 225,858.00	\$ 225,858.00	\$ 126,497.00	\$ 249,009.00	\$ 23,151.00	10%
Other Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Interest Revenue	\$ -	\$ 866.00	\$ 1,200.00	\$ 1,200.00	\$ -	\$ 1,200.00	\$ -	0%
Total Revenue	\$ 213,139.00	\$ 205,716.00	\$ 227,058.00	\$ 227,058.00	\$ 126,497.00	\$ 250,209.00	\$ 23,151.00	10%
Operations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Internal Service & Capital Prj	\$ 204,552.00	\$ -	\$ 444,114.00	\$ 444,114.00	\$ -	\$ 249,009.00	\$ (195,105.00)	-44%
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Expense	\$ 204,552.00	\$ -	\$ 444,114.00	\$ 444,114.00	\$ -	\$ 249,009.00	\$ (195,105.00)	-44%
Excess/(Deficiency) of Revenue over Expense	\$ 8,587.00	\$ 205,716.00	\$ (217,056.00)	\$ (217,056.00)	\$ 126,497.00	\$ 1,200.00	\$ 218,256.00	-101%
Beginning Fund Balance	\$ 63,900.00	\$ 72,487.00	\$ 278,203.00	\$ 278,203.00	\$ 278,203.00	\$ 404,700.00		
Ending Fund Balance	\$ 72,487.00	\$ 278,203.00	\$ 61,147.00	\$ 61,147.00	\$ 404,700.00	\$ 405,900.00		

* Unaudited



CITY OF SONOMA

Traffic Relief Act for Sonoma County (Measure M) (Fund 313)

Michael Berger, Public Works Director

Passed by more than two-thirds of voters in November 2004, the Traffic Relief Act for Sonoma County (Measure M) provides for a ¼ cent sales tax that is apportioned to local jurisdictions to maintain their streets, as well as other County-wide street, highway, transit, and safe bicycle and pedestrian routes.

The City expects to receive \$111,100 of Measure M revenue in FY 2022-23. Measure M funds from FY 2021-22 and funds remaining from prior fiscal years are proposed to be applied to the projects listed below and described in the Capital Improvement Program budget.

The Traffic Relief Act for Sonoma County, Measure M included a provision that local agencies maintain their existing commitment of local funds for transportation purposes. This provision is referred to as the Measure M Maintenance of Effort (MOE). For the City of Sonoma, the annual Measure M MOE for FY 2021-22 is \$831.924, thereafter, it is the average of the previous 3 years transportation expenditures.

FY 2022-23 Projects to be Funded -- <i>The CIP budget provides a description of listed projects.</i>	
\$105,735	Chase Street Bridge Replacement Project (CIP #T-1) Carry-over FY20/21
100,000	Fryer Creek Bicycle and Pedestrian Bridge (CIP #T-2) Carry-over FY20/21
100,000	Citywide Streets Rehab (CIP #T-5)
\$305,735	TOTAL programmed

Special Revenue Funds

Traffic Relief Act for Sonoma County

(Measure M)

General Ledger Fund 313

RECOMMENDED FY 2022-23 BUDGET

Description	FY 19-20 Actuals*	FY 20-21 Actuals*	FY 21-22 Adopted Budget	FY 21-22 Amended Budget	FY 21-22 Projected Actuals*	FY 22-23 Proposed Budget	\$ Change FY22-23 Proposed Budget to FY21-22 Amended Budget	% Change FY22-23 Proposed Budget to FY21-22 Amended Budget
Property Taxes	\$ 91,653.00	\$ 102,013.00	\$ 96,400.00	\$ 96,400.00	\$ 96,400.00	\$ 111,100.00	\$ 14,700.00	15%
Interest Revenue	\$ -	\$ -	\$ 600.00	\$ 600.00	\$ -	\$ 600.00	\$ -	0%
Total Revenue	\$ 91,653.00	\$ 102,013.00	\$ 97,000.00	\$ 97,000.00	\$ 96,400.00	\$ 111,700.00	\$ 14,700.00	15%
Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Internal Service & Capital Prj	\$ 4,117.00	\$ 150,881.00	\$ 205,735.00	\$ 205,735.00	\$ 205,735.00	\$ 100,000.00	\$ (105,735.00)	-51%
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Expense	\$ 4,117.00	\$ 150,881.00	\$ 205,735.00	\$ 205,735.00	\$ 205,735.00	\$ 100,000.00	\$ (105,735.00)	-51%
Excess/(Deficiency) of Revenue over Expense	\$ 87,536.00	\$ (48,868.00)	\$ (108,735.00)	\$ (108,735.00)	\$ (109,335.00)	\$ 11,700.00	\$ 120,435.00	-111%
Beginning Fund Balance	\$ 102,151.00	\$ 189,687.00	\$ 140,819.00	\$ 140,819.00	\$ 140,819.00	\$ 31,484.00		
Ending Fund Balance	\$ 189,687.00	\$ 140,819.00	\$ 32,084.00	\$ 32,084.00	\$ 31,484.00	\$ 43,184.00		

* Unaudited



CITY OF SONOMA

Parks in Lieu-Quimby Act Fees (Fund 314)

Michael Berger, Public Works Director

Cities and counties in California have been authorized since the passage of the 1975 Quimby Act (California Government Code §66477) to pass ordinances requiring that developers set aside land, donate conservation easements, or pay fees for park improvements. Revenues generated through the Quimby Act cannot be used for the operation and maintenance of park facilities. The goal of the Quimby Act was to require developers to help mitigate the impacts of property improvements.

Pursuant to the Quimby Act, the City currently has a parkland dedication (exaction) requirement as a condition of approval for Tentative Subdivision Maps or Tentative Parcel Maps. The requirement is codified in Title 19 of the Development Code Section 19.69 – Dedications and Exactions. In summary, the code requires residential projects that require approval of a Tentative Subdivision Map (5 lots or more) or Tentative Parcel Map (4 lots or less) to either dedicate land, pay a fee in lieu of dedication, or both, for park or recreational purposes.

A developer can dedicate land and/or pay the fee as a result of a land use subdivision for 50 lots or more. For projects under 50 lots, a developer can only pay a fee and not be allowed to provide on-site land dedication. Any fee component must be established at the tentative map stage as a condition of approval and the City Planner establishes an amount for the fee based on a simple “fair market value” formula that calculates the amount of land required by the Code. If the developer opposes the amount of the fee, an appraisal can be provided at the cost of the developer.

The fees can only be used for new and rehabilitating existing parks and recreational facilities and must be reasonably related to serving the proposed subdivision. The fees must be “committed” within 5 years after payment, or the issuance of building permits on one-half of the lots created by the subdivision, whichever occurs later. Otherwise, the fees must be returned and distributed to the then record owners.

FY 2022-23 Projects to be Funded -- The CIP budget provides a description of listed projects.	
\$32,755	Pinelli Park Improvements Project (CIP #P-7) 20/21 Carryover
80,166	Olsen Park Improvements Project (CIP #P-8) 20/21 Carryover
175,000	Montini Trail Connection & Enhancement (CIP #P-6) 19/20 & 20/21 Carryover
70,656	Fryer Creek Pedestrian & Bicycle Bridge (CIP #T-2) 19/20 & 20/21 Carryover
\$358,577	TOTAL programmed

Special Revenue Funds

Parks in Lieu-Quimby Act Fees

General Ledger Fund 314

RECOMMENDED FY 2022-23 BUDGET

Description	FY 19-20 Actuals*	FY 20-21 Actuals*	FY 21-22 Adopted Budget	FY 21-22 Amended Budget	FY 21-22 Projected Actuals*	FY 22-23 Proposed Budget	\$ Change FY22-23 Proposed Budget to FY21-22 Amended Budget	% Change FY22-23 Proposed Budget to FY21-22 Amended Budget
Impact Fees	\$ 552,755.00	\$ 40,082.00	\$ -	\$ -	\$ -	\$ -	\$ -	
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Interest Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Revenue	\$ 552,755.00	\$ 40,082.00	\$ -	\$ -	\$ -	\$ -	\$ -	
Internal Service & Capital Prj	\$ 127,315.00	\$ 76,989.00	\$ 363,577.00	\$ 363,577.00	\$ 363,577.00	\$ -	\$ (363,577.00)	-100%
Transfers Out - CIP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Expense	\$ 127,315.00	\$ 76,989.00	\$ 363,577.00	\$ 363,577.00	\$ 363,577.00	\$ -	\$ (363,577.00)	-100%
Excess/(Deficiency) of Revenue over Expense	\$ 425,440.00	\$ (36,907.00)	\$ (363,577.00)	\$ (363,577.00)	\$ (363,577.00)	\$ -	\$ 363,577.00	-100%
Beginning Fund Balance	\$ -	\$ 425,440.00	\$ 388,533.00	\$ 388,533.00	\$ 388,533.00	\$ 24,956.00		
Ending Fund Balance	\$ 425,440.00	\$ 388,533.00	\$ 24,956.00	\$ 24,956.00	\$ 24,956.00	\$ 24,956.00		

* Unaudited



CITY OF SONOMA

Sonoma County Parks Improvement, Water Quality and Fire Safety (Measure M) (Fund 315)

Michael Berger, Public Works Director

On November 6, 2018, Sonoma County voters approved “Sonoma County Parks Improvement, Water Quality and Fire Safety Measure” Measure M, a one-eighth cent sales tax that supports Sonoma County’s regional and city parks. Approved by 72.6 percent of voters, Measure M went into effect in April 2019 and will provide dedicated funding for parks for 10 years. Parks Measure M will support Sonoma County and its cities with our long-term needs to maintain, protect and operate parks. The tax will generate an estimated \$11.5 million annually, with an estimated \$7.6 million a year going to Sonoma County Regional Parks and an estimated \$3.8 million a year going to the nine cities. The City of Sonoma expects to receive \$157,050 of Parks Measure M funds in FY 2022-23. Funds from prior years provide the balance of funding for proposed Parks Measure M projects in FY 2022-23.

Measure M Funding Can Be Used To:

- Invest in maintenance of parks, trails, signs, buildings, and other infrastructure.
- Improve playgrounds, sports fields, restrooms, picnic areas, and visitor centers;
- Improve access to parks by extending or building regional trails, bike paths, coastal trails, and river trails;
- Reduce wildfire risks through vegetation management;
- Open publicly owned parkland that is currently not accessible;
- Protect natural resources, including waterways and wildlife habitat; and
- Offer recreation, education, and health programs in parks.

The measure requires that revenue not be used to reduce existing funding for parks and recreation. A citizens’ oversight committee will regularly review how the revenue is spent and to ensure public transparency throughout the Measure's 10-year life.

FY 2022-23 Projects to be Funded -- <i>The CIP and Operating budgets provide a description of projects.</i>	
\$200,000	Depot Park Enhancements Project (CIP #P-9) FY 2021-22 Carryover
120,000	Olsen Park Improvement Project (CIP #P-8)
\$320,000	TOTAL

Special Revenue Funds

Sonoma County Parks Improvement, Water Quality and Fire Safety

(Measure M)

General Ledger Fund 315

RECOMMENDED FY 2022-23 BUDGET

Description	FY 19-20 Actuals*	FY 20-21 Actuals*	FY 21-22 Adopted Budget	FY 21-22 Amended Budget	FY 21-22 Projected Actuals*	FY 22-23 Proposed Budget	\$ Change FY22-23 Proposed Budget to FY21-22 Amended Budget	% Change FY22-23 Proposed Budget to FY21-22 Amended Budget
Property Taxes	\$ 131,795.00	\$ 140,560.00	\$ 141,113.00	\$ 141,113.00	\$ 141,113.00	\$ 157,570.00	\$ 16,457.00	12%
Interest Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Revenue	\$ 131,795.00	\$ 140,560.00	\$ 141,113.00	\$ 141,113.00	\$ 141,113.00	\$ 157,570.00	\$ 16,457.00	12%
Professional Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Property Services	\$ -	\$ 26,591.00	\$ 35,000.00	\$ 35,000.00	\$ -	\$ 35,000.00	\$ -	0%
Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Internal Service & Capital Prj	\$ -	\$ -	\$ 200,000.00	\$ 200,000.00	\$ 200,000.00	\$ 120,000.00	\$ (80,000.00)	-40%
Transfers	\$ 90,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Expense	\$ 90,000.00	\$ 26,591.00	\$ 235,000.00	\$ 235,000.00	\$ 200,000.00	\$ 155,000.00	\$ (80,000.00)	-34%
Excess/(Deficiency) of Revenue over Expense	\$ 41,795.00	\$ 113,969.00	\$ (93,887.00)	\$ (93,887.00)	\$ (58,887.00)	\$ 2,570.00	\$ 96,457.00	-103%
Beginning Fund Balance	\$ 5,097.00	\$ 46,892.00	\$ 160,861.00	\$ 160,861.00	\$ 160,861.00	\$ 101,974.00		
Ending Fund Balance	\$ 46,892.00	\$ 160,861.00	\$ 66,974.00	\$ 66,974.00	\$ 101,974.00	\$ 104,544.00		

* Unaudited



CITY OF SONOMA

California Parks, Environment, and Water Bond (Proposition 68) (Fund 316)

Michael Berger, Public Works Director

On June 5, 2018, California voters approved the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act, known as the California Clean Water and Safe Parks Act, Proposition 68. By passing the measure, voters authorized funding \$4.1 billion in bonds to protect our water and natural areas and help to ensure every Californian has access to safe drinking water and safe parks, particularly in low-income underserved communities. Proposition 68 will invest over \$1 billion in local and state parks. It allocates funds to construct and rehabilitation parks in communities across California, improve state parks, and expand access to parks, waterways, and natural areas. The Proposition 68 Per Capita Program allocates \$185,015 of one-time grant funds for the City to invest in Sonoma's parks. The City will also be eligible to apply for other funding from the bond to fund parks, water improvements for safe drinking water, recycling and flood protection, and climate change adaptation projects.

Proposition 68 Per Capita Program Description:

- Funds are available for local park rehabilitation, creation, and improvement.
- Projects must be for recreational purposes, either acquisition or development.
- A project can only have one location.
- Multiple projects may be completed under one contract; each project requires a separate application.
- Projects in Sonoma require a 20% match of the total project cost (eligible match sources include Federal funds, local funds, private funds, in-house employee services, and volunteer labor).
- Per Capita grant funds must be used to supplement, not supplant, local revenues.
- Pre-construction costs may not exceed 25% of the project amount.
- Projects must be accessible, including an accessible path of travel to the project.
- Authorizing resolution approving filing of application(s) must be submitted before project application.
- Application packet was submitted by December 28, 2021.
- Sign and Encumber Per Capita Contracts were completed on February 7, 2022
- Projects must be completed by December 31, 2023.
- Repairs and maintenance are ineligible costs.

FY 2022-23 Projects to be Funded -- The CIP budget provides a description of listed projects.	
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\$185,015	Plaza Park Enhancements Project (CIP #P-10)
\$185,015	TOTAL Programmed

Special Revenue Funds

California Parks, Environment and Water Bond (Proposition 68)

General Ledger Fund 316

RECOMMENDED FY 2022-23 BUDGET

Description	FY 19-20 Actuals*	FY 20-21 Actuals*	FY 21-22 Adopted Budget	FY 21-22 Amended Budget	FY 21-22 Projected Actuals*	FY 22-23 Proposed Budget	\$ Change FY22-23 Proposed Budget to FY21-22 Amended Budget	% Change FY22-23 Proposed Budget to FY21-22 Amended Budget
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
State Grants & Other Revenues	\$ -	\$ -	\$ 200,000.00	\$ 200,000.00	\$ -	\$ 185,015.00	\$ (14,985.00)	-7%
Interest Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Revenue	\$ -	\$ -	\$ 200,000.00	\$ 200,000.00	\$ -	\$ 185,015.00	\$ (14,985.00)	-7%
Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Internal Service & Capital Prj	\$ -	\$ -	\$ 177,952.00	\$ 177,952.00	\$ 177,952.00	\$ 185,015.00	\$ 7,063.00	4%
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Expense	\$ -	\$ -	\$ 177,952.00	\$ 177,952.00	\$ 177,952.00	\$ 185,015.00	\$ 7,063.00	4%
Excess/(Deficiency) of Revenue over Expense	\$ -	\$ -	\$ 22,048.00	\$ 22,048.00	\$ (177,952.00)	\$ -	\$ (22,048.00)	-100%
Beginning Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (177,952.00)		
Ending Fund Balance	\$ -	\$ -	\$ 22,048.00	\$ 22,048.00	\$ (177,952.00)	\$ (177,952.00)		

* Unaudited



CITY OF SONOMA

Grants Restricted

(Fund 630)

Susan Casey, Interim City Manager

The purpose of the Grants Restricted Fund is to separately track monies that are received and spent for capital improvement projects.

FY 2022-23 Projects to be Funded with Grants-- <i>The CIP budget provides a description of listed projects.</i>	
\$601,743	Chase Street Bridge Replacement Project (CIP #T-1)
501,000	Fryer Creek Pedestrian and Bicycle Bridge Project (CIP#T-2)
\$1,102,743	TOTAL GRANTS RESTRICTED

Special Revenue Funds

Grants Restricted

General Ledger Fund 630

RECOMMENDED FY 2022-23 BUDGET

Description	FY 19-20 Actuals*	FY 20-21 Actuals*	FY 21-22 Adopted Budget	FY 21-22 Amended Budget	FY 21-22 Projected Actuals*	FY 22-23 Proposed Budget	\$ Change FY22-23 Proposed Budget to FY21-22 Amended Budget	% Change FY22-23 Proposed Budget to FY21-22 Amended Budget
State Grants & Other Revenues	\$ -	\$ -	\$ 70,000.00	\$ 70,000.00	\$ 70,000.00	\$ -	\$ (70,000.00)	-100%
Federal Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,102,743.00	\$ 1,102,743.00	
Total Revenue	\$ -	\$ -	\$ 70,000.00	\$ 70,000.00	\$ 70,000.00	\$ 1,102,743.00	\$ 1,032,743.00	1475%
Transfers Out - CIP	\$ -	\$ -	\$ 70,000.00	\$ 70,000.00	\$ 70,000.00	\$ 1,102,743.00	\$ 1,032,743.00	1475%
Total Expense	\$ -	\$ -	\$ 70,000.00	\$ 70,000.00	\$ 70,000.00	\$ 1,102,743.00	\$ 1,032,743.00	1475%
Excess/(Deficiency) of Revenue over Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Beginning Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		

* Unaudited



CITY OF SONOMA

Swimming Pool Scholarship (Fund 715)

Susan Casey, Interim City Manager

In 2014, the City entered an agreement with Sonoma Valley Health and Recreation Association to support the construction of a swimming pool within the Sonoma Valley. The City's financial commitment is for a total of \$250,000 to be paid in 10 annual installments of \$25,000 for the value of free and reduced-fee services to be provided to Sonoma Valley residents. This funding begins after construction of the pool is complete.

Special Revenue Funds

Swimming Pool Scholarship

General Ledger Fund 715

RECOMMENDED FY 2022-23 BUDGET

Description	FY 19-20 Actuals*	FY 20-21 Actuals*	FY 21-22 Adopted Budget	FY 21-22 Amended Budget	FY 21-22 Projected Actuals*	FY 22-23 Proposed Budget	\$ Change FY22-23 Proposed Budget to FY21-22 Amended Budget	% Change FY22-23 Proposed Budget to FY21-22 Amended Budget
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Interest Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,000.00	\$ 25,000.00	100%
Total Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,000.00	\$ 25,000.00	100%
Excess/(Deficiency) of Revenue over Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (25,000.00)	\$ (25,000.00)	-100%
Beginning Fund Balance	\$ 425.00	\$ 425.00	\$ 425.00	\$ 425.00	\$ 425.00	\$ 425.00		
Ending Fund Balance	\$ 425.00	\$ 425.00	\$ 425.00	\$ 425.00	\$ 425.00	\$ (24,575.00)		

* Unaudited



CITY OF SONOMA

Housing Trust Fund (Fund 732)

Susan Casey, Interim City Manager

The purpose of the Housing Trust Fund is to accumulate and distribute funds in accordance with Council's Affordable Housing Plan. The main source of funding is from General Fund transfers of one percent of the Transient Occupancy Tax.

Special Revenue Funds

Housing Trust Fund

General Ledger Fund 732

RECOMMENDED FY 2022-23 BUDGET

Description	FY 19-20 Actuals*	FY 20-21 Actuals*	FY 21-22 Adopted Budget	FY 21-22 Amended Budget	FY 21-22 Projected Actuals*	FY 22-23 Proposed Budget	\$ Change FY22-23 Proposed Budget to FY21-22 Amended Budget	% Change FY22-23 Proposed Budget to FY21-22 Amended Budget
Fees	\$ -	\$ -	\$ -	\$ -	\$ 32,114.29	\$ -	\$ -	
Interest & Rents	\$ -	\$ -	\$ 2,600.00	\$ 2,600.00	\$ -	\$ 2,600.00	\$ -	0%
Transfers	\$ 184,726.00	\$ 234,648.00	\$ 296,962.00	\$ 296,962.00	\$ 296,962.00	\$ 507,272.00	\$ 210,310.00	71%
Other Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Revenue	\$ 184,726.00	\$ 234,648.00	\$ 299,562.00	\$ 299,562.00	\$ 329,076.29	\$ 509,872.00	\$ 210,310.00	70%
Salary & Wages	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Employee Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
PERS UAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Professional Services	\$ 100,000.00	\$ 51,849.00	\$ -	\$ -	\$ -	\$ -	\$ -	
Property Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Operations	\$ -	\$ 5,000.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ -	\$ (20,000.00)	-100%
Total Expense	\$ 100,000.00	\$ 56,849.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ -	\$ (20,000.00)	-100%
Excess/(Deficiency) of Revenue over Expense	\$ 84,726.00	\$ 177,799.00	\$ 279,562.00	\$ 279,562.00	\$ 309,076.29	\$ 509,872.00	\$ 230,310.00	82%
Beginning Fund Balance	\$ 25,183.00	\$ 109,909.00	\$ 287,708.00	\$ 287,708.00	\$ 287,708.00	\$ 596,784.29		
Ending Fund Balance	\$ 109,909.00	\$ 287,708.00	\$ 567,270.00	\$ 567,270.00	\$ 596,784.29	\$ 1,106,656.29		

* Unaudited



CITY OF SONOMA

Rate Range Intergovernmental Transfer (IGT-EMS) (Fund 796)

*Susan Casey, Interim City Manager
Steve Akre, Fire Chief*

The Rate Range Intergovernmental Transfer (IGT) program provides an opportunity to receive federal matching funds to support health services for Medi-Cal Managed Care beneficiaries served by the Fire Department. The Fire Department does not receive full reimbursement for the provision of medical services to Medi-Cal Managed Care patients. This means that the City “writes down” a portion of the Emergency Medical Service revenue each year. The IGT is a reimbursement payment that the City receives from the federal government as a partial backfill on these funds.

Currently, the Fire Department receives reimbursement of our Medi-Cal Managed Care costs from payments received from Medi-Cal Managed Care Plan Provider(s) (MMCPP). The City of Sonoma provides ambulance transports and meets the following IGT participation criteria: (1) provides law enforcement services, (2) has eminent domain authority, (3) has taxing authority. As such, the City of Sonoma is eligible to participate in an IGT program to request funds to recover unreimbursed Medi-Cal costs. The City uses the IGT funding for one-time and other ongoing emergency medical related costs.

Special Revenue Funds

Rate Range Intergovernmental Transfer (IGT-EMS)

General Ledger Fund 796

RECOMMENDED FY 2022-23 BUDGET

Description	FY 19-20 Actuals*	FY 20-21 Actuals*	FY 21-22 Adopted Budget	FY 21-22 Amended Budget	FY 21-22 Projected Actuals*	FY 22-23 Proposed Budget	\$ Change FY22-23 Proposed Budget to FY21-22 Amended Budget	% Change FY22-23 Proposed Budget to FY21-22 Amended Budget
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Grants	\$ 990,607.00	\$ 981,334.00	\$ 500,000.00	\$ 500,000.00	\$ 486,018.00	\$ 500,000.00	\$ -	0%
Miscellaneous	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Transfer from Reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Fees &	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Other Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Interest Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Proceeds from Capital Lease	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Revenue	\$ 990,607.00	\$ 981,334.00	\$ 500,000.00	\$ 500,000.00	\$ 486,018.00	\$ 500,000.00	\$ -	0%
Salary & Wages	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Employee Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Professional Services	\$ 485,465.00	\$ 608,483.00	\$ 410,739.00	\$ 410,739.00	\$ -	\$ 420,000.00	\$ 9,261.00	2%
Property Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Operations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Software & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Internal Service & Capital Prj	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Transfers	\$ 368,322.00	\$ 500,000.00	\$ 350,000.00	\$ 350,000.00	\$ 350,000.00	\$ 441,800.00	\$ 91,800.00	26%
Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Expense	\$ 853,787.00	\$ 1,108,483.00	\$ 760,739.00	\$ 760,739.00	\$ 350,000.00	\$ 861,800.00	\$ 101,061.00	13%
Excess/(Deficiency) of Revenue over Expense	\$ 136,820.00	\$ (127,149.00)	\$ (260,739.00)	\$ (260,739.00)	\$ 136,018.00	\$ (361,800.00)	\$ (101,061.00)	39%
Beginning Fund Balance	\$ 1,038,285.00	\$ 1,175,105.00	\$ 1,047,956.00	\$ 1,047,956.00	\$ 1,047,956.00	\$ 1,183,974.00		
Ending Fund Balance	\$ 1,175,105.00	\$ 1,047,956.00	\$ 787,217.00	\$ 787,217.00	\$ 1,183,974.00	\$ 822,174.00		

* Unaudited

SUCCESSOR AGENCY FUNDS

Successor Agency RPTTF-ROPS





CITY OF SONOMA

Successor Agency RPTTF-ROPS (Fund 391) **[Redevelopment Property Tax Trust Fund** **for Recognized Obligation Payments]**

Susan Casey, Interim Executive Director, Successor Agency

One of the most profound impacts to the City's budget in many years was the dissolution of California redevelopment agencies by the State of California. The Redevelopment Dissolution Act, ABx1 26, signed by the Governor Jerry Brown in June 2011, was upheld by the California Supreme Court on December 29, 2011. The Court set the date of February 1, 2012, for dissolution of all California redevelopment agencies. The purpose for the State's elimination of redevelopment agencies was to realign property tax contribution from redevelopment agencies to schools and other property tax agencies within each county.

The City of Sonoma has elected to serve as the Successor Agency to the Sonoma Redevelopment Agency. The Dissolution Act requires that each successor agency have an Oversight Board composed of seven members appointed by specific governmental agencies. In addition, the City of Sonoma elected to not serve as the Housing Successor Agency and therefore transferred its housing assets and remaining housing funding to the Sonoma County Community Development Agency.

The budget represented by the Redevelopment Property Tax Trust Fund (RPTTF) and the Recognized Obligation Payment Schedule (ROPS) are part of the same action by the California Assembly Bill ABx1 26. Through this legislation, new guidelines were issued for the dissolution of the former redevelopment agency and the management of the remaining assets and financial commitments. State law requires development of a remittance and a payment schedule for State recognized and approved expenses. Every year, the City submits details of anticipated payments based on items authorized by the Department of Finance during the Due Diligence process which took place in 2013.

For expenses that are approved for RPTTF Funding, the City as Successor Agency receives pass through revenue when property taxes are remitted to the City by the County. The City then makes authorized payments from Successor Agency, RPTTF / ROPS Fund. The approved expenses include:

- Debt service costs which were previously funded by tax increment and that have an amortization schedule during the time of the dissolution of the RDA. These expenses will be paid using funds received under ROPS until the debt is fully paid according to the original schedule. For Sonoma, the schedule includes:
 - Tax Increment Bonds (TAB) issued in 2015 and 2021,
 - USDA note payable related to Village Green Housing, and
 - Payment to the Sonoma County Housing Authority for a loan issued by the Low Moderate Income Housing Fund to the Community Development Agency.
- Contract services through the end of any contracts issued before the dissolution of the Sonoma Community Development Agency. This includes the funding for Sonoma Overnight Services (Emergency Shelter). Utilities and building maintenance for the Emergency Shelter are paid by the City and in the Non-Departmental budget.
- Other expenses approved by the Successor Agency RPTTF are primarily related to professional services such as legal services.

FISCAL YEAR 2021-22 ACCOMPLISHMENTS:

- In FY 2021-22 the Successor Agency to the Former Sonoma Community Development Agency (“Successor Agency”) had the opportunity to refinance the Outstanding Bonds with significant benefit for the City of Sonoma (“City”) and other taxing entities. Working with our Municipal Advisor (NHA Advisors, LLC) and Placement Agent (Hilltop Securities), bids were solicited from a number of financial institutions to purchase the 2021 Tax Allocation Refunding Bonds (“2021 Bonds”), which were issued to refund and redeem the Outstanding Bonds.
- The 2010 and 2011 Bonds were refunded November 2, 2021, creating the 2021 Tax Allocation Refunding Bonds. The new bonds have present value of \$14, 210,573, which is a net present value savings of \$7,775,910
- The Bond refinancing was approved by the Successor Agency Board, the County Oversight Board and the State Department of Finance.

	2010 Bonds	2011 Bonds	Total	2021 TAB Bonds
Tax Status	Tax-Exempt	Tax-Exempt	Tax-Exempt	Tax-Exempt
Outstanding Par	\$5,825,000	\$14,275,000	\$20,100,000	14,210,574
Current Interest Rate	4.87%	7.11%	6.78%	2.11%
Final Maturity	12/1/2030	12/1/2036		12/1/2036
Redemption	Any Date	12/1/2022		

Agency Funds

Successor Agency RPTTF-ROPS

(Redevelopment Property Tax Trust Fund for Recognized Obligation Payments)

General Ledger Fund 391

RECOMMENDED FY 2022-23 BUDGET

The budget below has already been approved by the Department of Finance based on already approved recognized obligation payments per contracts or debt. The City Council has no ability to adjust this budget.

Description	FY 19-20 Actuals*	FY 20-21 Actuals*	FY 21-22 Adopted Budget	FY 21-22 Amended Budget	FY 21-22 Projected Actuals*	FY 22-23 Proposed Budget	\$ Change FY22-23 Proposed Budget to FY21-22 Amended Budget	% Change FY22-23 Proposed Budget to FY21-22 Amended Budget
Property Taxes	\$ 3,373,978.00	\$ 3,241,640.00	\$ 3,313,048.00	\$ 3,313,048.00	\$ 3,313,048.00	\$ 2,605,427.00	\$ (707,621.00)	-21%
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Transfer from Reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Interest Revenue	\$ 116,875.00	\$ 14,668.00	\$ 45,000.00	\$ 45,000.00	\$ -	\$ 45,000.00	\$ -	0%
Other Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Revenue	\$ 3,490,853.00	\$ 3,256,308.00	\$ 3,358,048.00	\$ 3,358,048.00	\$ 3,313,048.00	\$ 2,650,427.00	\$ (707,621.00)	-21%
Professional Services	\$ 6,000.00	\$ -	\$ 6,000.00	\$ 6,000.00	\$ -	\$ 6,000.00	\$ -	0%
Property Services	\$ 280,000.00	\$ 105,000.00	\$ 110,488.00	\$ 110,488.00	\$ 17,142.86	\$ 313,288.00	\$ 202,800.00	184%
Operations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Internal Service & Capital Prj	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Transfers to County	\$ 1,507,206.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Debt Service	\$ 1,892,517.00	\$ 3,182,358.00	\$ 3,208,800.00	\$ 3,208,800.00	\$ 3,208,800.00	\$ 2,311,363.00	\$ (897,437.00)	-28%
Total Expense	\$ 3,685,723.00	\$ 3,287,358.00	\$ 3,325,288.00	\$ 3,325,288.00	\$ 3,225,942.86	\$ 2,630,651.00	\$ (694,637.00)	-21%
Excess/(Deficiency) of Revenue over Expense	\$ (194,870.00)	\$ (31,050.00)	\$ 32,760.00	\$ 32,760.00	\$ 87,105.14	\$ 19,776.00	\$ (12,984.00)	-40%
Beginning Fund Balance	\$ (23,733,299.00)	\$ (23,928,169.00)	\$ (23,959,219.00)	\$ (23,959,219.00)	\$ (23,959,219.00)	\$ (23,872,113.86)		
Ending Fund Balance	\$ (23,928,169.00)	\$ (23,959,219.00)	\$ (23,926,459.00)	\$ (23,926,459.00)	\$ (23,872,113.86)	\$ (23,852,337.86)		

* Unaudited

DEBT SERVICE FUNDS

**2008 Clean Renewable Energy Bonds (CREB)
2012 Refunding Water Bond (In Water Fund)**





CITY OF SONOMA

DEBT SERVICE FUNDS

2008 Clean Renewable Energy Bonds (CREB)

(495-55031)

2012 Refunding Water Bond

(In Water Fund 510-62001)

Susan Casey, Interim City Manager

The City uses debt service funds for the tracking of revenue and interest related to long term debt principal and interest. Funds are transferred into the debt service funds from the appropriate fund.

In addition to the debt financing associated with the former Community Development Agency, the City has responsibility for the following:

- 2008 Clean Renewable Energy Bonds (CREB) -- Used for photovoltaic (solar) projects at the Police Station and Corporation Yard.
 - In 2007, the City submitted applications to the United States Internal Revenue Service (IRS) for allocation of Clean Renewable Energy Bonds (CREBs). The IRS awarded the City and allocation of \$1,156,000 to finance solar paneling project at four different municipal facilities within City limits. Bonds were issued on July 10, 2008 and tax credits were granted to lender upon financing. The obligation is a lease agreement with Municipal Finance Corporation in the amount of \$1,156,000 entered into on July 10, 2008. Principal installments of \$41,749 are made on December 15 of each year, with the final installment due on December 15, 2024.
- 2012 Refunding Water Bond, Refinance of the 2001 Water Bond -- Debt service costs related to this bond are paid directly from the Water Fund and are included in the water fund budget (510-62001).

Debt Service Funds

2008 Clean Renewable Energy Bonds (CREB)

General Ledger Fund 495

RECOMMENDED FY 2022-23 BUDGET

The obligation is a lease agreement with Municipal Finance Corporation for photovoltaic (solar) projects at the Police Station and Corporation Yard in the amount of \$1,156,000 entered into on July 10, 2008. Principal installments of \$41,749 are made on December 15 of each year, with the final installment due on December 15, 2024.

Description	FY 19-20 Actuals*	FY 20-21 Actuals*	FY 21-22 Adopted Budget	FY 21-22 Amended Budget	FY 21-22 Projected Actuals*	FY 22-23 Proposed Budget	\$ Change FY22-23 Proposed Budget to FY21-22 Amended Budget	% Change FY22-23 Proposed Budget to FY21-22 Amended Budget
Transfers	\$ 41,748.00	\$ 41,748.00	\$ 41,749.00	\$ 41,749.00	\$ 41,749.00	\$ 41,749.00	\$ -	0%
Total Revenue	\$ 41,748.00	\$ 41,748.00	\$ 41,749.00	\$ 41,749.00	\$ 41,749.00	\$ 41,749.00	\$ -	0%
Debt Service	\$ 41,748.00	\$ 41,748.00	\$ 41,749.00	\$ 41,749.00	\$ 41,748.00	\$ 41,749.00	\$ -	0%
Total Expense	\$ 41,748.00	\$ 41,748.00	\$ 41,749.00	\$ 41,749.00	\$ 41,748.00	\$ 41,749.00	\$ -	0%
Excess/(Deficiency) of Revenue over Expense	\$ -	\$ -	\$ -	\$ -	\$ 1.00	\$ -	\$ -	
Beginning Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1.00		
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ 1.00	\$ 1.00		

* Unaudited

CAPITAL IMPROVEMENT PROGRAM (CIP)

-Departments and Funds

**Streets Capital Improvement Fund
Parks and Facilities Capital Improvement Fund
Water Capital Improvement Fund**





CITY OF SONOMA

Streets Capital Improvement Fund (Fund 301)

Michael Berger, Public Works Director

The Street Capital Improvement Fund represents a transfer of funds from the General Fund to support improvements to the City's streets, sidewalks, bikeways, and storm drainage system. The City's transportation network provides the connection between different land uses, linking homes to shopping, jobs, and recreation. An efficient and integrated transportation system enables Sonoma residents to combine the benefits of small-town living with the job and recreation opportunities afforded by easy access to Sonoma Valley, Santa Rosa, Marin County, and San Francisco. The CIP proposes safety improvements, replacement of a degraded bridge, construction of a new pedestrian and bicycle bridge, and sidewalk repairs. In FY 2022-23, Public Works is requesting a transfer of \$250,000 to supplement previous years' retention funds. The CIP budget provides descriptions of each of these projects. Transportation CIPs begin with 'CIP #T'.

FY 2022-23 Projects to be Funded -- <i>The CIP budget provides a description of listed projects.</i>	
\$98,400	Storm Drain Trash Reduction System (CIP #CD-1) Carry-over FY 2021-22 Budget
\$50,000	Fryer Creek Bicycle and Pedestrian Bridge (CIP #T-2) Carry-over FY 2021-22 Budget
\$20,836	Citywide Roadway Safety Improvement Projects (CIP #T-6) Carry-over FY 2019-20 Budget
\$60,000	Citywide Streets Sidewalk Repair Program (CIP #T-4)
\$50,000	Street Rehab and Water Services Project (CIP #T-5)
\$120,000	Broadway Pedestrian Crossings (CIP#T-10)
\$399,236	<i>TOTAL programmed</i>

Capital Improvement Program

Streets Capital Improvement Fund

General Ledger Fund 301

RECOMMENDED FY 2022-23 BUDGET

Description	FY 19-20 Actuals*	FY 20-21 Actuals*	FY 21-22 Adopted Budget	FY 21-22 Amended Budget	FY 21-22 Projected Actuals*	FY 22-23 Proposed Budget	\$ Change FY22-23 Proposed Budget to FY21-22 Amended Budget	% Change FY22-23 Proposed Budget to FY21-22 Amended Budget
Impact Fees	\$ 172,542.00	\$ 6,366.00	\$ 72,000.00	\$ 72,000.00	\$ 13,675.00	\$ 22,000.00	\$ (50,000.00)	-69%
State Grants & Other Revenues	\$ -	\$ 9,222.00	\$ -	\$ -	\$ -	\$ -	\$ -	
Transfers	\$ 175,000.00	\$ 5,000.00	\$ 368,400.00	\$ 564,000.00	\$ -	\$ 1,212,743.00	\$ 648,743.00	115%
Transfer from Reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Other Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Interest Revenue	\$ -	\$ -	\$ 1,200.00	\$ 1,200.00	\$ -	\$ 1,200.00	\$ -	0%
Total Revenue	\$ 347,542.00	\$ 20,588.00	\$ 441,600.00	\$ 637,200.00	\$ 13,675.00	\$ 1,235,943.00	\$ 598,743.00	94%
Professional Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Operations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Internal Service & Capital Prj	\$ 128,662.00	\$ 5,706.00	\$ 219,236.00	\$ 219,236.00	\$ 219,236.00	\$ 230,000.00	\$ 10,764.00	5%
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Expense	\$ 128,662.00	\$ 5,706.00	\$ 219,236.00	\$ 219,236.00	\$ 219,236.00	\$ 230,000.00	\$ 10,764.00	5%
Excess/(Deficiency) of Revenue over Expense	\$ 218,880.00	\$ 14,882.00	\$ 222,364.00	\$ 417,964.00	\$ (205,561.00)	\$ 1,005,943.00	\$ 587,979.00	141%
Beginning Fund Balance	\$ 106,476.00	\$ 325,356.00	\$ 340,238.00	\$ 340,238.00	\$ 340,238.00	\$ 134,677.00		
Ending Fund Balance	\$ 325,356.00	\$ 340,238.00	\$ 562,602.00	\$ 758,202.00	\$ 134,677.00	\$ 1,140,620.00		

* Unaudited



CITY OF SONOMA
Parks and Facilities
Capital Improvement Fund
(Fund 304)

Michael Berger, Public Works Director

The Parks and Facilities Capital Improvement Fund represents a transfer of funds from the General Fund to support improvements to the City's 17 parks encompass nearly 40 acres, nine play structures, two public restrooms, Class I bike trails, hiking trails, a duck pond, and a rose garden. The City's parks are vital to maintaining the quality of life in Sonoma. Parks contribute to the health of our citizens, and the economic and environmental well-being of our community. Daily maintenance of our urban parks is provided by City staff and a landscape contractor that performs mowing and trimming in neighborhood parks. The Sonoma Overlook Trail Stewards and the Sonoma Ecology Center care for the City's natural open space parks. Park needs that exceed the capacity of City and contract workers are included in this Capital Improvement Program (CIP). In FY 2022-23, Public Works is requesting a transfer from \$120,000 to supplement previous years' retention funds. The CIP budget provides descriptions of each of these projects in the Parks CIPs begin with 'CIP #P' and projects in Facilities begin with 'CIP #BF'.

FY 2022-23 Projects to be Funded -- <i>The CIP budget provides a description of listed projects.</i>	
\$26,000	Corporation Yard Safety & Security Facility (CIP #BF-2) Carry-Over FY21/22
\$80,000	Depot Museum HVAC (CIP # BF-8) Carry-Over FY21/22
\$46,254	Plaza Enhancement Prop 68 Match (CIP #P-10) Carry-Over FY21/22
\$20,000	Montini Trail Connection & Enhancement Project (CIP #P-6)
\$30,000	Design Olsen Park Enhancement Project (CIP #P-8)
\$50,000	Depot Park Enhancement Project / Chase Bioretention Offset (CIP#P-9)
\$252,254	<i>TOTAL programmed</i>

Capital Improvement Program

Parks and Facilities Capital Improvement Fund

General Ledger Fund 304

RECOMMENDED FY 2022-23 BUDGET

Description	FY 19-20 Actuals*	FY 20-21 Actuals*	FY 21-22 Adopted Budget	FY 21-22 Amended Budget	FY 21-22 Projected Actuals*	FY 22-23 Proposed Budget	\$ Change FY22-23 Proposed Budget to FY21-22 Amended Budget	% Change FY22-23 Proposed Budget to FY21-22 Amended Budget
Impact Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
State Grants & Other Revenues	\$ 13,653.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Federal Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Capital Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Transfers	\$ -	\$ -	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 130,000.00	\$ 30,000.00	30%
Transfer from Reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Chrgs Srvc-Concessions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Other Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Interest Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Revenue	\$ 13,653.00	\$ -	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 130,000.00	\$ 30,000.00	30%
Professional Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Property Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Operations	\$ 45,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Internal Service & Capital Prj	\$ 10,693.00	\$ 25,220.00	\$ 360,000.00	\$ 360,000.00	\$ 235,000.00	\$ 120,000.00	\$ (240,000.00)	-67%
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Expense	\$ 55,693.00	\$ 25,220.00	\$ 360,000.00	\$ 360,000.00	\$ 235,000.00	\$ 120,000.00	\$ (240,000.00)	-67%
Excess/(Deficiency) of Revenue over Expense	\$ (42,040.00)	\$ (25,220.00)	\$ (260,000.00)	\$ (260,000.00)	\$ (135,000.00)	\$ 10,000.00	\$ 270,000.00	-104%
Beginning Fund Balance	\$ 312,511.00	\$ 270,471.00	\$ 245,251.00	\$ 245,251.00	\$ 245,251.00	\$ 110,251.00		
Ending Fund Balance	\$ 270,471.00	\$ 245,251.00	\$ (14,749.00)	\$ (14,749.00)	\$ 110,251.00	\$ 120,251.00		

* Unaudited



CITY OF SONOMA

Water Capital Improvement Fund (Fund 512)

Michael Berger, Public Works Director

The Water Utility Capital Improvement Fund represents a transfer of funds from the Water Utility Operating Fund to support improvements to the City's drinking water infrastructure.

Typical capital improvement projects include replacing aging water mains and appurtenances (e.g. tees, crosses, couplers, saddles, valves), neighborhood-scale water service replacement projects, renewing tank coatings and corrosion control systems, replacing well or pump station equipment, replacing Supervisory Control and Data Acquisition (SCADA) systems and equipment, a site or building improvements for well and pump station buildings (e.g. replacing roofs or electrical systems).

The proposed water utility capital improvement budget for FY 2022-23 funds projects that improve the resiliency of the City's water supply against drought or natural disaster and cost-effectively maximizes the useful life of existing assets. In FY 2022-23, Public Works is requesting a transfer of \$467,500 to fund four projects. The CIP budget provides descriptions of each of these projects. Water Utility CIPs begin with 'CIP #W'.

FY 2022-23 Projects to be Funded -- <i>The CIP budget provides a description of listed projects.</i>	
\$125,000	Well No. 1 Vault Cover and Air Exchange System Improvements (CIP #W-13)
\$265,000	Norrbon Tank Coating Renewal (CIP #W-14)
\$45,000	Well No. 3 Water Disinfection Equipment Replacement (CIP#W-15)
\$32,500	Lovall Valley Road and Thornsberry Water Valve Box, Frame, Cover Replacement (CIP #W-16)
\$467,500	TOTAL programmed

Capital Improvement Program

Water Capital Improvement Fund

General Ledger Fund 512

RECOMMENDED FY 2022-23 BUDGET

Description	FY 19-20 Actuals*	FY 20-21 Actuals*	FY 21-22 Adopted Budget	FY 21-22 Amended Budget	FY 21-22 Projected Actuals*	FY 22-23 Proposed Budget	\$ Change FY22-23 Proposed Budget to FY21-22 Amended Budget	% Change FY22-23 Proposed Budget to FY21-22 Amended Budget
Licenses & Permits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
State Grants & Other Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Charges For Services	\$ 72,891.00	\$ 204,648.00	\$ 75,000.00	\$ 75,000.00	\$ 23,934.86	\$ 75,000.00	\$ -	0%
Miscellaneous	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Transfers	\$ -	\$ -	\$ -	\$ 88,780.00	\$ 88,780.00	\$ 467,500.00	\$ 378,720.00	427%
Transfer from Reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Chrgs Srvcs-Concessions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Other Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Interest Revenue	\$ -	\$ -	\$ 2,750.00	\$ 2,750.00	\$ -	\$ 2,750.00	\$ -	0%
Other Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Revenue	\$ 72,891.00	\$ 204,648.00	\$ 77,750.00	\$ 166,530.00	\$ 112,714.86	\$ 545,250.00	\$ 378,720.00	227%
Salary & Wages	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Employee Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Professional Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Property Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Operations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Software & Equipment	\$ -	\$ -	\$ -	\$ 134,718.00	\$ -	\$ -	\$ (134,718.00)	-100%
Internal Service & Capital Prj	\$ 144,419.00	\$ 157,922.00	\$ 3,475,674.00	\$ 3,564,454.00	\$ 3,564,454.00	\$ 467,500.00	\$ (3,096,954.00)	-87%
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Expense	\$ 144,419.00	\$ 157,922.00	\$ 3,475,674.00	\$ 3,699,172.00	\$ 3,564,454.00	\$ 467,500.00	\$ (3,231,672.00)	-87%
Excess/(Deficiency) of Revenue over Expense	\$ (71,528.00)	\$ 46,726.00	\$ (3,397,924.00)	\$ (3,532,642.00)	\$ (3,451,739.14)	\$ 77,750.00	\$ 3,610,392.00	-102%
Beginning Fund Balance	\$ 2,368,286.00	\$ 2,296,758.00	\$ 2,343,484.00	\$ 2,343,484.00	\$ 2,343,484.00	\$ (1,108,255.14)		
Ending Fund Balance	\$ 2,296,758.00	\$ 2,343,484.00	\$ (1,054,440.00)	\$ (1,189,158.00)	\$ (1,108,255.14)	\$ (1,030,505.14)		

* Unaudited

CAPITAL IMPROVEMENT PROGRAM (CIP) PROJECTS

**City of Sonoma 2022-27 Capital Improvement Prgm
CIP Projected Funding by Project for FY 2022-27
Projected Funding Request by Source for 2022-27 CIP
CIP Projected Funding Sources
Buildings & Facilities
Creeks & Drainage
Parks
Transportation
Water**



City of Sonoma 2022-2027 Capital Improvement Program

The Capital Improvement Program (CIP) is a planning and budgeting document to support our safe, healthy, and vibrant community through investment in public infrastructure throughout the City. The CIP includes projects to improve the City's buildings; cemeteries; streets, sidewalks, bikeways and storm drainage; parks and open space; and the City's water system. Funding for projects in Year 1 of the CIP is part of the City's annual budget process. Projects with funding in years 2-5 of the CIP are approved on a planning basis only. City staff works with on-call consulting engineering firms and other consultants as needed, to deliver the City's projects.

BUILDINGS & FACILITIES: Maintaining Critical Assets

The City maintains over 48,000 square feet of building space in eight facilities: City Hall, Carnegie Building, Police Building/City Council Chambers/Emergency Operations Center, Corporation Yard, Fire Station, Sonoma Valley Regional Library, Depot Park Restrooms, and Maysonnave Property. The Sonoma community relies on the City to maintain these assets that are vital to the operation of the City.

CEMETERY: Preserving Sonoma's History

The City owns, maintains, and operates three cemetery properties, including: Mountain Cemetery, Valley Cemetery, and Veterans' Cemetery. The cemeteries encompass over 15 usable acres and actively provide the service of final disposition for our citizens' remains. This CIP does not include any cemetery projects.

CREEKS & DRAINAGE: Reducing Flooding & Protecting Water Quality

Three creeks flow through the City: Nathanson Creek, Sonoma Creek, and Fryer Creek. Catch basins, roadside ditches, and storm drainage piping collect and convey storm water runoff to these creeks. CIP projects can protect local creeks and the bay from pollutants associated with storm water runoff and can provide flood prevention for the City's transportation network, residents, and businesses. The ongoing challenge for storm water projects is complying with the stringent and costly State and Federal mandates that are largely unfunded.

PARKS: Making Life Better

The City's 17 parks encompass nearly 40 acres, nine play structures, two public restrooms, Class I bike trails, hiking trails, a duck pond, and a rose garden. The City also manages the Montini Preserve and the Sonoma Overlook Trail. The Plaza Park is the heart of Sonoma. The CIP includes "Parks for All" Measure M funds for Plaza and Depot parks.

TRANSPORTATION: Keeping Sonoma Moving Safely

The City's transportation network provides the connection between different land uses, linking homes to shopping, jobs, and recreation. An efficient and integrated transportation system enables Sonoma residents to combine the benefits of small-town living with the job and recreation opportunities afforded by easy access to Sonoma Valley, Santa Rosa, Marin County, and San Francisco. The transportation network includes facilities for pedestrians, bicyclists, transit riders, and motorists.

WATER: Providing High Quality, Dependable Water

Residents, visitors, and businesses in Sonoma count on the City to deliver high quality, dependable water. The potable water system is critical infrastructure that provide water for a variety of community needs including consumption, irrigation, and fire protection. The CIP is based on the projects identified in the 2018 Water Master Plan Update to achieve supply reliability, well resilience, public safety, and cost-effective renewal and replacement of aging system components.

Capital Improvement Program Projected Funding by Project for Fiscal Years 2022-27

CIP #	Project Name	Carryover Funding	FY 2022-23 Request	FY 2023-24 Request	FY 2024-25 Request	FY 2025-26 Request	FY 2026-27 Request	5-Year Total
BUILDINGS & FACILITIES: Maintaining Critical Assets								
BF-2	Public Works Safety and Facility Security at Corporation Yard	\$26,000	\$0	\$0	\$0	\$0	\$0	\$0
BF-4	City Hall Emergency Power	\$0	\$0	\$220,000	\$0	\$0	\$0	\$220,000
BF-8	Depot Park Museum HVAC Project	\$60,000	\$20,000	\$0	\$0	\$0	\$0	\$20,000
	SUBTOTAL	\$86,000	\$20,000	\$220,000	\$0	\$0	\$0	\$240,000
CREEKS & DRAINAGE: Reducing Flooding and Protecting Water Quality								
CD-1	Storm Water Trash Reduction Systems	\$98,000	\$0	\$98,400	\$196,800	\$196,800	\$196,800	\$688,800
CD-3	Broadway and Leveroni Road Flood Reduction and Trash Capture Project	\$0	\$0	\$565,000	\$0	\$0	\$0	\$565,000
	SUBTOTAL	\$98,000	\$0	\$663,400	\$196,800	\$196,800	\$196,800	\$1,253,800
PARKS: Making Life Better								
P-6	Montini Trail Connection and Enhancement Project	\$175,000	\$30,000	\$50,000	\$0	\$0	\$0	\$80,000
P-7	Pinelli Park Improvement Project	\$32,755	\$0	\$0	\$0	\$0	\$0	\$0
P-8	Olsen Park Improvement Project	\$80,166	\$150,000	\$50,000	\$0	\$0	\$0	\$200,000
P-9	Depot Park Enhancements Project	\$200,000	\$50,000	\$0	\$0	\$0	\$0	\$50,000
P-10	Plaza Park Enhancements Project	\$185,015	\$0	\$0	\$0	\$0	\$0	\$0
	SUBTOTAL	\$672,936	\$230,000	\$100,000	\$0	\$0	\$0	\$330,000
TRANSPORTATION: Keeping Sonoma Moving Safely								
T-1	Chase Street Bridge Replacement Project	\$334,448	\$601,743	\$1,000,000	\$0	\$0	\$0	\$1,601,743
T-2	Fryer Creek Pedestrian and Bicycle Bridge Project	\$340,656	\$501,000	\$0	\$0	\$0	\$0	\$501,000
T-3	Biennial Slurry Seal Projects	\$0	\$249,009	\$290,000	\$250,000	\$290,000	\$250,000	\$1,329,009
T-4	Citywide Sidewalk Inspection and Repair Program	\$0	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$300,000
T-5	Ongoing Pavement Rehabilitation and Water Services Replacement Projects	\$0	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$2,000,000
T-6	Citywide Roadway Safety Improvement Projects	\$120,836	\$50,000	\$200,000	\$200,000	\$200,000	\$200,000	\$850,000
T-10	Broadway Pedestrian Crossings	\$120,000	\$0	\$0	\$0	\$0	\$0	\$0
	SUBTOTAL	\$915,940	\$1,861,752	\$1,950,000	\$910,000	\$950,000	\$910,000	\$6,581,752
WATER: Providing High Quality, Dependable Water								
W-2	Water System Condition Data - Phase 2	\$145,680	\$0	\$0	\$0	\$0	\$0	\$0
W-8	Urban Water Management Plan and Minor Water Master Plan Update	\$63,941	\$0	\$0	\$0	\$75,000	\$0	\$75,000
W-10	Water Meter System Upgrades	\$0	\$0	\$1,600,000	\$500,000	\$0	\$0	\$2,100,000
W-13	Well No. 1 Vault Cover and Air Exchange Improvements	\$0	\$125,000	\$0	\$0	\$0	\$0	\$125,000
W-14	Norrborn Tank Coating Renewal	\$0	\$265,000	\$0	\$0	\$0	\$0	\$265,000
W-15	Well No. 3 Water Disinfection Equipment Replacement	\$0	\$45,000	\$0	\$0	\$0	\$0	\$45,000
W-16	Loyal Valley Road and Thornsberrry Water Valve Box, Frame, Cover Replacement	\$0	\$32,500	\$0	\$0	\$0	\$0	\$32,500
	SUBTOTAL	\$209,621	\$467,500	\$1,600,000	\$500,000	\$75,000	\$0	\$2,642,500
	FUND TOTAL	\$1,982,497	\$2,579,252	\$4,533,400	\$1,606,800	\$1,221,800	\$1,106,800	\$11,048,052

Projected Funding Request by Source for 2022-2027 Capital Improvement Program

Funding Type	Carryover Funding	Fiscal Year 2022-23	Fiscal Year 2023-24	Fiscal Year 2024-25	Fiscal Year 2025-26	Fiscal Year 2026-27	5-Year Total
BUILDINGS & FACILITIES: Maintaining Critical Assets							
General Fund	\$86,000	\$20,000	\$0	\$0	\$0	\$0	\$20,000
Grant Funds	\$0	\$0	\$220,000	\$0	\$0	\$0	\$220,000
SUBTOTAL	\$86,000	\$20,000	\$220,000	\$0	\$0	\$0	\$240,000
CREEKS & DRAINAGE: Reducing Flooding & Protecting Water Quality							
General Fund	\$98,000	\$0	\$98,400	\$196,800	\$196,800	\$196,800	\$688,800
Unfunded	\$0	\$0	\$565,000	\$0	\$0	\$0	\$565,000
SUBTOTAL	\$98,000	\$0	\$663,400	\$196,800	\$196,800	\$196,800	\$1,253,800
PARKS: Making Life Better							
General Fund	\$0	\$110,000	\$100,000	\$0	\$0	\$0	\$210,000
Parks Measure M	\$200,000	\$120,000	\$0	\$0	\$0	\$0	\$120,000
Proposition 68	\$185,015	\$0	\$0	\$0	\$0	\$0	\$0
Quimby Act	\$287,921	\$0	\$0	\$0	\$0	\$0	\$0
SUBTOTAL	\$672,936	\$230,000	\$100,000	\$0	\$0	\$0	\$330,000
TRANSPORTATION: Keeping Sonoma Moving Safely							
Gas Tax	\$578,790	\$300,000	\$310,000	\$310,000	\$310,000	\$310,000	\$1,540,000
General Fund	\$137,150	\$110,000	\$240,000	\$200,000	\$240,000	\$200,000	\$990,000
Grant Funds	\$0	\$1,102,743	\$1,000,000	\$0	\$0	\$0	\$2,102,743
RMRA: SB 1	\$0	\$249,009	\$275,000	\$275,000	\$275,000	\$275,000	\$1,349,009
Transportation Measure M	\$200,000	\$100,000	\$125,000	\$125,000	\$125,000	\$125,000	\$600,000
SUBTOTAL	\$915,940	\$1,861,752	\$1,950,000	\$910,000	\$950,000	\$910,000	\$6,581,752
WATER: Providing High Quality, Dependable Water							
Water Fund	\$209,621	\$467,500	\$1,600,000	\$500,000	\$75,000	\$0	\$2,642,500
SUBTOTAL	\$209,621	\$467,500	\$1,600,000	\$500,000	\$75,000	\$0	\$2,642,500
TOTAL 2022-2027 CIP	\$1,982,497	\$2,579,252	\$4,533,400	\$1,606,800	\$1,221,800	\$1,106,800	\$11,048,052

**City of Sonoma
Capital Improvement Program
Funding Sources**

Funding Source	Revenue Source	Restricted Uses	Maintenance of Effort (MOE) or Local Match?
General Fund	General taxes and fees	Unrestricted	No
Measure M Traffic Relief Act for Sonoma County	County-wide 1/4 cent sales tax for transportation. Ends in 2025 unless reapproved by the voters.	Maintenance of local streets and roads	Yes, MOE. 6.33% of local fund expenditures must be for transportation purposes. City is not currently meeting the MOE.
Gas Taxes	Revenue allocated by the State	Any street or road purpose. It is best practice to focus on maintenance and rehabilitation costs only.	No
Road Maintenance and Rehabilitation Account (RMRA): Senate Bill [SB] 1	Revenue allocated by the State	Road maintenance and rehabilitation, safety projects, "complete street" components, and traffic control devices	Yes, MOE. Must spend at least \$250,663 of General Fund annually for street, road, and highway purposes. City is proposing to meet the MOE in FY22-23.
Water Fund	City water customers	Water system operations, maintenance, and infrastructure	No
Community Development Block Grant (CDBG)	Federal Housing and Urban Development through County of Sonoma	ADA Self-Evaluation, Transition Plan, and Implementation Project	Yes, local match of \$20,000 of General Fund.
Proposition 68: California Parks, Environment, and Water Bond	Per Capita Grant Program	Local park rehabilitation, creation and improvement	Yes, MOE. Generally, the City is required to not reduce the amount of funding otherwise available to be spent on parks based on the past three fiscal years.
Sonoma County Parks Improvement, Water Quality and Fire Safety Measure M	County-wide 1/8 cent sales tax for parks	Parks related maintenance and projects	Yes, MOE.
Quimby Act Funds	Development fees for park improvements	New and rehabilitation of existing parks and recreational facilities	No. Fees must be returned if not "committed" within 5 years.

BUILDINGS & FACILITIES CAPITAL IMPROVEMENT PROGRAM

The City's buildings and facilities are critical assets where City and community business and activities are conducted. Daily maintenance of City buildings and facilities is provided by City staff, with assistance from specialty contractors. Funding for capital improvements to City buildings for assets with an estimable useful life and replacement cost (e.g. carpet, paint, and roofing) is set aside per a defined schedule of annual transfers to the City's Long-Term Building Maintenance Fund (Fund 610). Funding for unforeseeable capital improvement needs (e.g., unexpected failure, damage, or to accommodate new business operations or building uses) is budgeted as needs are identified.

FISCAL YEAR 2021–22 ACCOMPLISHMENTS:

- Corrected basement water intrusion at Carnegie Building.
- Completed electrical, mechanical, and structural design for converting the Depot Park Museum HVAC system from natural-gas power to electric power.
- Completed transition of City Hall, the Carnegie Library building, the Corporation Yard, and the Police Department and Council Chambers to 100% LED lighting.

FISCAL YEAR 2022–23 GOALS:

- Complete construction of new all-electric HVAC system at the Depot Park Museum.
- Assess Fire Station #1 for scheduled replacement of flooring treatments, installation of automatic door operators, and assessment of timber structural members.
- Construct a new motor-operated rolling security gate at the Corporation Yard.

CHALLENGES:

A challenge for building and facility CIP projects is limited staff capacity to initiate and implement projects and limited funding other than from the General Fund. Both Building and Public Works staff have other primary duties and facility projects are often deferred to attend to more urgent City initiatives.

Project Name: Public Works Safety and Facility Security at Corporation Yard
CIP Number: BF-2

Project Description: The main vehicular entrance gate at the City’s Corporation Yard was damaged by the driver of a rented moving truck in 2018 and then further damaged in 2022 by thieves who cut through a portion of the gate’s locking mechanism to steal a catalytic converter from a city truck.

The main gate is also manually operated, necessitating the tedious practice of drivers stopping their vehicle to open the gate, drive through, and then close it behind them to pass through.

Public Works proposes replacing the main gate with a motor-operated rolling gate with access control that will improve security and ease of access for staff to the Corporation Yard.



Project Contact: Chris Pegg, Public Works Operations Manager

Estimated Construction: Fall 2022

Estimated Cumulative Prior Expenditures: \$0

Estimated 2021-22 Carryover: \$26,000

Total Project Funding: \$26,000

Funding Source	Carryover Funding 2021-22	Requested Funding 2022-23	Anticipated Request 2023-24	Anticipated Request 2024-25	Anticipated Request 2025-26	Anticipated Request 2026-27	5-year Total
General Fund	\$26,000	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$26,000	\$0	\$0	\$0	\$0	\$0	\$0

Project Name: City Hall Emergency Power
CIP Number: BF-4

Project Description: The historic Sonoma City Hall does not currently have a source of electricity during power outages or emergency power shutdowns. As part of their Emergency Wildfire Safety Program, PG&E now has a Public Safety Power Shutoff program so more frequent power outages are expected in the future.

The City has portable generators that could provide power to City Hall during an emergency if a power connection is made available. City Hall was included in a City of Sonoma Standby Generators Study completed in February 2020. A generator and transfer switch are recommended for City Hall.

The nearby Carnegie Building has an existing emergency power connection, for use with a portable generator. The Police Building (with the Emergency Operations Center and City Council Chambers) and the Corporation Yard (with Public Works offices) both have stationary backup generators. City Hall is a critical facility that needs to be available to provide service to the community, even during times when electrical power is disrupted.



Project Contacts: Chris Pegg, Public Works Operations Manager & Wayne Wirick, Development Services Director/Building Official

Estimated Installation: Spring 2024

Estimated Cumulative Prior Expenditures: \$10,000

Estimated 2021-22 Carryover: N/A

Total Project Funding: \$230,000

Funding Source	Carryover Funding 2021-22	Requested Funding 2022-23	Anticipated Request 2023-24	Anticipated Request 2024-25	Anticipated Request 2025-26	Anticipated Request 2026-27	5-year Total
<i>Potential grant</i>	\$0	\$0	\$220,000	\$0	\$0	\$0	\$220,000
Total	\$0	\$0	\$220,000	\$0	\$0	\$0	\$220,000

Project Name: Depot Park Museum HVAC Project
CIP Number: BF-8

Project Description: The Depot Park Museum is operated by the Sonoma Valley Historical Society under a lease agreement with the City. The existing heating, ventilation, and air conditioning (HVAC) system for the building had been served by a PG&E gas service line. That shallow gas line was tangled in eucalyptus tree roots and was severed as part of the First Street West Depot Park Drainage Improvements project.

Because the damaged gas line could not be restored without considerable construction costs, the City proposed to upgrade the HVAC system with new, all-electric, equipment and permanently abandon the gas line. This strategy also aligned with the City’s Climate Emergency Resolution passed by the City Council on 11/2/2020 that states a commitment to achieve a net zero carbon footprint.

Engineering and design of the new all-electric system was completed in 2021. The City will solicit bids from qualified contractors and complete construction of the new HVAC system in 2022.



Project Contact: Chris Pegg, Public Works Operations Manager

Estimated Construction: Fall 2022

Estimated Cumulative Prior Expenditures: \$19,055

Estimated 2021-22 Carryover: \$60,000

Total Project Funding: \$99,055

Funding Source	Carryover Funding 2021-22	Requested Funding 2022-23	Anticipated Request 2023-24	Anticipated Request 2024-25	Anticipated Request 2025-26	Anticipated Request 2026-27	5-year Total
General Fund Designated (e.g. LTBM, IGT)	\$60,000	\$20,000	\$0	\$0	\$0	\$0	\$20,000
Total	\$60,000	\$20,000	\$0	\$0	\$0	\$0	\$20,000

CREEKS & DRAINAGE CAPITAL IMPROVEMENT PROGRAM

The City's storm drain system protects the buildings, streets, and sidewalks throughout Sonoma from flooding when it rains, helping Sonoma's residents, businesses, and visitors go to work, shop, and conduct their business conveniently during all but the worst of winter storms. The storm drain system has been designed and constructed to carry rain water away from buildings, streets, and sidewalks and into the nearest creek or drainage channel as efficiently as possible. Unfortunately, the storm drain system can also carry litter, motor oil, pesticides, fertilizers, and mud from the streets and sidewalks in to local creeks, causing water pollution.

The City has implemented a Stormwater Pollution Prevention Program to minimize stormwater-related pollution to the maximum extent practicable since 2003. This program helps the City comply with stringent, costly, and largely unfunded State and Federal mandates to protect water quality in California's creeks and rivers.

The City has also identified several capital improvement projects which increase the level of flood protection provided by the storm drain system. Projects which increase flood-protection in the City's storm drain system are identified and prioritized in the 2011 Storm Drain Master Plan. The City also recognizes that State and Federal funding agencies favor flood reduction projects which have multiple benefits in addition to flood reduction, such as: enhanced recreation, enhanced wildlife habitat, and decreased potable water demand. The Creeks and Drainage Capital Improvement Program thus includes several multiple benefit flood reduction projects that are not otherwise identified in the 2011 Storm Drain Master Plan because they are more competitive for State and Federal grant programs.

FISCAL YEAR 2021–22 ACCOMPLISHMENTS:

- The City has continued to restore native wetland vegetation in the open channel along the First Street West frontage of Depot Park that was reconstructed in 2020.
- The City restored native vegetation and secured a permanent maintenance easement for an open drainage channel providing surface drainage for the Hayes Street area.

FISCAL YEAR 2022–23 GOALS:

- The City is seeking grant funding to complete a drain improvement project identified in the City's storm drain master plan along Broadway just north of Leveroni.
- The City is seeking grant funding to develop a wetland restoration project in St. Francis Wetland.

CHALLENGES:

Funding continues to be a significant challenge for creeks and drainage projects. Competitive Federal and State grant funds are available for some of the City's existing and future creeks and drainage projects. Many of the City's creeks and drainage-related efforts are already being leveraged as in-kind match for Federal and State grants that are supporting regional compliance partnerships in response to Federal and State water-quality laws. Additional funding for flood protection is occasionally available for City of Sonoma projects through the Sonoma County Flood Control Protection Zone 3A. The Sonoma County Water Agency seeks to leverage its funds as match for State or Federal grant opportunities when they become available.

Project Name: Storm Water Trash Reduction Systems
CIP Number: CD-1

Project Description: Storm water runoff conveys significant amounts of trash to local creeks, negatively impacting water quality and wildlife. In June 2017, the State Water Resources Control Board designated 23 municipalities in the northern portion of the San Francisco Bay Area, including Sonoma, as subject to trash reduction requirements included in the Statewide Trash Amendments.

By December 1, 2018, the City was required to submit a trash reduction plan to the State Water Board. In subsequent years, trash reduction systems will need to be added to the City's storm drain network. The City will be required to retrofit its storm drain system to capture 100% of trash originating from designated priority land-uses over a ten-year period. The detailed trash reduction plan and proposed trash reduction system are being developed. Capital Improvement Program projects CD-3, if funded, would meet a portion of the City's trash reduction system requirements, and reduce the overall cost of this project.



Project Contact: Erica Warren, Environmental Compliance Analyst

Estimated Construction: 2024-2029

Estimated Cumulative Prior Expenditures: N/A

Estimated 2021-22 Carryover: \$98,000

Total Project Funding: \$984,000 (Total Cost of 10-Year Compliance Strategy)

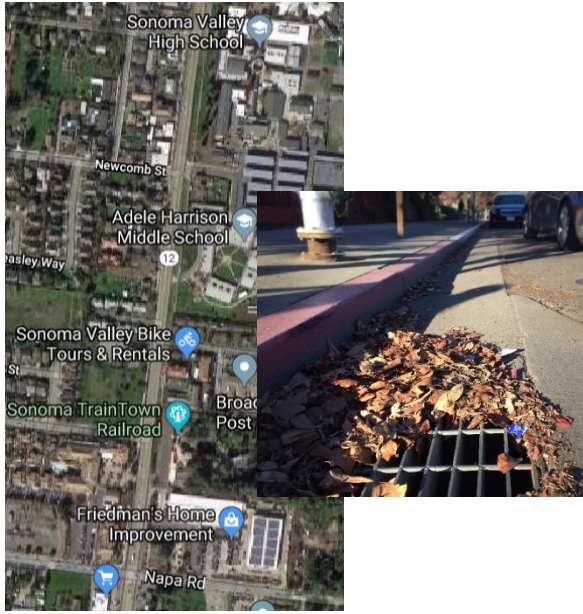
Funding Source	Carryover Funding 2021-22	Requested Funding 2022-23	Anticipated Request 2023-24	Anticipated Request 2024-25	Anticipated Request 2025-26	Anticipated Request 2026-27	5-year Total
General Fund	\$98,000	\$0	\$98,400	\$196,800	\$196,800	\$196,800	\$688,800
Total	\$98,000	\$0	\$98,400	\$196,800	\$196,800	\$196,800	\$688,800

Project Name: Broadway and Leveroni Road Flood Reduction and Trash Capture Project
CIP Number: CD-3

Project Description: The Broadway/Leveroni Road area is the major southern gateway to Sonoma, but it is at risk of flooding during major storms and has documented trash and litter issues that are impacting nearby creeks.

The project reduces flooding along Broadway and surrounding areas by eliminating a constriction in the existing storm drain conduit just north of the Broadway/Leveroni Road intersection in Sonoma. This project component was identified in the 2011 Storm Drain Master Plan as Project CIP-6. In 2021, the City obtained grant funding to advance this project o 30% design, and is seeking grant funding to complete construction in 2022.

The project also removes trash from a large high-trash-generation area through installation of a large hydro-dynamic separator south of the Broadway/Leveroni Road intersection. Additionally, the project would include minor frontage improvements, including Low-Impact-Development features on the northeast and southeast corners of the intersection. These improvements would enhance pedestrian safety and provide treatment for runoff from the adjacent roadways.



Project Contact: Erica Warren, Environmental Compliance Analyst

Estimated Construction: 2024-25

Estimated Cumulative Prior Expenditures: \$27,000

Estimated 2021-22 Carryover: \$0

Total Project Funding: \$592,000

Funding Source	Carryover Funding 2021-22	Requested Funding 2022-23	Anticipated Request 2023-24	Anticipated Request 2024-25	Anticipated Request 2025-26	Anticipated Request 2026-27	5-year Total
General Fund	\$0	\$0	\$200,000	\$0	\$0	\$0	\$200,000
Grant Funded	\$0	\$0	\$365,000	\$0	\$0	\$0	\$365,000
Total	\$0	\$0	\$565,000	\$0	\$0	\$0	\$565,000

PARKS CAPITAL IMPROVEMENT PROGRAM

The City's parks are vital to maintaining the quality of life in Sonoma. Parks contribute to the health of our citizens, and the economic and environmental well-being of our community. Daily maintenance of our urban parks is provided by City staff and a landscape contractor that performs mowing and trimming in neighborhood parks. The Sonoma Overlook Trail Stewards and the Sonoma Ecology Center care for the City's natural open space parks. Park needs that exceed the capacity of City and contract workers are included in this Capital Improvement Program (CIP).

On June 5, 2018, California voters approved the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act, known as the California Clean Water and Safe Parks Act, Proposition 68 (Prop 68), which has become a new revenue source for park related projects. The City is expected to receive \$185,015 in a one-time grant. The revenue will be allocated by the State.

In November 2018, Sonoma County voters approved "Sonoma County Parks Improvement, Water Quality and Fire Safety Measure" Measure M, a one-eighth cent sales tax that supports Sonoma County's regional and city parks. In FY 2022-23, it is estimated that the City will receive \$157,570.

Quimby Act funding (described separately in the budget documents) can be used for park acquisition and improvement of existing parks and recreational facilities that serve a proposed subdivision.

FISCAL YEAR 2021-22 ACCOMPLISHMENTS:

- Worked cooperatively with the Sonoma Overlook Trail Stewards volunteer group to improve three sections of the Overlook Trail.
- Completed budget and schedule for Montini Trail Connection, planned for FY 2022-23.
- Completed Prop 68 Grant application to fund approved design of new recycling/waste receptables for Plaza Park.
- Initiated City of Sonoma Parks Needs Assessment to guide future maintenance and Improvement Projects.

FISCAL YEAR 2022-23 GOALS:

- Initiate construction of Depot Park Enhancements project and Plaza Park Enhancement project. Plaza Park will use Parks Prop 68 Per Capita Funds and Depot Park will use Parks Measure M Funds.
- Complete design and construction of Montini connector trail.
- Complete design and move forward construction elements to improve Pinelli Park and Olsen Park using Quimby Act funds from recent subdivisions in combination with Parks Measure M funding.

CHALLENGES:

Building community consensus regarding appropriate park investments is a challenge, and this CIP includes critical plan development as a tool for successful implementation of park enhancement ideas. Funding of park projects also continues to be a challenge, as park projects are generally funded by the City's limited General Fund. With the passage of Prop 68 and Sonoma County Parks Measure M, and the availability of Quimby funding from subdivision developments, the City will be able to fund more parks related projects.

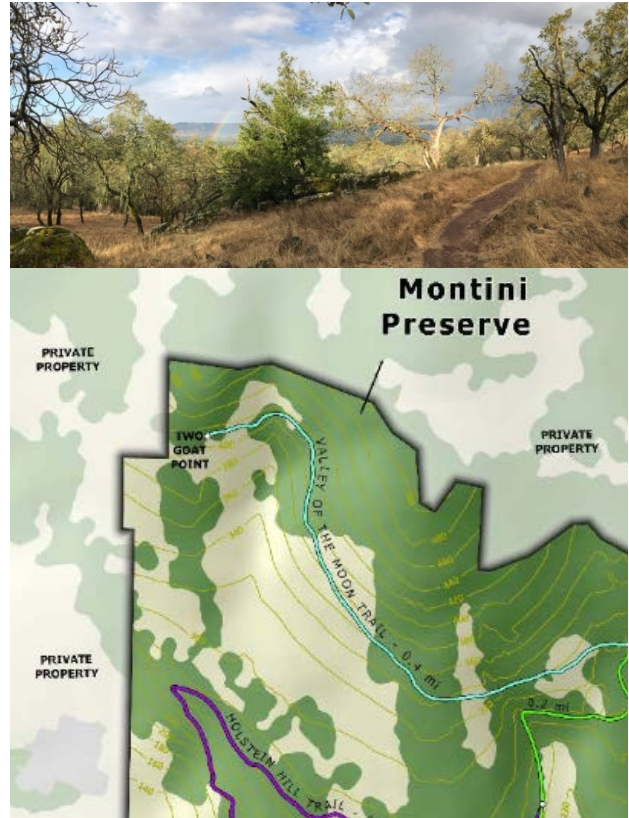
Project Name: Montini Trail Connection and Enhancement Project

CIP Number: P-6

Project Description: A new connection trail and enhancement of existing trails on the Montini Preserve will enhance the experience of hikers on the preserve and address a non-compliance issue.

The 98 acre Montini Preserve was transferred from the Sonoma County Agricultural Preservation and Open Space District (SCAPOS) to the City of Sonoma in 2014. The property features oak woodlands, grassland, and comprises the scenic backdrop to the City. A trail system was constructed prior to the transfer. One of the trails ends at Two Goat Point, with a lovely view of Sonoma Valley. Many hikers take an informal trail from the vista point to Holstein Hill trail. This informal trail brings hikers too close to the private property west of the Montini Preserve, in violation of the transfer agreement between the SCAPOS and the City.

In Fiscal Year 2020-21, project work completed a feasibility report including analysis of alignment alternatives, cost estimates, environmental and regulatory requirements and preferred trail alignment. Next steps in FY 2022-23 include public outreach, CEQA, permitting, and potential grant applications for construction funding for a new connection trail between Two Goat Point and Holstein Hill Trail.



Project Contact: Anthony Navarro, Parks Supervisor

Estimated Construction: Spring 2023

Estimated Cumulative Prior Expenditures: \$9,994

Estimated 2021-22 Carryover: \$175,000

Total Project Funding: \$264,994

Funding Source	Carryover Funding 2021-22	Requested Funding 2022-23	Anticipated Request 2023-24	Anticipated Request 2024-25	Anticipated Request 2025-26	Anticipated Request 2026-27	5-year Total
Quimby Act	\$175,000	\$0	\$0	\$0	\$0	\$0	\$0
General Fund	\$0	\$30,000	\$50,000	\$0	\$0	\$0	\$80,000
Total	\$175,000	\$30,000	\$50,000	\$0	\$0	\$0	\$80,000

Project Name: Pinelli Park Improvement Project
CIP Number: P-7

Project Description: Pinelli Park is a 0.5 acre park located on France Street at Fourth Street East. The park includes vegetation, picnic tables and a play structure. Quimby Act funds are available for rehabilitation of Pinelli Park due to a small subdivision in proximity to this park. The Quimby Act funds are required to be committed by 2025 and must be used for rehabilitation of park and recreational facilities. Quimby Act funds cannot be used for operation and maintenance of park facilities.

City staff has evaluated Pinelli Park and recommends the replacement of the sand substrate and the water feature in the playground as use of these Quimby Act funds.



Project Contact: Anthony Navarro, Parks Supervisor

Estimated Construction: Summer 2023

Estimated Cumulative Prior Expenditures: N/A

Estimated 2021-22 Carryover: \$32,755

Total Project Funding: \$32,755

Funding Source	Carryover Funding 2021-22	Requested Funding 2022-23	Anticipated Request 2023-24	Anticipated Request 2024-25	Anticipated Request 2025-26	Anticipated Request 2026-27	5-year Total
Quimby Act	\$32,755	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$32,755	\$0	\$0	\$0	\$0	\$0	\$0

Project Name: Olsen Park Improvement Project
CIP Number: P-8

Project Description: Olsen Park is a 2 acre park located on Linda Drive in northwestern Sonoma. The park includes vegetation, a basketball court, picnic tables and a play structure. Quimby Act funds are available for rehabilitation of Olsen Park due to a small subdivision in proximity to this park. The Quimby Act funds are required to be committed by 2026 and must be used for rehabilitation of park and recreational facilities. Quimby Act funds cannot be used for operation and maintenance of park facilities.

City staff will evaluate Olsen Park and prioritize rehabilitation improvements to implement with the Quimby Act funds. These funds will be combined with General Fund dollars and Parks Measure M funds to rehabilitate sections of the park.

In Fiscal Year 2022-23 this process will begin with public input on proposed improvements followed by design and engineering drawings to advance the project.



Project Contact: Anthony Navarro, Parks Supervisor

Estimated Construction: Summer 2023 - 2024

Estimated Cumulative Prior Expenditures: N/A

Estimated 2021-22 Carryover: \$80,166

Total Project Funding: \$280,166

Funding Source	Carryover Funding 2021-22	Requested Funding 2022-23	Anticipated Request 2023-24	Anticipated Request 2024-25	Anticipated Request 2025-26	Anticipated Request 2026-27	5-year Total
Quimby Act	\$80,166	\$0	\$0	\$0	\$0	\$0	\$0
General Fund	\$0	\$30,000	\$0	\$0	\$0	\$0	\$30,000
Parks for All Measure M	\$0	\$120,000	\$50,000	\$0	\$0	\$0	\$170,000
Total	\$80,166	\$150,000	\$50,000	\$0	\$0	\$0	\$200,000

Project Name: Depot Park Enhancements Project
CIP Number: P-9

Project Description: The Depot Park is a 4.6 acre park that is only a block from the Historic Sonoma Plaza. The park is located adjacent to a scenic Bike Path that runs through town. The current amenities include: Picnic Tables and Barbeque Area.

The Depot Park Enhancements Project includes improvements to the bathrooms, adding two water bottle filling stations, bike parking, trash/recycling receptacles and wayfinding signage connecting all the outdoor spaces. Restroom improvements include interior and exterior painting, new doors, additional lighting and ADA accessibility. Landscape and drainage enhancements (bioretention areas) will remove pollutants in storm water runoff, protect creeks, and promote groundwater infiltration. On March 10, 2021, the Community Services and Environment Commission recommended this project for Measure M “Parks for All” funding in the FY 2021-22 budget process. “Parks for All” Measure M is a one-eighth-cent sales tax to support county and city parks for 10 years. The project will fold in a required bioretention feature offsetting impervious surface created by Chase Bridge.

In FY 2021-22 the design will be completed for this Enhancement Project. Construction is scheduled to begin in the Fall of 2023.



Project Contact: Oriana Hart, Public Works Administrative and Project Manager

Estimated Construction: 2022-23

Estimated Cumulative Prior Expenditures: N/A

Estimated 2021-22 Carryover: \$200,000

Total Project Funding: \$250,000

Funding Source	Carryover Funding 2021-22	Requested Funding 2022-23	Anticipated Request 2023-24	Anticipated Request 2024-25	Anticipated Request 2025-26	Anticipated Request 2026-27	5-year Total
General Fund	\$0	\$50,000	\$0	\$0	\$0	\$0	\$50,000
Parks for All Measure M	\$200,000	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$200,000	\$50,000	\$0	\$0	\$0	\$0	\$50,000

Project Name: Plaza Park Enhancements Project

CIP Number: P-10

Project Description: The Plaza is the heart of Sonoma, a very popular 8-acre park with national historic landmark status.

Proposed enhancements at the Plaza may include trash/recycling receptacles, bench upgrade, bicycle parking, temporary art installation/picnic table pads, and park rules signage at entrances (since signs will no longer be on trash receptacles). The City is eligible to receive \$185,015 of Prop. 68 Per Capita funds. The Prop. 68 Per Capita funds require a 20% match of local funds. The Prop. 68 grant application package was submitted in December 2021, contract and design work is under way in FY 2021-22, project completion by December 2023, and submittal of the completion package by March 2024.



Project Contact: Oriana Hart, Public Works Project Manager

Estimated Construction: 2023

Estimated Cumulative Prior Expenditures: N/A

Estimated 2021-22 Carryover: \$185,015

Total Project Funding: \$185,015

Funding Source	Carryover Funding 2021-22	Requested Funding 2022-23	Anticipated Request 2023-24	Anticipated Request 2024-25	Anticipated Request 2025-26	Anticipated Request 2026-27	5-year Total
Proposition 68: CA Parks, Environment, & Water Bond	\$185,015	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$185,015	\$0	\$0	\$0	\$0	\$0	\$0

TRANSPORTATION CAPITAL IMPROVEMENT PROGRAM

The City's transportation network provides the connection between different land uses, linking homes to shopping, jobs, and recreation. An efficient and integrated transportation system enables Sonoma residents to combine the benefits of small-town living with the job and recreation opportunities afforded by easy access to Sonoma Valley, Santa Rosa, Marin County, and San Francisco (per the Circulation Element of the City's General Plan). The transportation network includes facilities for pedestrians, bicyclists, transit riders, and motorists.

FISCAL YEAR 2021-22 ACCOMPLISHMENTS:

- Completed the 2022 Citywide Slurry Seal Project, which involved street surface treatment (slurry seal) for 14 street segments and 2 pathway sections.
- Received E-76 for Fryer Creek Pedestrian & Bicycle Bridge Project. Advertised and awarded construction and construction management contracts. Began construction on Fryer Creek Pedestrian & Bicycle Bridge.
- Completed the Broadway (SR 12) Streetscape Enhancements & Traffic Circulation Project. Completed restriping of Broadway to include Bicycle Lane and enhanced pedestrian crossings.
- Completed all but the construction phase of the Chase Street Bridge Replacement Project. Advertised and selected a Construction Management Firm to oversee construction of the project.
- Completed design for a new curb ramp at 2nd Street West and Napa Street West (SR 12). Initiated talks with Caltrans regarding their interest in constructing the 2nd Street curb improvements and other improvements along the Route 12 corridor during their Pavement Rehabilitation Project.
- Initiated design and cost discussions for Safety improvements on 5th Street West crossing at Studley Street and 5th Street West and the bike path between Linda Drive and Lasuen St/Claudia Dr.

Pavement Preservation Investment

- Pavement structures represent one of the largest capital investments for the City. The timing of pavement maintenance is critical, as the maintenance cost increases exponentially with time. It is far more economical to preserve roads than to delay repairs and reconstruct roads. As of March of 2022, the City's Pavement Condition Index (PCI) is 69.

Goal: *Through the use of Pavement Management Technical Assistance Program (P-TAP) 22 Funds, the City will rehabilitate several street segments.*

FISCAL YEAR 2022-23 GOALS:

Transportation Safety

- The City's sidewalk system is a vital component of the transportation network. To help ensure the City's sidewalks are open and accessible to all persons, the City has been conducting a phased annual sidewalk inspection and repair program to minimize potential trip hazards caused by cracked and damaged sidewalks.

Goal: *Continue annual work*

- In 2018, the City completed the Systemic Safety Analysis Report (SSAR), which provides cost-effective countermeasures to improve roadway safety for pedestrians, bicyclists, and motorists.

Goal: *Continue to implement safety measures recommended by the SSAR, including development of conceptual plans to improve Fifth Street West between Curtin Lane and West Spain Street.*

- Design of a new (replacement) curb ramp at 2nd Street West and Napa Street West (SR 12) has been completed.

TRANSPORTATION: Keeping Sonoma Moving Safely

Goal: Construction of a new curb ramp at 2nd Street West and Napa Street West (SR 12) as part of pavement rehabilitation project.

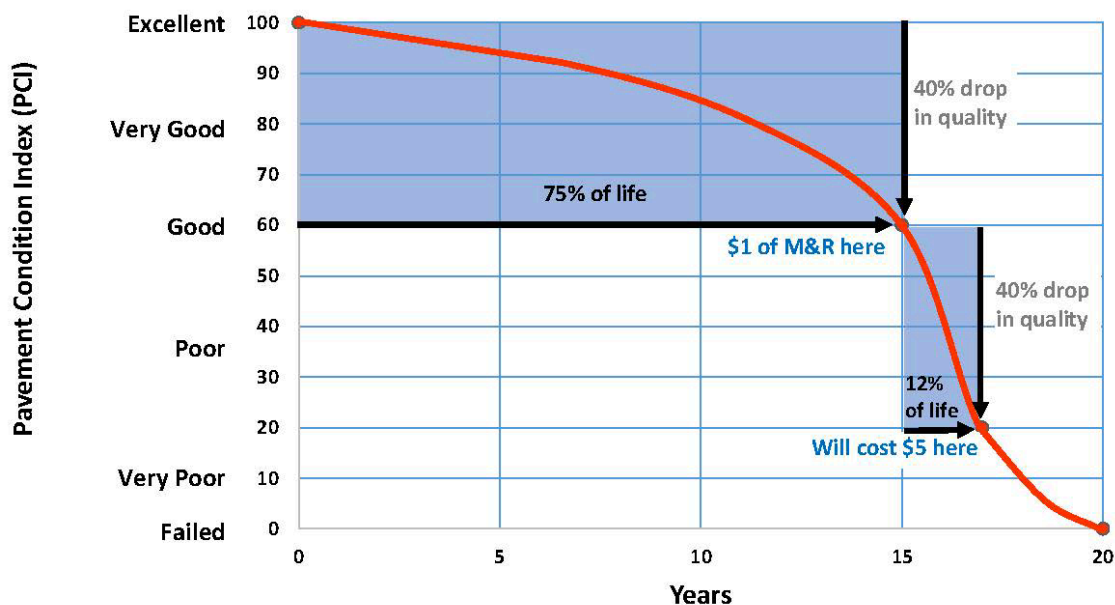
- Initiated design and cost discussions for Safety improvements on 5th Street West crossing at Studley Street and 5th Street West and the bike path between Linda Drive and Lasuen St/Claudia Dr.

Goal: Approve or reject design costs, if approved determine feasibility of initial design and construction costs for Safety improvements on 5th Street West crossing at Studley Street and 5th Street West and the bike path between Linda Drive and Lasuen St/Claudia Dr.

- The City's existing timber bridge at the Chase Street crossing over Nathanson Creek, constructed in 1910, is structurally deficient. This Capital Improvement Program (CIP) is a federally grant-funded project. The replacement of this bridge is necessary so that people can continue to safely cross Nathanson Creek along Chase Street. The new bridge has been designed to improve safety for pedestrians, bicyclists, and motorists on Chase Street.

Goal: Resubmit E-76 application for Construction Funds. Seek alternative funding as the Federal Bridge Program is underfunded. Update permits that may be expiring.

Pavement Life Cycle



Pavement Preservation Investment

- Pavement structures represent one of the largest capital investments for the City. The timing of pavement maintenance is critical, as the maintenance cost increases exponentially with time. It is far more economical to preserve roads than to delay repairs and reconstruct roads. This CIP continues the City's commitment to keeping the City's streets and multi-use pathways in a safe and functional condition for multi-modal circulation. As of March 2022, the City's Pavement Condition Index (PCI) was 69.

Goal: Continue to combine funding from Fiscal Years 2022-23 and 2023-24 toward next Slurry Seal Project in 2024.

Transportation Enhancements

This CIP includes three projects that would improve the experience of getting around in Sonoma.

TRANSPORTATION: Keeping Sonoma Moving Safely

- The Broadway (SR12) Pedestrian Safety Project will improve the safety of pedestrians crossing Broadway at four locations.
Goal: With approval from Caltrans, implement effective safety measures at Patten, France/Andrieux, Malet, and Traintown vicinity pedestrian crossings of Broadway.
- The Downtown Sonoma Parking Strategy and Implementation Project will address existing and future needs and better prepare the City to respond to downtown development proposals.
Goal: Casa Grande parking lot lease, public engagement, and City Council adoption of a Downtown Sonoma Parking Strategy.
- The federally grant-funded Fryer Creek Pedestrian & Bicycle Bridge Project will construct a new bicycle and pedestrian bridge/path and circulation/accessibility improvements along Newcomb Street and Fryer Creek Drive. This will improve access and connectivity for residents and students going to Adele Harrison Middle School and Sonoma Valley High School.
Goal: Complete Construction of Bridge Project.

CHALLENGES:

Funding continues to be a significant challenge for transportation projects especially due to the setback from the COVID Pandemic. The increased funding from the Road Maintenance and Rehabilitation Account will help to slow the decline in the City's pavement condition. Increased numbers of residents, businesses, and visitors put demands on all of the City's multi-modal transportation network. Funds are needed to maintain existing transportation infrastructure and to improve transportation networks for pedestrians, bicyclists, transit riders, and motorists. Existing local funds dedicated to transportation purposes are not sufficient to meet the needs. Federal and State grant funds are available for some of the City's existing and future transportation projects. These grants come with complex regulations that are very time-consuming to learn and follow. The City's limited staff needs assistance from a consultant with specialty grant expertise to successfully manage existing grant-funded projects and to seek additional grants to meet the community's need for an efficient and integrated transportation system throughout the City.

Project Name: Chase Street Bridge Replacement Project
CIP Number: T-1

Project Description: The City’s existing bridge at the Chase Street crossing over Nathanson Creek is structurally deficient and functionally obsolete, based on the California Department of Transportation (Caltrans) Bridge Inspection Reports that the City receives annually. Constructed in 1910, the Chase Street Bridge is located between Broadway and Austin Avenue. The bridge is a 23-foot wide, 24-foot long two-lane timber stringer structure with steel planks and asphalt concrete paved deck. The Chase Street Bridge Replacement Project (project) will replace the existing structurally deficient bridge with a single-span, 53-foot wide, 30-foot long concrete bridge with 12-foot high abutments.

The City has been approved to receive Highway Bridge Program (HBP) grant funding in the amount of \$2,310,345 for the replacement of the existing bridge. This is a federal grant administered by Caltrans. The funding covers approximately 88.53% (reimbursement rate) of the cost of the engineering phase (including environmental), the right-of-way phase, and the construction phase. The City has completed the engineering and right-of-way phases to date. The project is “shovel ready” and the City is anticipating an appropriation of Federal money in FY 2022-23.



Project Contact: Oriana Hart, Public Works Administrative and Project Manager

Estimated Construction: Summer 2023

Estimated Cumulative Prior Expenditures: \$972,434

Estimated 2021-22 Carryover: \$334,448

Total Estimated Project Funding: \$2,908,625

Funding Source	Carryover Funding 2021-22	Requested Funding 2022-23	Anticipated Request 2023-24	Anticipated Request 2024-25	Anticipated Request 2025-26	Anticipated Request 2026-27	5-year Total
Gas Taxes	\$228,713	\$0	\$0	\$0	\$0	\$0	\$0
Transportation Measure M	\$105,735	\$0	\$0	\$0	\$0	\$0	\$0
Grants Fund <i>(reimbursed by HBP federal grant)</i>	\$0	\$601,743	\$1,000,000	\$0	\$0	\$0	\$1,601,743
Total	\$334,448	\$601,743	\$1,000,000	\$0	\$0	\$0	\$1,601,743

Project Name: Fryer Creek Pedestrian and Bicycle Bridge Project
CIP Number: T-2

Project Description: The City’s Madera Park Trail extends north-south along Fryer Creek from Leveroni Road at the southwestern city limit and connects to 3rd Street West. The Fryer Creek Pedestrian & Bicycle Bridge will be constructed over Fryer Creek to connect Newcomb Street on the east and the existing Madera Park Trail and Manor Drive on the west. The project will provide new recreational facilities and include circulation/accessibility improvements along Newcomb Street and Fryer Creek Drive. A new 8-foot wide, 60-foot long paved bicycle and pedestrian path will extend from the eastern bridge approach to the existing residential driveway on the north side of Newcomb Street.

The Fryer Creek Bridge is a high priority project in the City’s Bicycle and Pedestrian Master Plan. The project was awarded a federal grant utilizing Congestion Mitigation and Air Quality (CMAQ) funds in the amount of \$501,000. The contract has been awarded and construction is underway in FY 2021-22. Construction will be complete in the Fall of 2022.



Project Contact: Oriana Hart, Public Works Administrative and Project Manager

Estimated Construction: Spring 2022-Fall 2022

Estimated Cumulative Prior Expenditures: \$288,391

Estimated 2021-22 Carryover: \$340,656

Total Project Funding: \$1,130,047

Funding Source	Carryover Funding 2021-22	Requested Funding 2022-23	Anticipated Request 2023-24	Anticipated Request 2024-25	Anticipated Request 2025-26	Anticipated Request 2026-27	5-year Total
Gas Taxes	\$120,000	\$0	\$0	\$0	\$0	\$0	\$0
General Fund	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0
Transportation Measure M	\$100,000	\$0	\$0	\$0	\$0	\$0	\$0
Quimby Funds	\$70,656	\$0	\$0	\$0	\$0	\$0	\$0
Grants Fund (OBAG)	\$0	\$501,000	\$0	\$0	\$0	\$0	\$501,000
Total	\$340,656	\$501,000	\$0	\$0	\$0	\$0	\$501,000

Project Name: Biennial Slurry Seal Projects
CIP Number: T-3

Project Description: The biennial slurry seal projects are a part of the City’s commitment to keeping the City’s streets and multi-use pathways in a safe and functional condition for multi-modal circulation. The City maintains approximately 34 centerline miles of paved streets and 4 centerline miles of multi-use pathways. Maintaining pavements on the citywide system involves complex decisions about how and when to apply treatments to keep pavement performance operating cost at reasonable levels. The City’s Pavement Management Program (PMP) is updated on a regular basis to document and track pavement conditions. The PMP is utilized to conduct responsive preventative maintenance decisions on every other year, including examining the Pavement Condition Index (PCI), roadway classification, and/or pathway use and external factors.

The purpose of the biennial slurry seal projects is to extend service life of streets and pathways in “Good” condition or above (PCI ≥ 70). Project treatments include Type II slurry seal and crack seal. These projects are expected to utilize Road Maintenance and Rehabilitation Account (RMRA) funding received from Senate Bill 1: The Road Repair and Accountability Act of 2017 for slurry seal on roadways (estimated \$225,000 per year) and City general funds for slurry seal on multi-use pathways and for design.



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Project Contact: Oriana Hart, Public Works Administrative and Project Manager

Estimated Construction: Every other year during Late Spring/Summer/Early Fall

Estimated Cumulative Prior Expenditures: N/A

Estimated 2021-22 Carryover: \$0

Total Project Funding: Ongoing – Biennial Project

Funding Source	Carryover Funding 2021-22	Requested Funding 2022-23	Anticipated Request 2023-24	Anticipated Request 2024-25	Anticipated Request 2025-26	Anticipated Request 2026-27	5-year Total
SB 1: RMRA Funding	\$0	\$249,009	\$250,000	\$250,000	\$250,000	\$250,000	\$1,249,009
General Fund	\$0	\$0	\$40,000	\$0	\$40,000	\$0	\$80,000
Total	\$0	\$249,009	\$290,000	\$250,000	\$290,000	\$250,000	\$1,329,009

Project Name: Citywide Sidewalk Inspection & Repair Program
CIP Number: T-4

Project Description: This project continues annual sidewalk inspection and repair, implementing the City’s phased program. The City’s sidewalk system is a vital component of the public infrastructure. The California Streets and Highway Code 5610 et seq. and the City of Sonoma Municipal Code Chapter 12.12 require that owners of lots, or portions of lots, fronting on any portion of a public street shall maintain any sidewalk in such conditions that the sidewalk will not endanger persons or property, and will not interfere with the public’s use of those areas.

To help ensure the City’s sidewalks are open and accessible to all persons, the City Council adopted the Sidewalk Trip Hazard Repair Policy (Policy) in October 2013. This Policy was intended to use a multi-phased approach to minimize potential trip hazards caused by cracked and damaged sidewalks. The Policy’s implementation program includes eleven inspection and repair phases. The City has completed Phases 1 through 11. The program will continue with a maintenance phase as well as homeowner matching assistance to complete repairs.



Project Contact: Oriana Hart, Public Works Administrative and Project Manager

Estimated Construction: Annually during Fall/Spring

Estimated Cumulative Prior Expenditures: N/A

Estimated 2021-22 Carryover: N/A

Total Project Funding: Ongoing – Annual Project

Funding Source	Carryover Funding 2021-22	Requested Funding 2022-23	Anticipated Request 2023-24	Anticipated Request 2024-25	Anticipated Request 2025-26	Anticipated Request 2026-27	5-year Total
General Fund	\$0	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$300,000
Total	\$0	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$300,000

Project Name: Ongoing Pavement Rehabilitation and Water Services Replacement Projects
CIP Number: T-5

Project Description: The ongoing pavement rehabilitation and water services replacement projects are a part of the City’s commitment to keeping the City’s streets and multi-use pathways in a safe and functional condition for multi-modal circulation. The process of flexible (asphalt) pavement rehabilitation involves prioritization of pavements in need of rehabilitation utilizing the City’s Pavement Management Plan (PMP); development of feasible rehabilitation strategies; and selection of the most cost effective strategy given a set of constraints including service life, life-cycle costs, and other utilities and budgetary considerations.

The City’s pavement rehabilitation portion of the projects will involve milling and resurfacing of the existing pavement to mitigate against the effects of rutting, cracking, and other distresses and will include, at a minimum, accessibility upgrades to pedestrian curb ramps, crosswalks, signage, and pavement markings. The project will include water services replacement as needed. These ongoing projects are expected to utilize a combination of funding sources including, but not limited to, Transportation Measure M sales tax, gas taxes, and City General Fund.



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Project Contact: Oriana Hart, Public Works Administrative and Project Manager

Estimated Construction: Ongoing, during Summer/Early Fall

Estimated Cumulative Prior Expenditures: N/A

Estimated 2021-22 Carryover: N/A

Total Project Funding: Ongoing project

Funding Source	Carryover Funding 2021-22	Requested Funding 2022-23	Anticipated Request 2023-24	Anticipated Request 2024-25	Anticipated Request 2025-26	Anticipated Request 2026-27	5-year Total
Gas Taxes	\$0	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,250,000
General Fund	\$0	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000
Transportation Measure M	\$0	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000
Total	\$0	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$2,000,000

Project Name: Citywide Roadway Safety Improvement Projects
CIP Number: T-6

Project Description: On December 17, 2018, the City Council accepted the City’s Systemic Safety Analysis Report (SSAR). The SSAR provides cost-effective countermeasures to improve roadway safety within the City. The SSAR revealed seven systemic roadway safety issues including school area safety, collisions at unsignalized crossings, left-turn collisions at signalized intersections, unsafe vehicle speed, driving or bicycling under the influence of alcohol or drugs, collisions involving motor vehicles and fixed objects, and collisions between motor vehicles and cyclists.

City staff is implementing some of the short-term projects identified in the SSAR, which includes infrastructure improvements (e.g. object markers and signs). Over the next few years, City staff is planning to continue with the medium-term projects, including: implementing Class II bike lanes, reconstructing intersections, implementing enhanced crosswalks, and others as identified in the SSAR. Project funding will also allow staff to respond to new safety issues that arise in Sonoma.



Project Contact: Oriana Hart, Public Works Administrative and Project Manager

Estimated Construction: N/A – Annual Project

Estimated Cumulative Prior Expenditures: N/A

Estimated 2021-22 Carryover: \$120,836

Total Project Funding: Ongoing

Funding Source	Carryover Funding 2021-22	Requested Funding 2022-23	Anticipated Request 2023-24	Anticipated Request 2024-25	Anticipated Request 2025-26	Anticipated Request 2026-27	5-year Total
Gas Taxes	\$100,000	\$50,000	\$100,000	\$100,000	\$100,000	\$100,000	\$450,000
General Fund	\$20,836	\$0	\$100,000	\$100,000	\$100,000	\$100,000	\$400,000
Total	\$120,836	\$50,000	\$200,000	\$200,000	\$200,000	\$200,000	\$850,000

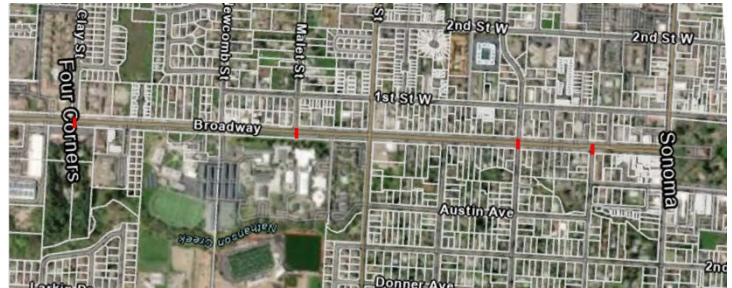
Project Name: Broadway (SR 12) Pedestrian Safety Project
CIP Number: T-10

Project Description: State Route (SR) 12 is the “Main Street” within the City of Sonoma and surrounding communities, with significant vehicular and pedestrian traffic. The City’s General Plan Circulation Element identifies future roadway network improvements, with the objective to minimize needed improvements while promoting alternatives to automobile use. The Circulation Element recommends reducing the width of Broadway from MacArthur Street to West Napa Street. This segment of Broadway currently includes five lanes (two in each direction with a center turn lane). Based on projected traffic volumes, a single travel lane in each direction would be expected to function acceptably. This improvement was completed in FY 21/22.

In FY 22/23, this project is proposed to continue with visible enhanced pedestrian crossings to increase pedestrian safety at marked. Proposed pedestrian safety improvements include:

Rapid Flashing Beacons

- Patten Street
- France/Andrieux Sts
- Malet St
- Clay St



Project Contact: Michael Berger, Public Works Director

Estimated Construction: 2022

Estimated Cumulative Prior Expenditures: N/A

Estimated 2021-22 Carryover: \$120,000

Total Project Funding: \$120,000

Funding Source	Carryover Funding 2021-22	Requested Funding 2022-23	Anticipated Request 2023-24	Anticipated Request 2024-25	Anticipated Request 2025-26	Anticipated Request 2026-27	5-year Total
General Fund	\$120,000	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$120,000	\$0	\$0	\$0	\$0	\$0	\$0

WATER CAPITAL IMPROVEMENT PROGRAM

As described in the 2018 Water Master Plan Update, the Sonoma community relies on the City to deliver high quality, dependable water for drinking, cooking, cleaning dishes, hygiene, landscaping, operating restaurants, hotels and other businesses, as well as dozens of other uses each and every day. People also rely on the City to deliver water that the Sonoma Valley Fire & Rescue Authority needs to protect the lives, homes, and properties of the residents, visitors, and business owners in Sonoma and the surrounding area.

The Water Utility Capital Improvement Program undertakes major projects that renew, replace, or augment the water system infrastructure. This infrastructure includes 3 City-owned tanks with a combined storage capacity of 5.5 million gallons, 7 production wells and appurtenant treatment facilities, 2 pump stations with a combined 140 horsepower maximum output, 56 miles of water main ranging from 8" to 14" in diameter, 513 fire hydrants, and approximately 4500 service connections.

Typical capital improvement projects include replacing aging water mains and appurtenances (e.g. tees, crosses, couplers, saddles, valves), neighborhood-scale water service replacement projects, renewing tank coatings and corrosion control systems, replacing well or pump station equipment, replacing Supervisory Control and Data Acquisition (SCADA) systems and equipment, a site or building improvements for well and pump station buildings (e.g. replacing roofs or electrical systems).

FISCAL YEAR 2021-22 ACCOMPLISHMENTS:

- Improved the resiliency of the City's water distribution system and increased fire protection through completion of Capital Improvement Project(s) W6 and W7, Fire Flow Improvements.
- Replaced all cast iron water valve boxes, frames, and covers along the State Route 12 (SR12) alignment in coordination with the California Department of Transportation through completion of Capital Improvement Project W12, Replacement of Valves Boxes.
- Completed engineering and design of Capital Improvement Project W13, Well No 1 Vault Cover and Air Exchange.

FISCAL YEAR 2022-23 GOALS:

- Complete construction of Capital Improvement Project W13, Well No 1 Vault Cover and Air Exchange.
- Initiate and complete Capital Improvement Project W14, Norrbom Tank Coating Renewal
- Initiate and complete Capital Improvement Project W15, Well No 3 Water Treatment Equipment Replacement
- Coordinate with Sonoma County Transportation and Public Works to complete Capital Improvement Project W16, Lovall Valley Road and Thornsberry Water Valve Box, Frame, Cover Replacement.

CHALLENGES:

Water Capital Improvement Program challenges include limited staff resources to implement projects, evolving groundwater regulations, and lack of data regarding the condition of existing water facilities.

Project Name: Water System Condition Data – Phase 2
CIP Number: W-2

Project Description: This project will update the City’s Geographic Information System (GIS) database further after Condition Data – Phase 1 (see CIP #W-1) adds information for pipe material and age. For Phase 2, factors to update into the database include the following: record drawings, pipe material details (i.e., class number or ASTM specifications), leak history, previous acoustic sounding information, data from a condition assessment of Asbestos Cement (AC) pipes, and preventative maintenance records.

This project also includes the improvement of the City’s Computerized Maintenance and Monitoring System (CMMS) for water activities. Planned outcomes for the CMMS effort include use of in-field computers to run an application that displays the GIS data and allows City operations staff to relate each of their maintenance or repair activities to a specific asset from GIS. The CMMS application will facilitate simultaneous multi-user read/write access to the water system database using industry-standard Relational Database Management System software.

This project was recommended for implementation in the City’s approved 2018 Water Master Plan Update.



WATER
UTILITY



Project Contact: Mike Brett, Water Conservation Coordinator & Erica Warren, Environmental Compliance Analyst

Estimated Initiation: 2023

Estimated Cumulative Prior Expenditures: \$0

Estimated 2020-21 Carryover: \$145,680

Total Project Funding: Ongoing

Funding Source	Carryover Funding 2021-22	Requested Funding 2022-23	Anticipated Request 2023-24	Anticipated Request 2024-25	Anticipated Request 2025-26	Anticipated Request 2026-27	5-year Total
Water Fund	\$145,680	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$145,680	\$0	\$0	\$0	\$0	\$0	\$0

Project Name: Urban Water Management Plan and Minor Water Master Plan Update
CIP Number: W-8

Project Description: An Urban Water Management Plan (UWMP) is required every five years. The 2025 UWMP will replace the City’s 2020 UWMP. The purpose of the UWMP is to evaluate whether the City can meet the water demands of its customers as projected over a 20- or 25-year planning horizon. Any municipal water supplier serving over 3,000 connections or 3,000 acre-feet per year is required to prepare a UWMP every five years under the California Urban Water Management Planning Act.

As part of a Water Master Plan Update, the City will need to incorporate water system projects that the City has completed since the current date, revise water supply and demand data consistent with the 2020 UWMP, and identify proposed water system improvement projects for inclusion in the City’s Capital Improvement Program (CIP).



Project Contact: TBD, Water Supervisor
Estimated Completion: (Ongoing)
Estimated Cumulative Prior Expenditures: N/A
Estimated 2021-22 Carryover: \$63,941
Total Project Funding: Ongoing

Funding Source	Carryover Funding 2021-22	Requested Funding 2022-23	Anticipated Request 2023-24	Anticipated Request 2024-25	Anticipated Request 2025-26	Anticipated Request 2026-27	5-year Total
Water Fund	\$63,941	\$0	\$0	\$0	\$75,000	\$0	\$75,000
Total	\$63,941	\$0	\$0	\$0	\$75,000	\$0	\$75,000

Project Name: Water Meter System Upgrades
CIP Number: W-10

Project Description: Currently, the City uses mechanical meters, which are read once a month using a drive-by automatic meter reading system. The objectives for replacing the existing hybrid-mechanical system with Advanced Metering Infrastructure (AMI) are to: cost-effectively enhance customer service, improve water savings, and provide near real-time water usage data to the City’s water customers. AMI would improve water system operations and provide faster leak detection throughout the water distribution system.

An initial feasibility assessment and draft Request for Proposals has been developed. The AMI project needs long-term City water staff to be successful. After completion of the Water Supervisor recruitment process, the AMI project can move forward.



Project Contact: TBD, Water Supervisor

Estimated Construction: 2024-25

Estimated Cumulative Prior Expenditures: \$40,658

Estimated 2021-22 Carryover: \$0

Total Project Funding: \$2,140,658

Funding Source	Carryover Funding 2021-22	Requested Funding 2022-23	Anticipated Request 2023-24	Anticipated Request 2024-25	Anticipated Request 2025-26	Anticipated Request 2026-27	5-year Total
Water Fund	\$0	\$0	\$500,000	\$500,000	\$0	\$0	\$1,000,000
Grant Fund	\$0	\$0	\$1,100,000	\$0	\$0	\$0	\$1,100,000
Total	\$0	\$0	\$1,600,000	\$500,000	\$0	\$0	\$2,100,000

Project Name: Well No. 1 Vault Cover and Air Exchange Improvements
CIP Number: W-13

Project Description: Well No. 1 is the oldest and highest-producing drinking-water production well owned and operated by the City of Sonoma. City Maintenance Workers must enter the Well No. 1 vault regularly to maintain drinking water disinfection equipment. The following mechanical, structural, and electrical design improvements to the vault would mitigate some confined space entry hazards, as well as the back, hand, and/or foot injury hazards associated with regular vault access:

- 1.) A new traffic-rated double-door vault lid to provide a minimum clear opening of 5 feet x 5 feet for access
- 2.) A new permanently-installed forced-air ventilation system
- 3.) New potable water disinfection equipment that will reduce the frequency with which maintenance staff must enter the underground vault.

Design was completed in FY2021-22. Construction will proceed in FY2022-23.



Project Contact: Chris Pegg, Public Works Operations Manager

Estimated Construction: 2022-23

Estimated Cumulative Prior Expenditures: \$80,000

Estimated 2021-22 Carryover: \$0

Total Project Funding: \$205,000

Funding Source	Carryover Funding 2021-22	Requested Funding 2022-23	Anticipated Request 2023-24	Anticipated Request 2024-25	Anticipated Request 2025-26	Anticipated Request 2026-27	5-year Total
Water Fund	\$0	\$125,000	\$0	\$0	\$0	\$0	\$125,000
Total	\$0	\$125,000	\$0	\$0	\$0	\$0	\$125,000

Project Name: Norrbom Tank Coating Renewal
CIP Number: W-14

Project Description: The Norrbom Road water tank guarantees that potable water is available to meet average and peak water demands, as well as adequate reserves for fire fighting activities, all at acceptable pressures for City water customers.

Construction of the 3 million-gallon storage tank was completed in 2002. The exterior coating of the tank is approaching the end of its useful life. To protect and extend the useful life of the tank itself, the exterior coating should be renewed in 2023.



Project Contact: Chris Pegg, Public Works Operations Manager

Estimated Construction: Spring 2023

Estimated Cumulative Prior Expenditures: \$0

Estimated 2021-22 Carryover: \$0

Total Project Funding: \$265,000

Funding Source	Carryover Funding 2021-22	Requested Funding 2022-23	Anticipated Request 2023-24	Anticipated Request 2024-25	Anticipated Request 2025-26	Anticipated Request 2026-27	5-year Total
Water Fund	\$0	\$265,000	\$0	\$0	\$0	\$0	\$265,000
Total	\$0	\$265,000	\$0	\$0	\$0	\$0	\$265,000

Project Name: Well No. 3 Water Disinfection Equipment Replacement
CIP Number: W-15

Project Description: Potable water produced at the City’s Well No. 3 facility is disinfected as a precaution against bacteria or viruses that can be present in groundwater prior to delivery into the City’s water distribution system and to City water customers.

The equipment used to disinfect water produced at Well No. 3 is reaching the end of its useful life and should be replaced in 2023 to ensure that the City’s water supply is reliable and resilient to anticipated drought cycles and potential short-term impacts to aqueduct water deliveries during a major disaster or sustained drought conditions.



Project Contact: Chris Pegg,

Estimated Construction: Spring 2023

Estimated Cumulative Prior Expenditures: \$0

Estimated 2021-22 Carryover: \$0

Total Project Funding: \$45,000

Funding Source	Carryover Funding 2021-22	Requested Funding 2022-23	Anticipated Request 2023-24	Anticipated Request 2024-25	Anticipated Request 2025-26	Anticipated Request 2026-27	5-year Total
Water Fund	\$0	\$45,000	\$0	\$0	\$0	\$0	\$45,000
Total	\$0	\$45,000	\$0	\$0	\$0	\$0	\$45,000

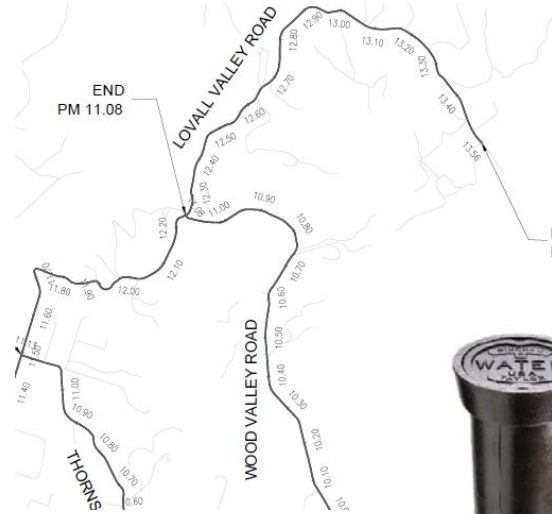
Project Name: Lovall Valley Road and Thornsberry Water Valve Box, Frame, Cover Replacement

CIP Number: W-16

Project Description: The City is responsible for 47 water valves in Sonoma County road rights-of-way that will be repaved in 2022. These include portions of Lovall Valley Road and Thornsberry Road.

When the Sonoma County repaving project is complete, the frames and covers for the City’s water valves will need to be replaced and adjusted to be flush with the new road surface.

The City will enter into an agreement with Sonoma County to include the required work on the City’s valves in its paving contract and invoice the City for the bid price of the work and a 20% fee for engineering, contract administration, and contingencies.



Project Contact: Chris Pegg, Public Works Operations Manager

Estimated Construction: Summer/Fall 2022

Estimated Cumulative Prior Expenditures: \$0

Estimated 2021-22 Carryover: \$0

Total Project Funding: \$32,500

Funding Source	Carryover Funding 2021-22	Requested Funding 2022-23	Anticipated Request 2023-24	Anticipated Request 2024-25	Anticipated Request 2025-26	Anticipated Request 2026-27	5-year Total
Water Fund	\$0	\$32,500	\$0	\$0	\$0	\$0	\$32,500
Total	\$0	\$32,500	\$0	\$0	\$0	\$0	\$32,500

GLOSSARY OF FINANCIAL AND BUDGET TERMS

CITY OF SONOMA

GLOSSARY OF FINANCIAL AND BUDGET TERMS

Accounts Payable: Amounts owed by the City to external entities for goods and services received.

Accounts Receivable: Amounts due to the City from external entities for goods and services furnished.

Accrual: Accrual is an accounting method that records revenues and expenses when they are incurred, regardless of when cash is exchanged.

Adopted Budget: Appropriations adopted through resolution by the City Council.

Adoption: Formal action by the City Council, which sets the spending path for the fiscal year.

Amended Budget: The current budget adopted by the City Council, in addition to Council-approved modifications authorized throughout the year.

Agency Funds: Also known as Fiduciary Fund types, these funds are used to account for assets held by the City in a trustee capacity or as an agent for private individuals, organizations, or other governmental agencies. The fiduciary funds used by the City include the Successor Agency Funds.

Appropriation: An authorization made by the City Council, which permits the City to incur obligations and to make expenditures of resources. The authorization lapses at fiscal yearend.

Appropriation Limitation: Imposed by Propositions 4 and 111, creates a restriction on the amount of revenue which can be appropriated in any fiscal year. The Limit is based on actual appropriations during the 1978-79 fiscal year and is increased each year using the growth of population and inflation. Not all revenues are restricted by the limit; only those which are referred to as "proceeds of taxes." Some examples of proceeds of taxes are sales tax, property tax, and business license tax.

Assessed Valuation: A value established for real property for use as a basis in levying property taxes. For all agencies in the State of California, the County for the secured and unsecured property tax rolls establishes assessed value; the utility property tax roll is valued by the State Board of Equalization. Under Article XIII of the State Constitution (Proposition 13 adopted by the voters on June 6, 1978), properties are assessed at 100% of full value. Proposition 13 also modified the value of real taxable property for fiscal year 1979 by rolling back values to fiscal 1976 levels. From this basis of assessment, subsequent annual increases in valuation are limited to a maximum of 2%. However, increases to full value are allowed for property improvements or upon change in ownership. Personal property is excluded from these limitations and is subject to annual reappraisal. Property taxes for general purposes cannot exceed 1% of assessed value.

Asset: Resources owned or held by the City that have monetary value.

Audit: Prepared by an independent certified public accountant (CPA), the primary objective of an audit is to determine if the City's financial statements present fairly the City's financial position and results of

operations in conformity with generally accepted accounting principles. In conjunction with their performance of an audit, it is customary for an independent auditor to issue a Management Letter stating the adequacy of the City's internal controls, as well as recommending improvements to the City's financial management practices.

Balance Sheet: A statement presenting the financial position of an entity by disclosing its assets, liabilities, and fund equities as of a specific date.

Bond: An interest-bearing or discounted government security that obligates the issuer to pay the bondholder(s) specified sums of money at regular intervals and to repay the principal of the loan at maturity. Bonds are used to finance large capital projects such as buildings, streets, utility infrastructure, and bridges.

Bond Proceeds: The funds received from the issuance of bonds.

Budget: A financial plan for a specified period of time that matches planned revenues and expenditures to municipal services, goals and objectives.

Budget Amendment: The City Council has the sole responsibility for adopting the City's budget, and may amend or supplement the budget at any time after adoption by majority vote. The City Manager has the authority to approve administrative adjustments to the budget as long as those changes are to transfer appropriations from one line item to another within a departmental/activity budget.

Budget Calendar: The schedule of budget preparations, hearings and adoption of an annual budget.

Budget Policies: General and specific guidelines that govern financial plan preparation and administration.

Budgetary Basis: This refers to the form of accounting used throughout the budget process. These generally take one of three forms: GAAP, cash, modified accrual, or some type of statutory form.

California Environmental Quality Act (CEQA): A state law mandating environmental review of most public and private projects.

CalPERS: The California Public Employees' Retirement System. CalPERS provides retirement and health benefits to public employees, retirees, their families, and employers.

California Public Employee's Pension Reform Act (PEPRA): Act signed into law by Governor Jerry Brown for all public employers in the state that mandates new, lower benefit pension formulas for employees hired after December 31, 2012, with the goal of reducing pension costs over time.

California Society of Municipal Finance Officers (CSMFO): Statewide association for finance professionals in California cities, special districts, and counties, as well as commercial finance professionals, such as brokers, bankers, auditors, and specialized financial consultants. CSMFO offers a variety of professional training programs for its members.

Capital Assets: Land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure and all other tangible and intangible assets that are used in operations and have useful lives extending beyond a single reporting

period. Capital assets are not physically consumed by their use, though their economic usefulness typically declines over time.

Capital Budget: Program for financing long-term outlays for construction or major repairs of facilities, buildings, and infrastructure.

Capital Improvements: Construction or major repair of city facilities, buildings, and infrastructure.

Capital Outlay: The acquisition costs of equipment with a value greater than \$5,000 for non-infrastructure capital assets and \$25,000 for infrastructure capital assets and a useful life of five years or more used in providing direct services.

Capital Improvement Plan (CIP): A five-year plan providing for maintaining or replacing existing public facilities and assets and for building or acquiring new ones.

Cash Basis: A basis of accounting in which transactions are recognized only when cash is increased or decreased.

Debt Service: The costs of paying the principal and interest on borrowed money according to a predetermined schedule.

Debt Service Funds: Funds used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Department: A major organizational unit of the City, which has been assigned overall management responsibility for an operation, or a group of related operations within a functional area.

Depreciation: Expiration in the service life of capital assets attributable to wear and tear, deterioration, action of physical elements, inadequacy or obsolescence.

Division: A functional unit within a department.

Encumbrance: The commitment of appropriated funds to purchase an item or service in the future.

Enterprise Funds: The fund type is used to account for operations that are financed and operated in a manner similar to private sector enterprises and it is the intent of the City that the costs of providing goods or services to the general public be financed or recovered primarily through user charges. The City accounts for the Cemetery and Water operations as Enterprise Funds.

Expenditures: The outflow of funds paid or to be paid for an asset obtained or goods and services obtained regardless of when the expense is actually paid. This term applies to all funds. Note: An encumbrance is not an expenditure; and encumbrance reserves funds to be expended.

Fiscal Year (FY): A time period designated by the city signifying the beginning and ending period for recording financial transactions. The City of Sonoma has specified July 1 to June 30 as its fiscal year.

Full-Time Equivalent (FTE): The conversion of permanent, part-time, or temporary positions to a decimal equivalent of a permanent, full-time position based on an annual amount of 2,080 hours worked.

Fund: An accounting entity with a self-balancing set of accounts recording financial resources and transactions for specific activities.

Fund Balance: Also known as financial position, fund balance for governmental fund types is the excess of fund assets over liabilities, and represents the cumulative effect of revenues and other financing sources over expenditures and other financing uses.

Gann Appropriation Limit: A State of California mandated appropriation limit imposed on local jurisdictions.

General Fund: The primary operating fund of the City, all revenues that are not allocated by law or contractual agreement to a specific fund are accounted for in the General Fund. With the exception of subvention or grant revenues restricted for specific uses, General Fund resources can be utilized for any legitimate government purpose. The General Fund accounts for tax and other general-purpose revenues, e.g., sales taxes, property taxes, fines and forfeitures, investment income, etc., and records the transactions of general governmental services, e.g., police, parks and recreation, public works, planning, etc.

Generally Accepted Accounting Principles (GAAP): Uniform minimum standards for financial accounting and recording, encompassing the conventions, rules, and procedures that define accepted accounting principles.

General Obligation (GO) Bonds: Debt that is a general obligation of the city, primarily financed through property tax assessment.

Government Finance Officers Association (GFOA): Organization established to promote and enhance the professional management of governments for the public benefit by identifying and developing financial policies and practices and promoting them through education, training, and leadership.

Governmental Accounting Standards Board (GASB): Organization established to improve standards of generally accepted accounting principles (GAAP) used by state and local governments.

Governmental Funds: Governmental Funds are used to account for most of the City's general government activities.

Grant: A contribution by a government or other organization to provide funding for a specific project. Grants can either be classified as capital projects or operational, depending on the grantee.

Interdepartmental Charges: Accounts for the reimbursement of the cost of services provided by Internal Service Fund programs to other programs and departments.

Internal Service Funds: Used to finance and account for goods and services provided by one City department to other city departments.

Joint Powers Authority (JPA): A unit of local government, authorized under the state Government Code, created to jointly administer a shared power, under the terms of a joint exercise of powers agreement adopted by the member agencies.

Liability: Debt or other legal obligations arising out of past transactions that will be liquidated, renewed, or refunded at some future date.

Line Item Budget: A budget that lists detailed expenditure categories (salary, materials, supplies, operations, etc.) separately, along with the amount budgeted for each specified category. The City uses a line item detail to maintain and record for financial reporting and control purposes.

Materials & Supplies: The costs of utilities, materials and supplies, services, fuel, and other non-labor costs.

Memorandum of Understanding (MOU): A document detailing the results of labor negotiations between the City and its various bargaining units.

Modified Accrual Basis of Accounting: The basis of accounting under which revenues are recognized when measurable and available to pay liabilities. Expenditures are recognized when the liability is incurred, except for interest on long term debt, which is recognized when due, and the noncurrent portion of accrued vacation and sick leave, which is recoded in general long-term debt.

Municipal Code: A collection of laws, rules, and regulations that apply to the City and its citizens.

National Pollution Discharge Elimination System (NPDES): Federally mandated program with the goal of reducing the discharge of pollutants into creeks.

Objective: A specific statement describing a result to be achieved in support of a department's purpose.

Operating Budget: A financial plan used to allocate resources among program operations, which lists an estimate of required expenditures and the means of financing them for the fiscal year.

Ordinance: A formal legislative enactment by the City Council.

Other Post-Employment Benefits (OPEB): Post-employment benefits that an employee will begin to receive when the employee retires.

Outstanding Encumbrance: The money allocated for payment of goods/services ordered but not yet received within the fiscal year at a given point in time.

Performance Measure: Data collected to determine how effective or efficient a program is in delivering services.

Personnel: Reflects total full-time, part-time, and temporary budgeted positions, expressed as full-time equivalents. (Example: Two half-time positions equal one full-time equivalent.)

Pension Obligation Bonds (POB): Debt incurred by the City to pay its unfunded accrued liability with the California Public Employees Retirement System.

Previous Actual: Audited revenues and appropriations for prior fiscal year(s).

Prior Year Encumbrances: Money set aside from last year's budget to pay for items or services ordered during that year but received in the subsequent fiscal year. The encumbrance is removed when the items or services are received and paid for.

Program: An activity or group of similar activities organized as a sub-unit of a department for planning, and performance measurement purposes.

Projected Actual: Estimate of revenues and appropriations for the fiscal year just ended, prior to the final accounting and external audit.

Purpose or Mission: A broad statement of the goals, in terms of meeting public service needs, that a department is organized to achieve.

Reserve: An account used to indicate that a portion of a fund's balance is legally restricted for a specific purpose or designated by Council and is, therefore, not available for general appropriation.

Resolution: A special order of the City Council that requires less formality than an ordinance.

Resources: Total dollars available for appropriations including estimated revenues, fund transfers, and beginning fund balances.

Retained Earnings: The proprietary fund equivalent of accumulated equity. Working capital (current assets, less current liabilities) can be used to finance budgetary expenditures for proprietary funds (Internal Service and Enterprise Funds).

Revenues: The historical and estimated yield of taxes and other sources of income that a governmental unit collects and receives for public use.

Special Revenue Funds: This fund type is used to account for the proceeds of specific revenue sources (other than trusts or capital funds) that are legally restricted to expenditures for specific purposes.

Subventions: Revenues collected by the State (or other level of government), which are allocated to the City on a formula basis. The major subventions received by the City of Sonoma from the State of California include motor vehicle in-lieu and gasoline taxes.

Successor Agency: An agency that is authorized by law to accept and maintain the legal title, custody, and dominion of records that were created by the former redevelopment agencies. All redevelopment agencies were eliminated by the State of California in 2011.

Tax Allocation Bonds (TAB): Debt issued by the former redevelopment agency to pay an obligation incurred by the Agency under an owner participation agreement.

Taxes: Compulsory charges levied by government for the purpose of financing services performed for the common benefit. This term does not include specific charges made against particular persons or property for current or permanent benefits, such as special assessments. Neither does this term include charges for services rendered only to those playing such charges.

Transfers In/Out: Amounts transferred from one fund to another fund to assist in financing the services for the recipient fund.

Unfunded Accrued Liability (UAL): The excess of the Actuarial Accrued Liability (AAL) over the Actuarial Value of Assets (AVA). The UAL can derive from three sources: unfunded past Normal costs, actuarial gains, and losses (differences between actuarial assumptions and actual experience), and changes to the level of benefits promised.

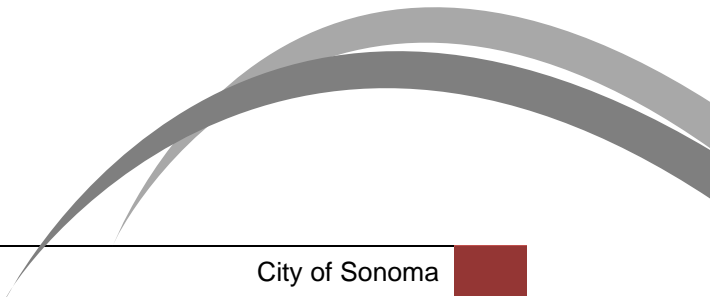
User Charges/Fees: The payment of a fee for direct receipt of a public service by the party that benefits from the service.

Working Capital: Current assets, less current liabilities.

Year to Date (YTD): Total expenses incurred since the beginning of the current fiscal year to a specific date (example: October YTD refers to expenses incurred from July 1st to October 31st).



APPROPRIATIONS (GANN) LIMIT



APPROPRIATIONS (GANN) LIMIT

Propositions 4, also known as the Gann initiative, was approved by California voters in 1979 and was revised by Proposition 111 in 1990. These propositions, now Article XIII B of the California Constitution, require public agencies to adopt an annual appropriations limit. Appropriations that are subject to this limit (generally, appropriations from proceeds of taxes) may not, with certain exceptions, exceed the appropriations limit.

The appropriations limit is based on a city's actual appropriations in FY 1978-79, adjusted in each subsequent year by a population factor and cost of living factor. The population factor is the greater percentage change of the city population or the county population. The State of California Department of Finance provides this data on an annual basis.

For purposes of the cost of living factor, Proposition 111 added to Article XIII B: "Change in the cost of living for an entity of local government, other than a school district or a community college district, shall be either (A) the percentage change in California per capita personal income from the preceding year, OR (B) the percentage change in the local assessment roll from the preceding year for the jurisdiction due to the addition of local non-residential new construction, whichever is greater." The local assessment roll is the assessed valuation of the jurisdiction.

The change in the appropriations limit is calculated annually by staff from the information provided by the State of California Department of Finance and the percentage change in assessed valuation due to non-residential new construction provided by HdL, the City's Property Tax consultant. After the annual appropriations limit is calculated, the appropriations that are subject to the limit are determined. The appropriations limit only applies to appropriations that are funded from proceeds of taxes.

The Fiscal Year 2022-23 appropriations limit was calculated using the Statewide Per Capita Person Income increase of 7.55% and the City-wide population increase of 0.22%. The formula uses a combined adjustment of these two factors which results in the prior year appropriations limit being increased by 7.79%.

Using this percentage, the City of Sonoma's appropriations limit increased \$1,922,416 to \$26,600,413. Appropriations that are subject to the limit are \$17,899,295, so the City is well under the appropriation limit by \$8,701,118. Details of the computations are presented in the following resolution.

City of Sonoma

RESOLUTION # 42-2022

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SONOMA ESTABLISHING THE APPROPRIATIONS LIMIT FOR THE FISCAL YEAR 2022-23

WHEREAS, Article XIII B of the California Constitution provides that the total annual Appropriations Subject to Limit of each governmental entity, including this city, shall not exceed the Appropriations Limit of such entity of government, as determined by adjusting the prior fiscal year Appropriations Limit by the greater of the changes in city or county population, combined with the greater of the change in California per capita personal income or the change in the local assessment roll due to the addition of local non-residential construction; and

WHEREAS, pursuant to said Article XIII B of said California Constitution and Section 7900 et seq., of the California Government Code, the City is required to set its Appropriations Limit annually; and

WHEREAS, the Deputy Finance Director of the City of Sonoma has interpreted the technical provisions of said Article XIII B computations and has caused the numbers upon which the City's Appropriation limit is based to be calculated; and

WHEREAS, the Fiscal Year 2022-23 Appropriations Limit is calculated using the following:

- The State of California per capital personal income increase determined by the California Department of Finance for the calendar year 2022, 7.55%; and
- The City of Sonoma population decrease for the calendar year 2022 as determined by the California Department of Finance, 0.22%.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Sonoma that:

1. The annual adjustment factors used to calculate the Fiscal Year 2022-23 Appropriations Limit shall be the change in the State of California per capital personal income increase of 7.55% and the City of Sonoma population increase of 0.22%.
2. The new Appropriations Limit for Fiscal Year 2022-23 shall be and is hereby set in the amount of \$26,600,413.
3. The Fiscal Year 2022-23 Adopted Budget appropriations subject to the Appropriations Limit is \$17,899,295.

PASSED AND ADOPTED by the City Council of the City of Sonoma at their regular meeting held on the 15th day of June 2022, by the following roll call vote:

AYES: **AGRIMOTI, BARNETT, FELDER, LOWE, DING**

NOES:

ABSENT:

ABSTAIN:



Jack Ding, Mayor

ATTEST:



Rebekah Barr, City Clerk



May 2022

Dear Fiscal Officer:

Subject: Price Factor and Population Information

Appropriations Limit

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

Population Percent Change for Special Districts

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

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

Population Certification

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

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

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

KEELY MARTIN BOSLER

Director

By:

ERIKA LI

Chief Deputy Director

Attachment

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

Per Capita Personal Income

Fiscal Year (FY)	Percentage change over prior year
2022-23	7.55

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

2022-23:

Per Capita Cost of Living Change = 7.55 percent
 Population Change = -0.30 percent

Per Capita Cost of Living converted to a ratio: $\frac{7.55 + 100}{100} = 1.0755$

Population converted to a ratio: $\frac{-0.30 + 100}{100} = 0.997$

Calculation of factor for FY 2022-23: $1.0755 \times 0.997 = 1.0723$

Fiscal Year 2022-23

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

County City	<u>Percent Change</u>	<u>--- Population Minus Exclusions ---</u>		<u>Total</u>
	2021-2022	1-1-21	1-1-22	1-1-2022
Sonoma				
Cloverdale	-1.37	9,029	8,905	8,905
Cotati	-1.53	7,512	7,397	7,397
Healdsburg	-1.29	11,174	11,030	11,030
Petaluma	-1.36	59,756	58,945	58,945
Rohnert Park	-0.65	44,287	43,998	43,998
Santa Rosa	-0.91	177,396	175,775	175,775
Sebastopol	-0.41	7,520	7,489	7,489
Sonoma	0.22	10,755	10,779	10,779
Windsor	-0.73	26,134	25,942	25,942
Unincorporated	0.54	130,546	131,253	132,144
County Total	-0.54	484,109	481,513	482,404

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

THE CITY OF SONOMA NONRESIDENTIAL NEW CONSTRUCTION

2019/20 TO 2020/21 TAX YEARS - IN PARCEL NUMBER ORDER

Parcel	Use Category	Owner	Prior Year Improvements	Current Year Improvements	Percent Change
018-141-004-000	Irrigated	Sealey Mission Vineyard Llc	638,670	1,725,942	+ 170.2%
018-161-017-000	Commercial	1890 Cooperage Llc	1,224,000	1,381,516	+ 12.9%
018-202-084-000	Commercial	Marino Enterprises Llc	871,219	1,518,643	+ 74.3%
018-241-057-000	Commercial	Exchange Bank	962,935	1,115,325	+ 15.8%
018-411-002-000	Commercial	Tranchina Daniel Martin Trust	272,125	900,000	+ 230.7%
018-411-018-000	Commercial	Pets Lifeline Inc	131,430	175,000	+ 33.2%
018-530-038-000	Commercial	Kasson Ranch Llc	1,208,707	1,407,161	+ 16.4%
127-141-024-000	Commercial	Crozat Family Properties Llc	848,966	877,930	+ 3.4%
8 Parcels Listed			6,158,052	9,101,517	+ 47.8%

This calculation reflects the 2020/21 increase in taxable values for this city due to non-residential new construction as a percentage of the total taxable value **Increase** (as of the 2020/21 lien year roll date). This percentage may be used as an alternative to the change in California per-capita personal income for calculating a taxing agency's annual adjustment of its Appropriation Limit pursuant to Article XIII B of the State Constitution as Amended by Proposition 111 in June, 1990.

Total Change in Non-Residential Valuation Due to New Development	2,943,465
Less Automatic 2.000% Assessors's Inflation Adjustment	-123,161
<u>Actual Change in Non-Residential Valuation</u>	<u>2,820,304</u>
Change in Total Assessed Value	169,224,310
= Alternate 2021/22 Appropriations Limit Factor	1.67%

FISCAL YEAR 2022-23 BUDGET RESOLUTIONS

**Operating Budget Resolution
Capital Improvement Program Resolution
Authorized Positions Resolution**

City of Sonoma

RESOLUTION #31-2022

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SONOMA AND THE SUCCESSOR AGENCY OF THE FORMER SONOMA COMMUNITY DEVELOPMENT AGENCY ADOPTING THE FISCAL YEAR 2022-23 CITY OF SONOMA OPERATING BUDGET, WAIVING THE ANNUAL ALLOCATION TO THE PUBLIC ART FUND FOR THE FISCAL YEAR 2022-23; APPROVING COMMUNITY FUND PROGRAMMING AND “HERITAGE AND COMMUNITY EVENT” FEE WAIVERS IF GATHERINGS ARE ALLOWED TO CONTINUE PER PUBLIC HEALTH ORDERS; AND AUTHORIZING THE INTERIM CITY MANAGER, OR HER DESIGNEE TO EXECUTE TASK ORDERS FOR CITY ENGINEERING SERVICES WITH CIP CONSULTANTS

WHEREAS, the Interim City Manager presented on May 4, and May 18, 2022 to City Council, the proposed budget for fiscal year (FY) 2022-23, including estimated revenues and recommended appropriations for operations and capital; and

WHEREAS, the City Council of the City of Sonoma has held duly noticed special meetings to review, and provide opportunity for and receive public comments, regarding the proposed fiscal year 2022-23 budget, including appropriations for authorized positions by department: and

WHEREAS, the Interim City Manager’s Budget Message provides an executive summary of the proposed budget; and

WHEREAS, the City Council, in keeping with its desire to encourage the development of public art within the City, adopted Ordinance No. 04-2009 establishing a Public Art Program in the City of Sonoma on April 1, 2009. The ordinance established funding mechanisms which included a contribution to the Public Art Fund of 1% of the project valuation costs in excess of \$250,000 for public development projects and an annual City allocation equal to one-quarter of one percent of the City of Sonoma’s budgeted general fund expenditures; and

WHEREAS, the ordinance included a provision allowing the City Council to waive or reduce the annual allocation if the City’s financial situation did not allow for the funding to be set aside. Said waiver was to be adopted by a resolution setting forth findings for the waiver; and

WHEREAS, since 2012, the City of Sonoma has been impacted by the dissolution of the Sonoma Community Development Agency and has absorbed a number of costs in the City’s General Fund including the costs of capital projects and administration and, as a result, the City lacks sufficient operating funds in the fiscal year 2022-23 for a transfer to the Public Art Fund; and

WHEREAS, Government Code 29125 allows for the transfers and revisions to the adopted appropriations made by an action adopted at a regular or special City Council meeting, and such transfers and revisions will not increase fund appropriations, and year end budget adjustments are necessary to better reflect estimated actuals at year end.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Sonoma hereby:

1. Approves the total Operating Budget of \$38,719,922 submitted by the Interim City Manager as set forth in Exhibit A which is attached hereto and by this reference made a

part hereof is hereby adopted as the total operating budget of the City of Sonoma for fiscal year 2022-23.

2. The City Council of the City of Sonoma that based on the following findings, the annual allocation equal to one-quarter of the one percent of the budgeted general fund expenditures to the Public Art Fund is hereby waived for FY 2022-23. Since 2012, the City of Sonoma has been impacted by the dissolution of the Sonoma Community Development Agency resulting in absorption of significant costs by the City General Fund. The City's General Fund is needed to fund near-term major and minor capital projects. In addition, funding for aging infrastructure and major long-term capital projects is deficient. Public Art funding does not fall within the City's priority for maintaining its core services. Although the City Council adopted a balanced Operating and Capital Budget for Fiscal Year 2022-23, excess funds for services that are not identified as core services will be needed in the long term to fund rising employee benefit costs, capital needs and aging infrastructure.
3. That the proposed budget provides funding for the City's non-profit recreation partners in the Community Activities budget in Attachment A.
4. The Interim City Manager, or her designee, is authorized to execute task orders for City Engineering Services with GHD, Inc. and any future selected contract engineering firms, consistent with the FY 2022-23 Operating and Capital Budget for the City of Sonoma.

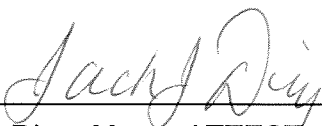
The foregoing Resolution was duly adopted this 1st day of June 2022, by the following roll call vote:

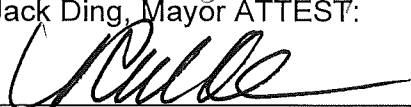
AYES: **AGRIMONTI, BARNETT, FELDER, LOWE, DING**

NOES:

ABSTAIN:

ABSENT:



Jack Ding, Mayor ATTEST:


Rebekah Barr, MMC, City Clerk

CITY OF SONOMA / SUCCESSOR AGENCY
OPERATING, CAPITAL PROJECTS,
ENTERPRISE, SPECIAL REVENUE, INTERNAL SERVICE, DEBT SERVICE AND AGENCY FUNDS
FY 22/23 ALL FUNDS EXPENSE

Expenditure Category	FY 22/23 Budget	Expenditure Category	FY 22/23 Budget
GENERAL FUND - OPERATING:		SPECIAL REVENUE FUNDS:	
City Council (41001)	\$131,655	Public, Educational & Govt PEG (202)	\$55,000
City Clerk (41002)	\$422,144	C.O.P.S. Grant (217)	\$102,100
City Manager (41003)	\$1,126,590	Gas Tax (302)	\$300,000
Finance (41004)	\$903,954	SB-1 Road Maintenance (303)	\$249,009
Legal Services (41005)	\$337,848	Transportation Measure M (313)	\$100,000
Police (42101)	\$6,169,852	Parks-in-Lieu/Quimby Act (314)	\$0
Fire/EMS (42201)	\$7,252,378	Parks Measure M (315)	\$155,000
Public Works Admin (43020)	\$379,418	Parks-Proposition 68 (316)	\$185,015
Public Works Streets (43022)	\$1,005,622	EMS Equipment Replacement (521)	\$79,500
Public Works Parks (43023)	\$1,307,652	Grants Restricted (630)	\$1,102,743
Planning (43030)	\$1,068,656	Pool Scholarship (715)	\$25,000
Building (43040)	\$729,196	Housing Trust Fund (732)	\$0
Community Activities (43101)	\$924,659	Inter-Govt Transfer IGT (796)	\$861,800
Successor Agency (43199)	\$195,189	Cemetery Endowment (504)	\$50,000
Non-Departmental (43200)	\$885,403	INTERNAL SERVICE FUNDS:	
Subtotal General Fund - Operating (100)	\$22,840,216	MIS (601)	\$551,930
General Fund Transfer Out (43999)	\$789,021	Vehicle & Equipment Replacement (603)	\$536,000
Total General Fund - Operating (100)	\$23,629,237	Long Term Building Maintenance (610)	\$305,000
CAPITAL PROJECTS:		DEBT SERVICE FUNDS:	
Streets/Transp/Drainage Cap Projs (301)	\$230,000	CREBS (495)	\$41,749
Parks & Facilities Capital Projects (304)	\$120,000	POB (498)	\$0
Water Utility - Capital Projects (512)	\$467,500	AGENCY FUNDS:	
ENTERPRISE FUNDS:		Successor Agency ROPS (391)	\$2,630,651
Cemetery (501)	\$483,145	TOTAL ALL EXPENSES	\$38,719,922
Water Utility Operating (510)	\$6,459,543		

City of Sonoma

RESOLUTION #32-2022

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SONOMA ADOPTING THE 2022-27 FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM; AND AUTHORIZING CAPITAL PROJECT FUNDS APPROPRIATED AND UNSPENT IN FISCAL YEAR 2021-22 TO BE ROLLED INTO THE FISCAL YEAR 2022-23 BUDGET

WHEREAS, City staff has prepared a Capital Improvement Program, designed to serve as both a financial and project planning document; and

WHEREAS, on May 4, and May 18, 2022, the proposed budget was presented for fiscal year 2022-23, including estimated revenues and recommended appropriations for operations and capital; and

WHEREAS, on May 4, and May 18, 2022, the City Council held duly noticed special meetings to review, and provide opportunity for and receive public comments, regarding the proposed fiscal year 2022-23 budget, including appropriations for authorized positions by department; and

WHEREAS, the City Council also desires to accommodate a process for the carryover of unspent FY 2021-22 capital project funds where work and expenditures will continue in the FY 2022-23;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Sonoma hereby:

1. Adopts the City of Sonoma 2022-27 Five-year Capital Improvement Program as summarized in the attached Exhibit A and incorporated into the FY 2022-23 Operating and Capital Budget for the City of Sonoma.
2. The Capital Project Funds Appropriated and Unspent in FY 2021-22 (estimated at \$1,982,497) will be rolled into the FY 2022-23 Capital Improvement Plan Budget.

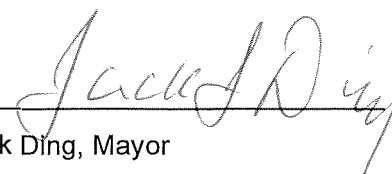
The foregoing Resolution was duly adopted this 1st day of June 2022, by the following roll call vote:

AYES: *AGRIMONTI, BARNETT, FELDER, LOWE, DING*

NOES:


ABSTAIN:

ABSENT:



Jack Ding, Mayor

ATTEST:



Rebekah Barr, MMC, City Clerk

Capital Improvement Program Fiscal Years 2022-27								
CIP #	Project Name	Carryover Funding	FY 2022-23 Request	FY 2023-24 Request	FY 2024-25 Request	FY 2025-26 Request	FY 2026-27 Request	5-Year Total
BUILDINGS & FACILITIES: Maintaining Critical Assets								
BF-2	Public Works Safety and Facility Security at Corporation Yard	\$26,000	\$0	\$0	\$0	\$0	\$0	\$0
BF-4	City Hall Emergency Power	\$0	\$0	\$220,000	\$0	\$0	\$0	\$220,000
BF-8	Depot Park Museum HVAC Project	\$60,000	\$20,000	\$0	\$0	\$0	\$0	\$20,000
SUBTOTAL		\$86,000	\$20,000	\$220,000	\$0	\$0	\$0	\$240,000
CREEKS & DRAINAGE: Reducing Flooding and Protecting Water Quality								
CD-1	Storm Water Trash Reduction Systems	\$98,000	\$0	\$98,400	\$196,800	\$196,800	\$196,800	\$688,800
CD-3	Broadway and Leveroni Road Flood Reduction and Trash Capture Project	\$0	\$0	\$565,000	\$0	\$0	\$0	\$565,000
SUBTOTAL		\$98,000	\$0	\$663,400	\$196,800	\$196,800	\$196,800	\$1,253,800
PARKS: Making Life Better								
P-6	Montini Trail Connection and Enhancement Project	\$175,000	\$30,000	\$50,000	\$0	\$0	\$0	\$80,000
P-7	Pinelli Park Improvement Project	\$32,755	\$0	\$0	\$0	\$0	\$0	\$0
P-8	Olsen Park Improvement Project	\$80,166	\$150,000	\$50,000	\$0	\$0	\$0	\$200,000
P-9	Depot Park Enhancements Project	\$200,000	\$50,000	\$0	\$0	\$0	\$0	\$50,000
P-10	Plaza Park Enhancements Project	\$185,015	\$0	\$0	\$0	\$0	\$0	\$0
SUBTOTAL		\$672,936	\$230,000	\$100,000	\$0	\$0	\$0	\$330,000
TRANSPORTATION: Keeping Sonoma Moving Safely								
T-1	Chase Street Bridge Replacement Project	\$334,448	\$601,743	\$1,000,000	\$0	\$0	\$0	\$1,601,743
T-2	Fryer Creek Pedestrian and Bicycle Bridge Project	\$340,656	\$501,000	\$0	\$0	\$0	\$0	\$501,000
T-3	Biennial Slurry Seal Projects	\$0	\$249,009	\$290,000	\$250,000	\$290,000	\$250,000	\$1,329,009
T-4	Citywide Sidewalk Inspection and Repair Program	\$0	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$300,000
T-5	Ongoing Pavement Rehabilitation and Water Services Replacement Projects	\$0	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$2,000,000
T-6	Citywide Roadway Safety Improvement Projects	\$120,836	\$50,000	\$200,000	\$200,000	\$200,000	\$200,000	\$850,000
T-10	Broadway Pedestrian Crossings	\$120,000	\$0	\$0	\$0	\$0	\$0	\$0
SUBTOTAL		\$915,940	\$1,861,752	\$1,950,000	\$910,000	\$950,000	\$910,000	\$6,581,752
WATER: Providing High Quality, Dependable Water								
W-2	Water System Condition Data - Phase 2	\$145,680	\$0	\$0	\$0	\$0	\$0	\$0
W-8	Urban Water Management Plan and Minor Water Master Plan Update	\$63,941	\$0	\$0	\$0	\$75,000	\$0	\$75,000
W-10	Water Meter System Upgrades	\$0	\$0	\$1,600,000	\$500,000	\$0	\$0	\$2,100,000
W-13	Well No. 1 Vault Cover and Air Exchange Improvements	\$0	\$125,000	\$0	\$0	\$0	\$0	\$125,000
W-14	Norrborn Tank Coating Renewal	\$0	\$265,000	\$0	\$0	\$0	\$0	\$265,000
W-15	Well No. 3 Water Disinfection Equipment Replacement	\$0	\$45,000	\$0	\$0	\$0	\$0	\$45,000
W-16	Loyal Valley Road and Thornsberry Water Valve Box, Frame, Cover Replacement	\$0	\$32,500	\$0	\$0	\$0	\$0	\$32,500
SUBTOTAL		\$209,621	\$467,500	\$1,600,000	\$500,000	\$75,000	\$0	\$2,642,500
FUND TOTAL		\$1,982,497	\$2,579,252	\$4,533,400	\$1,606,800	\$1,221,800	\$1,106,800	\$11,048,052

City of Sonoma

RESOLUTION #~~33~~-2022

A RESOLUTION OF THE CITY COUNCIL OF THE CITY
OF SONOMA ESTABLISHING THE LIST OF
AUTHORIZED POSITIONS

WHEREAS, on May 4, and May 18, 2022, the proposed budget was presented for fiscal year 2022-23, including estimated revenues and recommended appropriations for operations and capital; and

WHEREAS, on May 4, and May 18, 2022, the City Council held duly noticed special meetings to review, and provide opportunity for and receive public comments, regarding the proposed fiscal year 2022-23 budget, including appropriations for authorized positions by department.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Sonoma does hereby approve the authorized positions as depicted in the attached Exhibit A.

The foregoing Resolution was duly adopted this 1st day of June 2022, by the following roll call vote:

AYES: *AGRIMONTI, BARNETT, FELDER, LOWE, DING*

NOES:


ABSTAIN:

ABSENT:



Jack Ding, Mayor

ATTEST:



Rebekah Barr, MMC, City Clerk

Exhibit A - Authorized Positions

	Adopted Budget Authorized Personnel FY 2020-21	Adopted Budget Authorized Personnel FY 2021-22	Proposed Budget Authorized Personnel FY 2022-23	Annual Step A (1 FTE)	Annual Step E (1 FTE)
City Manager's Office/Administrative Services					
	1.00	1.00	1.00	Contract	\$ 215,900
(vacant) * City Manager/Executive Dir Community Development Agency	1.00	1.00	1.00	\$ 140,558	- \$ 170,849
Assistant City Manager/Administrative Services Director	1.00	1.00	1.00	\$ 119,097	- \$ 144,763
Deputy Finance Director	0.00	0.00	1.00	\$ 94,098	- \$ 114,377
(new) Assistant to the City Manager	1.00	1.00	1.00	\$ 94,098	- \$ 114,377
City Clerk / Executive Assistant	1.00	1.00	1.00	\$ 94,098	- \$ 114,377
Human Resources Manager (formerly Admin Serv Manager)	1.00	1.00	1.00	\$ 89,617	- \$ 108,930
Senior Management Analyst-Community Activities	1.00	1.00	1.00	\$ 74,761	- \$ 90,872
Accountant	2.00	2.00	2.00	\$ 65,314	- \$ 79,390
Accounting Technician	0.00	1.00	1.00	\$ 65,314	- \$ 79,390
Management Analyst	1.00	1.00	0.00	\$ 61,841	- \$ 75,168
Administrative Assistant	0.00	1.00	1.00	\$ 59,750	- \$ 72,626
Administrative Assistant (Misc)	0.50	0.00	0.00	\$ 59,750	- \$ 72,626
Administrative Assistant PT	0.38	0.38	0.50	\$ 89,617	- \$ 108,930
Senior Management Analyst-PIO					
Total	10.88	12.38	12.50		
* Title change from Assistant City Manager/Administrative Services Director to Administrative Services Director					
Community Development (Planning and Building Depts)					
Planning and Community Services Director	1.00	1.00	1.00	\$ 132,005	- \$ 160,453
Development Services Director / Building Official	1.00	1.00	1.00	\$ 122,901	- \$ 149,387
Senior Planner	1.00	1.00	0.00	\$ 97,392	- \$ 118,380
Associate Planner	1.00	1.00	2.00	\$ 91,335	- \$ 111,018
Plans Examiner	1.00	1.00	1.00	\$ 89,935	- \$ 109,316
Building Inspector I	1.00	1.00	1.00	\$ 75,870	- \$ 92,220
Development Services Supervisor	1.00	1.00	0.00	\$ 71,123	- \$ 86,450
Permit Technician I	0.00	1.00	1.00	\$ 53,775	- \$ 65,364
Administrative Assistant	1.00	0.00	0.00	\$ 59,750	- \$ 72,626
Sustainability Coordinator	0.50	0.50	0.50	\$ 77,348	- \$ 94,017
Total	8.50	8.50	7.50		
Police and Fire (excludes contract services staff)					
Administrative Assistant (Police)	0.00	0.00	1.00	\$ 59,750	- \$ 72,626
Administrative Clerk (Police)	1.00	1.00	0.00	\$ 52,594	- \$ 63,928
Total	1.00	1.00	1.00		
Public Works					
Public Works Director / Engineer	1.00	1.00	1.00	\$ 140,558	- \$ 170,849
Public Works Operations Manager	1.00	1.00	1.00	\$ 105,477	- \$ 128,208
Environmental Compliance Analyst	1.00	1.00	1.00	\$ 77,348	- \$ 94,017
Public Works Administrative and Project Manager	1.00	1.00	1.00	\$ 89,617	- \$ 108,930
Senior Maintenance Worker (Cemetery)	1.00	1.00	1.00	\$ 65,518	- \$ 79,637
Administrative Assistant (PW)	1.00	1.00	1.00	\$ 59,750	- \$ 72,626
(vacant) Water Supervisor	1.00	1.00	1.00	\$ 79,112	- \$ 96,161
Senior Maintenance Worker (Water)	1.00	1.00	1.00	\$ 65,518	- \$ 79,637
(1 vacant) Maintenance Worker II (Water)	3.00	3.00	2.00	\$ 59,561	- \$ 72,397
Public Works Supervisor (Streets)	1.00	1.00	1.00	\$ 75,346	- \$ 91,583
Maintenance Worker II (Streets)	2.00	2.00	2.00	\$ 59,561	- \$ 72,397
Maintenance Worker I (Streets)	2.00	2.00	2.00	\$ 54,147	- \$ 65,816
Public Works Supervisor (Parks)	1.00	1.00	1.00	\$ 75,346	- \$ 91,583
Maintenance Worker II (Parks)	3.00	3.00	4.00	\$ 59,561	- \$ 72,397
Parks Maintenance Worker Part Time (2 positions, 0.5 FTE each)	1.00	1.00	1.00	\$ 39,250	- \$ 39,250
Total	21.00	21.00	21.00		
Total Budgeted Staffing (Full Time Equivalent)	41.38	42.88	42.00		

NOTE: Some positions are charged to multiple departments; positions are listed in the department where the largest percentage is charged.