



# City of Palo Alto

## City Council Staff Report

(ID # 11330)

---

**Report Type: Action Items**

**Meeting Date: 6/22/2020**

**Summary Title: Adoption of FY 2021 Budget, Municipal Fees, and Municipal Code Change**

**Title: PUBLIC HEARING: Adoption of Budget Ordinance for Fiscal Year 2021, Including Adoption of Operating and Capital Budgets and Municipal Fee Schedule; Adoption of an Ordinance Amending Section 2.04.360 of the Palo Alto Municipal Code to Allow Council Members a Salary Waiver Option (FIRST READING: May 26, 2020 PASSED: 7-0); and Review and Accept the June 30, 2019 Actuarial Valuation of the Palo Alto's Retiree Healthcare Plan and Funding Strategy**

**From: City Manager**

**Lead Department: Administrative Services**

### **Recommended Motion**

Staff recommends that the City Council:

1. Adopt the Fiscal Year 2021 Budget Ordinance (Attachment A), which includes:
  - a. City Manager's Fiscal Year 2021 Proposed Operating and Capital Budgets, previously distributed at the April 20<sup>th</sup> City Council Meeting (Attachment A, Exhibit 1)
  - b. Amendments to the City Manager's Fiscal Year 2021 Proposed Operating Budget (Attachment A, Exhibit 2)
  - c. Amendments to the City Manager's Fiscal Year 2021 Proposed Capital Budget (Attachment A, Exhibit 3)
  - d. Allocated Charge Amendments to the City Manager's Fiscal Year 2021 Proposed Operating and Capital Budgets (Attachment A, Exhibit 4)
  - e. Fiscal Year 2021 City Table of Organization (Attachment A, Exhibit 5); and
  - f. Fiscal Year 2021 Municipal Fee Changes (Attachment A, Exhibit 6)
2. Adopt the Ordinance (Attachment E) Amending Section 2.04.360 of the Palo Alto Municipal Code to Allow Council Members a Salary Waiver Option. *A regular majority vote is required to approve this ordinance which becomes effective 30 days after this second reading and final adoption.*
3. Accept the Fiscal Year 2021 – 2025 Capital Improvement Plan.
4. As recommended by the Finance Committee at the May 5, 2020 meeting (CMR 11284), accept the June 30, 2019 biennial actuarial valuation of Palo Alto's Retiree Healthcare Plan and approve full funding of the Actuarial Determined Calculation (ADC) for Fiscal Year 2021 and Fiscal Year 2022 using a 6.25% Discount Rate for the calculation (Attachment B).

## **Executive Summary**

This memorandum summarizes changes to the City Manager's Fiscal Year 2021 Proposed Budget through Budget Hearings with the City Council and brings forth refined actions to revise the Fiscal Year 2021 Proposed Budget for the City Council review and Adoption of the FY 2021 Operating and Capital Budgets as well as the FY 2021 Municipal Fee Schedule and all the supporting necessary documents for formal adoption by the City Council such as the FY 2021 Budget Ordinance and Table of Organization.

Overall, the City's General Fund is recommended to have \$197.0 million in revenues and \$197.0 million in expense, a balanced budget for FY 2021. These funding levels reflect a nearly 20 percent reduction from the FY 2021 Proposed Budget (released on April 20) and a 15 percent reduction compared to the FY 2020 Adopted Operating Budget. The City's Capital Improvement Plan reflects a \$300.1 million FY 2021 budget, and a \$774.6 million plan over the five-year CIP (FY 2021- FY 2025). Of this, the General Capital Fund FY 2021 budget reflects expected expenses of \$174.4 million and \$298.6 million over the five-year CIP. Overall, this includes a reduction of 74 full time staff and the equivalent of 26.18 FTE part-time staff resulting in a workforce of 960 full time positions and 81.1 (FTE) part-time positions. The General Fund will remain with staffing of 512 full time positions (a reduction of 62) and the equivalent of 55.6 FTE in part-time staffing (a reduction of 25.7 FTE).

On May 4, the City Council provided direction to staff to assume a more conservative revenue estimate reflecting a loss of \$39 million in General Fund tax revenues in FY 2021, reflecting on the severity of the current public health emergency and its impacts on the City's financial situation. In a series of public hearings, the City Council reviewed the FY 2021 Proposed Operating Budget along with City Manager's Report [#11322](#), [#11376](#), and other materials and provided tentative approvals, changes, and areas for further follow up. Staff has compiled all the feedback gained, updated for current changes that have occurred since May 26, and prepared all necessary documentation for the City Council adoption of the recommended FY 2021 budget.

The unprecedented circumstances of this extended public health emergency forced the City to take a hard look at our operating and capital budgets and the FY 2021 budget reflects tough choices that we would prefer not to be outlining. Service impacts are unavoidable when more than 60 percent of the City's General Fund budget is attributed to the outstanding workforce delivering the City's services every day. The City has been forced to prioritize essential services and pare back discretionary services. Significant service delivery impacts include but are not limited to changes in the space available at the Cubberley facility as a result of a potential new lease agreement; changes in operating hours and program availability at Community Centers including increases in fees to aid in cost recovery levels; reduce Children's Theatre productions; reduction in library hours across the 5 library system; reduction in police patrol staffing and special teams including investigations and traffic; implementing a brownout flexible staffing model for fire services resulting in reduced capacity when staff is out on leave; elimination of

shuttle services; restructuring of the Residential Preferential Parking Permit Program (RPP); and deferral of capital investments.

However, this budget ensures that the City continues to proactively pay for long term liabilities, continues capital investments in our most critical infrastructure, provides resources for the City to successfully adapt from 'shelter in place' to future service delivery models, and establishes funding to ensure those service delivery transitions. Specifically, this budget ensures the City will focus on maintaining outdoor recreation and open space preserves providing the highest value to the community for the duration of the COVID-19 pandemic when outdoor options are critical during this time. Sworn police officers will focus on patrol and other collateral duties, while administrative procedures are completed through more cost effectively civilian staffing. All five libraries will remain open on reduced schedules - three of the five libraries will operate as "neighborhood" libraries (open 3 days a week) and two libraries will operate as "full-service" libraries (open 6 days a week). The City will support resident and the business community through minimal to no rate increases in various utility enterprise fees.

Based on the most current information and status of parallel activities with the adoption of utility and public works enterprise rates and ongoing conversations with our labor groups, additional adjustments are included in this budget. Most significantly, this budget reflects savings of \$2.3 million in the General Fund in recognition of compensation reductions for Management/ Professional employees, a decrease in expected savings due to a change in the recommended concessions from a 15 percent concession to a 10 percent concession. This change is due to the current status of other labor negotiations and the leadership managers continue to provide in stepping forward with these concessions. It is impractical operationally to implement the full concession, specifically the 26 days of furlough) as originally proposed. As such, balancing actions are necessary to offset this and are recommended in a reduction in the FY 2021 budgeted transition costs.

Lastly, this report brings forward:

- An ordinance for the City Council approval that would allow Council Members to waive their salary. This requires two readings, and this item serves as the second and final of those required readings.
- A biennial actuarial valuation of Palo Alto's Retiree Healthcare Plan and annual Actuarially Determined Contributions (ADC) for Fiscal Years 2021 and 2022 for approval as recommended unanimously by the Finance Committee on May 4, 2020.

The report is organized by the following sections:

- *Fiscal Year 2021 Budget Balancing and Final Recommended Changes:* A summary of the budget balancing process including major changes approved by the City Council and additional recommended adjustments from staff. This is organized by fund type beginning with Citywide, General Fund, General Capital Fund, Enterprise Funds, Internal Services Fund, Special Revenue Funds, and Capital Reappropriations.

- Table of Organization: A summary of additional changes to the Table of Organization after the version released April 20, 2020.
- Municipal Fee Schedule: A summary of the changes recommended in the City Manager Report [#11190](#) FY 2021 Proposed Municipal Fee Schedule.
- Other Post-Employment Benefits (OPEB) Actuarial Valuation: This report details Palo Alto's Retiree Healthcare Plan and Annual Actuarially Determined Contributions (ADC) for Fiscal Years 2021 and 2022.
- Fiscal Year 2021 Rate Changes (various utilities such as electric): A brief overview of the rate changes reviewed by the Utilities Advisory Commission and Finance Committee and the final decision the City Council made in May 2020; each of these rate changes are included in the FY 2021 budget assumptions. This section references those changes for informational purposes only; a separate report recommending final rate changes will be considered concurrently by the City Council on June 22, 2020.
- Recommended Ordinance: Councilmember Waiver of Compensation: This is the second reading of a municipal code change that would allow a councilmember to elect to waive their right to compensation.
- Salary Schedules: A description of all compensation plans and the amendments in order to align with the recommended adjustments in the FY 2021 Budget. This section references those changes for informational purposes only; a separate report recommending final rate changes will be considered concurrently by the City Council on June 22, 2020.
- Review of Referral Items from the Full City Council: This report details a list of areas that the City Council by majority vote, approved for additional staff work as a result of discussions from the FY 2021 budget hearings. These are areas identified for deeper analysis or alternative funding strategies to be explored over the course of the next fiscal year.
- Additional Informational Items: Additional information regarding capital reappropriations and the Planning and Transportation Committee review of the CIP.
- Attachments: Attached to this report are a number of documents as outlined and referenced throughout the recommendation language and the report. In addition, links to all the materials presented throughout the budget process to the City Council such as staff reports, At Places Memorandums, presentations made during the budget hearings, and transcripts from City Council Budget Hearings are included.

Not included in this CMR is the approval of the GANN Limit. This is transmitted separately for City Council consideration on June 22, 2020.

## **Background**

Per the Municipal Code, the City Manager is charged with proposing a budget that provides a clear and complete financial plan for all City activities proposed for the coming budget cycle, or fiscal year. The Fiscal Year (FY) 2021 Proposed Operating and Capital Budgets were transmitted to the City Council on April 20, 2020. These documents represent the planned expenditures and revenues for FY 2021 for the various fund types that constitute the City's Budget: General Fund, Capital Fund, Enterprise Funds, Internal Service Funds, Special Revenue Funds, and Debt Service Funds. The budget documents contain an overview section with descriptions of each of these fund types and detailed information of the revenues and expenses for each fund as well as for each individual department.

Throughout the month of May, the City Council conducted budget hearings to review the Proposed Operating and Capital Budgets and revise projections for revenues and expenses to align with expected impacts resulting from efforts to contain COVID-19. After reviewing anticipated revenue impacts and directing that revenue estimates be lowered by \$39 million in the General Fund as part of the May 4, 2020 City Council Meeting, the City Council reviewed actions to align expenses with those lower revenues and resultant service delivery impacts. The City Council went through the Proposed Operating Budget department by department and fund by fund; the City Council reviewed the Proposed Capital Budget in the respective Enterprise Funds as well as by project category in the General Capital Fund. These Budget Hearings were open to the public and provided a venue for the City Council to amend the proposed budget. Significant public comment was received as part of the Budget Hearings, via email to the City Council, and as a result of an online survey. The City Council also discussed utility rate changes and various municipal fee changes. During these discussions, changes were also brought forward by the staff, culminating in CMR 11376 which detailed all recommended amendments through May 26, 2020.

Adoption of the City Manager's Fiscal Year 2021 Proposed Operating and Capital Budgets and Fiscal Year 2021 Municipal Fee Schedule, including the amendments summarized in the FY 2021 Budget Wrap-up Memorandum, will represent the ratification of the amendments that were approved by vote through the Budget Hearings. These amendments include all changes to the Municipal Fee Schedule and the Table of Organization.

## Discussion

### **FISCAL YEAR 2021 BUDGET BALANCING AND FINAL RECOMMENDED CHANGES**

At the Budget Wrap-up hearing on Tuesday, May 26 the City Council acted on many of the items that had arisen through the earlier budget hearings leaving only 2 topics in the “short-term parking lot” for consideration on June 22, 2020 as part of budget adoption. The cumulative impacts of the actions taken by the City Council through May 26 with some revisions by staff due to the ongoing discussions with our labor unions are outlined in Table 1. The General Fund is shown on the left side of the table and All Funds (including Internal Service Funds) is seen on the right side of the table. These changes are detailed by fund by department on Attachment A Exhibit 2, changes to the FY 2021 Operating Budget and Attachment A, Exhibit 3 changes to the FY 2021 Capital Budget.

**Table 1: Changes from FY 2021 Proposed Budget released April 20, 2020**

	General Fund				All Funds (w/ Internal Service Funds)			
	Revenues	Expenses	FT FTEs	PT FTEs	Revenues	Expenses	FT FTEs	PT FTEs
Citywide Proposed FY 2021 Budget, Released April 20, 2020	\$241,509	\$238,801	573.68	81.31	\$755,846	\$818,869	1,033.85	106.32
<b>Adjustments to Proposed Budget as released</b>								
<i>Revenue Adjustments</i>								
City Council Requested Major Tax Revenue Realignment Scenario C (CC May 4, 2020)	(38,794)				(38,794)	-	-	-
Other Economically Sensitive Departmental Revenue	(5,000)				(5,000)	-	-	-
	\$197,715	\$238,801	573.68	81.31	\$712,052	\$818,869	1,033.85	106.32
<i>Adjustments by Service Area</i>								
Neighborhood, Community & Library Services	(299)	(4,861)	(16.10)	(21.02)	(299)	(4,874)	(16.10)	(21.02)
Public Safety	1,684	(7,257)	(32.27)	(2.28)	1,684	(7,271)	(32.40)	(2.28)
Planning & Transportation	(2,127)	(3,267)	(7.30)	(1.44)	(1,753)	(3,279)	(7.30)	(1.44)
Infrastructure & Environment	-	(571)	(0.20)	-	(5,013)	(4,159)	(8.15)	(0.48)
Internal Services/Strategic Support	-	(1,397)	(5.90)	(0.96)	(2,506)	(3,775)	(10.40)	(0.96)
Citywide Balancing Solutions		(24,475)	-	-	(2,019)	(25,761)	-	-
<b>SUBTOTAL CHANGES FROM FY 2021 PROPOSED BUDGET</b>	<b>(44,536)</b>	<b>(41,828)</b>	<b>(61.77)</b>	<b>(25.70)</b>	<b>(9,906)</b>	<b>(49,119)</b>	<b>(74.35)</b>	<b>(26.18)</b>
	-18.4%	-17.5%	-10.8%	-31.6%	-1.3%	-6.0%	-7.2%	-24.6%
<b>Citywide Revenue and Expenses (after May 26th CC Discussion)</b>	<b>\$196,973</b>	<b>\$196,973</b>	<b>511.91</b>	<b>55.61</b>	<b>\$702,146</b>	<b>\$769,750</b>	<b>959.50</b>	<b>80.14</b>
Net Surplus/(Deficit)		\$0						

Table 1 (above) shows the cumulative impacts of the actions taken throughout the budget hearings. It incorporates the actions taken by the City Council as part of the budget wrap-up on May 26.

Overall, before the City Council is a FY 2021 budget of \$197 million in revenues and expenses in the General Fund, with staffing of 512 full time positions and the equivalent of 55.6 FTE in part-time staffing. All funds, unadjusted for transfers and internal service funds is a FY 2021 budget of \$770 million, with staffing of 960 full time positions and the equivalent of 80.1 FTE in part-time staffing. These levels are significantly below the FY 2021 baseline budget, released on April 20, 2020 which reflected the City’s financial forecast prior to the current public health emergency (COVID-19).

During the most recent budget wrap-up hearing on May 26, the City Council addressed all remaining items in the short-term parking lot, which was extensively discussed as part of CMR

11376 apart from two items. A brief summary of the actions they took to address the items in the short-term parking lot follows below. Items that the City Council voted to revisit as part of the Budget Adoption hearing are detailed at the beginning of the list, and items that the City Council voted to incorporate into the Budget at wrap-up follow those items.

**Outstanding Items for City Council Review & Action**

**Strategy to manage attrition in Police and Fire** – The City Council voted to revisit funding to manage attrition in the public safety departments (Police and Fire) as part of the Budget Adoption on June 22. The Police and Fire budgets reflect the elimination of 21 sworn positions necessary to balance the budget (one of these position reductions is outlined in the FY 2021 Proposed Operating Budget released on April 20, 2020, the remaining 20 are outlined in Attachment A, Exhibit 2 or Attachment A, Exhibit 5 summarizes all position changes in the Table of Organization). Of the 21 sworn positions, 7 positions are currently vacant and the balance of 16 positions are filled and would require the layoff of recently hired police officers and firefighters. Sworn personnel are required to be laid off in accordance with union rules, which means those with the least seniority will be laid off based on hire date. It typically takes over one year to train for police and fire sworn positions to be fully operational. As such, the City has invested a significant time and hundreds of thousands of dollars to hire, equip and train the sworn personnel who would be lost to layoffs. Police and Fire departments typically experience turnover from separations and retirements, which result in vacant positions throughout the year.

If the typical attrition in Police and Fire could occur for an additional six-month period, the City would hope to avoid layoffs for these recently hired employees. Based on this six-month period, staff estimates that managing separations through attrition could cost between \$500,000 and \$1.5 million, depending on the timing of attrition in the six-month period. These costs are currently not included in the recommended balancing strategy and would require an action from the City Council to be added.

Both the Fire Chiefs Association (FCA) and the International Association of Fire Fighters (IAFF) have reached, with a combination of a deferral of general wage increases as well as step freezes, agreement to provide sufficient funding of a six-month attrition ramp. This means that any separation of filled fire-fighter positions will be deferred until December 31, 2020 if staffing levels necessitate it. Therefore, with the approval of this mutual agreement, no further budgetary action is necessary to address a six-month attrition period for firefighters. At the time of the writing of this report, the police labor unions were still voting and therefore concessions savings to provide funding for an attrition ramp remains unknown.

**Funding for KZSU** – The City Council voted to revisit funding options for KZSU broadcasts as part of the Budget Adoption hearing on June 22. This remains unfunded in this FY 2021 budget.

**Items in the Parking Lot incorporated into Budget through motions made at wrap-up**

*Revisit funding for the Transportation Management Association (TMA)* – The City Council voted to lower the funding for the Transportation Management Association from \$750,000 to \$453,000 (a decrease of \$197,000) in the University Avenue Parking Fund to align with the funding needs of the TMA in FY 2021 and reallocate this funding to support business during this public health emergency.

*Revisit funding for City Council minutes transcription (\$35,000)* – The City Council voted to restore funding of \$35,000 for City Council minutes transcription.

*Revisit funding for cost of printing City Council materials (\$35,000)* - The City Council voted to restore funding of \$35,000 for City Council printed meeting materials.

*Revisit funding for YCS Youth Connectedness Initiative (\$50,000)* - The City Council voted to restore an additional \$25,000 to the YCS Youth Connectedness Initiative to reach the previous funding level of \$50,000.

**General Fund**

The General Fund proposed budget reflects reductions of \$41.8 million in expenses to offset projected revenue losses over the coming fiscal year.

These actions are the culmination of the difficult work completed by the City Council during the month of May, when on May 4th the City Council chose a conservative scenario for financial planning of the FY 2021 budget. Based on our most current data as reported to the City Council on June 16, as part of the 3<sup>rd</sup> Quarter Financial Report and Recommended FY 2020 budget actions due to COVID-19, it is expected that these revenues may be in line with experience in FY 2021. Additional details can be found here: [CMR #11328](#)

The current FY 2021 budget does not rely on use of General Fund reserves with the exception of specific restricted reserves such as the Development Center Fees. As discussed with the City Council, use of reserves in FY 2020, the current year, of \$11.7 million are expected to bring the Budget Stabilization reserve to \$33.0 million June 30, 2020. The reductions are intended to be a two-year strategy to assist in bridging the gap as a result of the current fiscal crisis caused by the public health emergency.

The balancing solutions included in this FY 2021 budget seek to address funding needs across the organization. They also seek to balance the City's liabilities and investments. We continue to explore additional cost containment through continuing a hiring freeze and freezing all nonessential travel, eliminating current vacancies (described below in the service impacts section) and reducing future vacancies through attrition, and/or implementing furloughs with corresponding service reductions such as reduced walk-in office hours. To the extent the City is successful in finding new savings through any of these strategies, some of these service impacts could be reinstated.

This budget ensures that the City continues to proactively pay for both the current pension and Other Post-Employment Benefits (OPEB) liabilities (assuming lower discount rates of 6.2 percent for funding levels), continues capital investments into our most critical infrastructure projects, provides resources for the City to successfully adapt from ‘shelter in place’ to future service delivery models, and establishes funding to ensure those service delivery transitions.

#### Recommended Additional Changes

Limited changes are recommended from the proposed budget as reviewed by the City Council and tentatively approved on May 26, 2020. Of note, the May 26 budget recognized savings associated with compensation reductions for the Management and Professionals Group, an unrepresented bargaining unit with employees across the organization. It recognized a 15 percent compensation reduction, anticipated to generate \$3.5 million in savings in the General Fund and approximately \$5.4 million in all funds. While the City continues to work with its represented bargaining groups to proactively address and mitigate potential service delivery impacts and adverse personnel impacts, the City and Service Employee International Union (SEIU) its largest unit, were unable to reach agreement. Therefore, the practicality and ability to implement the proposed 15 percent reduction is no longer viable. This final budget recognizes a 10 percent compensation reduction in the management unit. In order to restore these costs, it is recommended that we reduce the funds set aside for ‘Implementation Costs Associated with Balancing Strategy’ from \$2.08 million to \$1.06 million. There is no impact as a result of this as staff works to reduce the number of layoffs and therefore corresponding transition costs.

#### Budget Stabilization Reserve

This FY 2021 budget does not recommend a draw from the Budget Stabilization Reserve as forecasted for June 30, 2020. It does reflect a change from the FY 2021 Baseline budget which initially reflected a contribution to the BSR of \$2.7 million. Initially, the FY 2021 baseline budget reflected the difficult and diligent financial management that the City Council has demonstrated and reflected revenues exceeding expenses and the difference represented a contribution to the BSR. With the expected loss in revenues in FY 2021, this is no longer the case and Attachment A, Exhibit 2 reflects this change. Overall, as reported to the City Council on June 16, 2020, the BSR is expected to be reduced by \$11.7 million to \$33 million in FY 2020. This is below the City Council targeted range of 15 percent to 20 percent of General Fund budgeted expenses and is at approximately 14 percent in FY 2020. However, with no expected change from that \$33 million figure as part of this FY 2021 budget, this BSR is 16.8 percent of the FY 2021 budgeted expenses. This is within the targeted range of 15 to 20 percent, although it does remain below the City Council goal of 18.5 percent by \$3.5 million.

## **Internal Service Funds**

Various adjustments are recommended in internal services funds to reflect both service level adjustments as well as citywide adjustments in order to assist in the balancing of the General Fund.

*Proactive Funding of Long-Term Liabilities:* The City has made great strides in continuing its value of fiscal sustainability. With two separate trusts, one for pension liabilities and one for other post-employment benefit liabilities (OPEB), the City is actively working to pay the full actuarial determined contribution and more annually. The recommended actions in this balancing strategy realize savings in lower OPEB costs as a result of the most recent actuarial study while reducing the discount rate by 25 basis points.

*Reduce Internal Service Fund Reserve/Balances:* This action reduces allocated charges throughout the organization to Internal Services Funds, including the Information Technology Fund and the General Liability Fund. This will result in decreases in accumulated fund balance in the Internal Service Funds and will increase the associated risk in the respective Internal Service Funds.

*Departmental Service reductions:* Information Technology department reductions in Management staffing; reduce application maintenance, support and replacement services; and eliminate training. This will result in decreased response time for internal work orders and delays in projects support and management across the organization. Public Works department will defer vehicle replacements for one to two years.

## **Special Revenue Funds**

### *Community Development Block Grant (CDBG) Alignment (CARES Act Funding)*

This action recognizes revenues associated with a grant received from the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) in the CDBG Fund, offset by a corresponding increase in expenses. This funding will be used for rent relief, food assistance, and COVID testing and equipment as outlined in the revised funding plan approved by the Finance Committee on May 5, 2020 ([CMR 11148](#)).

### *Various Parking Funds*

As a result of the recommended changes in various parking programs, specifically the changes to the Residential Preferential Parking program (RPP), revenue and expense adjustments are recommended to align with the Staff Report 11322 and accompanying at-places memo, as approved by City Council on May 13, 2020. This action requires significant changes to the RPP program including a proposed transition to License Plate Reader (LPR) enforcement and virtual permitting, a policy change to no longer provide a first permit free to residents (with limited exceptions), as well as other program updates such as the department's work to fix the 'no re-parking' signage issue. These programmatic changes were recommended to allow the RPP to return the subsidy to the GF and remain solvent.

Corresponding Municipal Fee Schedule adjustments are recommended to reflect the policy

change to no longer provide the first annual residential parking permit free, although the annual cost of such permits is not recommended to change in FY 2021.

In the Downtown Parking Permit Fund, reduced funding to the Palo Alto Transportation Management Association (TMA) from the baseline FY 2021 proposed level of \$750,000. This is consistent with City Council direction approved on May 26, 2020 and with the updated funding request from the TMA on May 21, 2020. This savings is reallocated to be used to support city-wide business recovery as a result of impacts from COVID-19.

### **Capital Funds**

The City's Capital Improvement Plan reflects a \$300.1 million FY 2021 budget, and a \$774.6 million plan over the five-year CIP (FY 2021- FY 2025). Of this, the General Capital Fund FY 2021 budget reflects expected expenses of \$174.4 million and \$298.6 million over the five-year CIP.

As part of the budget hearing process, the City Manager and Director of Public Works reviewed all General Fund projects in the proposed CIP, and confirmed that with the reduced General Fund transfer, the remaining funding levels reflect investment in essential infrastructure. Based on this review, the revised proposed CIP provides a minimal while responsible investment in the City's essential infrastructure with several specific objectives:

- Reduce carryover funding to "keep up" spending on essential infrastructure rather than fall behind and require new funding sources or levels to "catch up" in upcoming years;
- Position shovel-ready projects to take advantage of the favorable construction market pricing typical of a recession;
- Minimize near-term funding of discretionary projects; and,
- Ensure a steady flow of projects that minimizes peaks and valleys in project delivery staffing needs, as this would reduce efficiency and introduce bottlenecks in productivity.

In total, the City Council tentatively approved reducing the transfer from the General Fund to the Capital Improvement Fund in Fiscal Year 2021 by \$2.6 million. Of this amount, \$1.6 million was allocated for the Section 115 Pension Trust (PARS) Fund, and \$1.0 million to restore services for the Police and Community Services Departments, using a 60% and 40% allocation, respectively. Specific project adjustments can be found in Attachment A, Exhibit 3 for specific adjustments

### Capital Reappropriations

Because of the October 2014 change to the Municipal Code, City Council authorization is now required for reappropriation of funds for capital projects from one fiscal year to the next. The FY 2021 budget process continues this procedure with the FY 2021 Proposed Capital Budget including approximately \$64.3 million in reappropriated funds for project expenditures across all funds. In the time since the FY 2021 Proposed Budget figures were developed (early spring of 2020), departments have re-reviewed current year estimates and the reappropriation amounts built into the proposed Capital Improvement Plan (CIP). Additional reappropriation adjustments are recommended as part of this wrap-up memorandum to update the FY 2021 Capital Budget with current, more refined estimated activity levels in Fiscal Year 2020.

Cumulatively, this re-review of projects has resulted in staff's recommendation to increase the Fiscal Year 2021 Capital Budget by a net total of \$23.7 million, from \$288.7 million to \$312.4 million, and are recommended. In total, reappropriations of an estimated \$88.0 million are above those assumed in the FY 2020 Adopted Capital Budget of \$71.4 million and are outlined for additional information in Attachment C. Adjustments, outlined by project in Attachment A, Exhibit 2, are combined with adjustments previously outlined to reprioritize project funding and timelines in the Capital Budget and the five-year CIP as a result of reductions in the transfer from the General Fund and lower overall Transient Occupancy Tax (TOT) revenues dedicated by Council for infrastructure improvements.

These adjustments ensure that funds will be available at the onset of Fiscal Year 2021 to continue infrastructure improvement work across the City and address critical “keep up” work while minimizing the increase to a “catch-up” backlog that would need to be addressed in future CIP planning. T

### **TABLE OF ORGANIZATION**

There are significant staffing changes recommended in this budget and therefore impacts to the Table of Organization. An updated Table of Organization is included as Attachment A, Exhibit 5. This table does denote where positions are recommended to be frozen as well as ones that are recommended for elimination. Position freezes recommended in the FY 2021 Adopted Operating Budget have been de-funded in FY 2021 and are identified in the Table of Organization with “(Freeze)” following the job classification title. Job classifications impacted by freezes are summarized in two rows, one to reflect the total FTE authorized (less freezes) and one to reflect the total FTE freezes. These freezes are different than the City-wide hiring freeze in that these positions have been actively defunded in FY 2021.

## **MUNICIPAL FEE SCHEDULE**

On May 12, 2020, the City Council reviewed the FY 2021 Proposed Municipal Fee Schedule and tentatively approved it as outlined in City Manager's Report [#11190](#). In addition to that report, the City Council reviewed the impacts of various proposed changes in the delivery of services and most specifically, reviewed the plan for the reopening of the Junior Museum and Zoo (JMZ) as outlined in City Manager's Report [#11222](#), and further amended by the At Places memorandum released on May 12, 2020 which can be found [here](#). As a result of the recommended changes in cost recovery of various Community Service programs and discussed as part of the City Council's direction to explore funding through additional cost recovery and/or partial funding for various Community Services programs, a new fee and a few fee revisions are recommended. The changes outlined in Attachment A, Exhibit 6 are the summary of all changes recommended changes as reviewed by the City Council on May 26, 2020.

## **OTHER POST-EMPLOYMENT BENEFITS (OPEB) ACTUARIAL VALUATION**

On May 4, 2020, the Finance Committee unanimously approved the June 30, 2019 actuarial valuation of Palo Alto's Retiree Healthcare Plan, and recommend 6.25 percent discount rate to be used in the calculation of the Actuarial Determined Contribution (ADC), and approve full funding of the annual ADC for Fiscal Year 2021 and Fiscal Year 2022. Biannually an actuary firm which provides an actuarial report detailing the latest status of the City of Palo Alto's Retiree Healthcare plans for employees and retirees. The analysis is used to determine the City's retiree healthcare liability and the annual ADC to the trust. In addition, the report details funding status, results of assumptions such as discount rate (DR), healthcare plan premiums, and projected future healthcare costs. Staff has incorporated the results of this actuarial valuation into this FY 2021 Budget. The FY 2021 Budget includes \$16.0 million for Retiree Healthcare based on the ADC. For full details, refer to City Manager Report [#11284](#).

## **FISCAL YEAR 2021 RATE CHANGES (VARIOUS UTILITIES SUCH AS ELECTRIC)**

Through the City Council's discussions of FY 2021 rate adjustments in the Enterprise Funds, the City Council voted to approve the following rate adjustments. Final adoption of these are recommended as part of a separate report, also to be considered on June 22, 2020 by the City Council.

- 0% rate change for Wastewater (recommended by Utilities Advisory Commission (UAC) and Finance Committee);
- 0% rate change for Water (recommended by UAC and Finance Committee);
- 2.5% CPI increase for Fiber (recommended by UAC and Finance Committee)
- 0% rate change for Electric (recommended by Finance Committee)
- 0% rate change for Refuse
- 2.5% CPI increase for Stormwater (recommended by Finance Committee)
- 2.0% rate increase for Gas (a reduction from the Finance Committee recommendation of 3%)

Due to the COVID-19 pandemic, Council aimed to provide economic relief for residential and commercial customers by directing staff to keep rates flat without compromising the safety and

integrity of the utility systems. pandemic, Council aimed to provide economic relief for residential and commercial customers by directing staff to keep rates flat without compromising the safety and integrity of the utility systems.

Council approved of the 2.5 percent CPI increase for Fiber to enable the City to expand the dark fiber network for new commercial and residential customers. Consistent with the 2017 Storm Water Management Fee ballot measure, Council also approved the 2.5 percent CPI increase for Stormwater to keep fund revenues consistent with inflationary cost increases and to provide sufficient funds for planned Stormwater Management capital and operating expenditures. Council approved a 2.0 percent increase for Gas to enable continuation of the cross-bore safety inspection program and PVC gas main replacement project.

### **RECOMMENDED ORDINANCE: COUNCILMEMBER WAIVER OF COMPENSATION**

In response to the significant budgetary impacts and resource constraints that the City is currently facing, some Councilmembers have inquired if they could stop receiving their City salary during the crisis. Currently, the Municipal Code section 2.04.360 mandates a salary of \$1,000 per month for Councilmembers. To address Councilmembers' inquiries, staff recommend the amendment provided as Attachment E to this report, which would add language allowing Councilmembers to voluntarily waive part, or all, of their salary in line with general state law. Since there are no changes proposed to the amount of Councilmember salaries, this ordinance would take effect 30 days after the second reading and final adoption.

### **SALARY SCHEDULES**

In addition to the approval of the Table of Organization, the changes in the Fiscal Year 2021 City Manager's Budget result in amendments to the City's employee group's salary schedules and memorandum of agreements or contracts. These reflect changes to classification compensations or changes to add or amend current job classifications for these employee groups. Due to the complexity and the significant changes recommended as a result of cooperative work with our labor groups and management employees to achieve concessions, these actions are provided under separate cover also to be considered by the City Council on June 22, 2020. As discussed earlier, the changes in these contracts such as the management concessions are assumed and incorporated into this budget balancing strategy for adoption.

### **REVIEW OF REFERRAL ITEMS FROM THE FULL CITY COUNCIL**

During the City Council Budget hearings, the City Council voted to place certain items in the "long-term parking lot." The list below is reflective of the final referral items from the Budget Hearings that the City Council has directed staff to follow-up with additional work throughout FY 2021. It should be noted that these referrals will need to be prioritized in the context of diminished resources and adverse impacts on service delivery necessitated by the FY 2021 budgetary constraints.

1. Explore changing delivery of services from a dominant fire-oriented model to a dominant medical-oriented model

2. A report or item on the JMZ six months after it opens and what it would look like to eliminate the General Fund Subsidy through a fully cost recoverable program.

### **ADDITIONAL INFORMATIONAL ITEMS INCLUDED**

A list of reappropriated funds from FY 2020 to FY 2021 for capital project is included as requested in Attachment C. This list reflects timing differences in projects where anticipated unspent funds are needed for project continuation. A majority of these reappropriations were included in the project amounts in the FY 2021 Proposed Capital Budget, and a few updated reappropriation amounts were included in CMR 11376. This list is a summary of the total \$88.0 million in expenditure reappropriations as well as \$25.8 million in revenue reappropriations. These reappropriations were included as part of the budget rebalancing strategy presented as part of the FY 2021 budget review process with Council.

On June 10, 2020, the Planning and Transportation Committee (PTC) reviewed and determined, based on staff representation, that the new projects in the 2020-2025 Capital Improvement Plan are consistent with the City's current Comprehensive Plan. Attachment D is the letter the PTC wished to transmit to the City Council regarding their review. The transcribed minutes from the meeting are not yet available, but the video recording of the can be found on the MidPen Media Center website: <https://midpenmedia.org/planning-transportation-commission-63-6102020/>.

### **Stakeholder Engagement**

The City Council reviewed these balancing actions to meet the directed FY 2021 revenue loss on May 11 through May 13. Based on these discussion and direction, staff returned to the City Council on May 26 to review a final proposed balancing strategy, with final adoption of the FY 2021 Budget scheduled on June 22,2020. The community was encouraged to engage with the budget process through the scheduled public meetings and an online priorities survey and email the City Council directly. Meeting materials and other budget information can be found on our dedicated webpage at [www.cityofpaloalto.org/budget](http://www.cityofpaloalto.org/budget)

### **Environmental Review**

This is not a project under Section 21065 for purposes of the California Environmental Quality Act (CEQA).

#### **Attachments:**

- Attachment A - FY 2021 Budget Adoption Ordinance
- Attachment A, Exhibit 1 - City Manager's Fiscal Year 2021 Proposed Operating & Capital Budgets & Municipal Fees
- Attachment A, Exhibit 2 - Operating Adjustments
- Attachment A, Exhibit 3 - Capital Adjustments by Project
- Attachment A, Exhibit 4 - Central Adjustments in Various Funds
- Attachment A, Exhibit 5 - FY 2021 Table of Organization
- Attachment A, Exhibit 6 - Municipal Fee Changes
- Attachment B - 6-30-19 OPEB Retiree Healthcare Plan

- Attachment C - Capital Reappropriations
- Attachment D - PTC Capital Conformance Letter
- Attachment E - Ordinance Amending Section 2.04.360 of the Palo Alto Municipal Code to Allow Council Members a Salary Waiver Option

ORDINANCE NO. XXXX

ORDINANCE OF THE COUNCIL OF THE CITY OF PALO ALTO ADOPTING THE  
BUDGET FOR FISCAL YEAR 2021

SECTION 1. The Council of the City of Palo Alto finds and determines as follows:

A. Pursuant to the provisions of Section 6(g) of Article IV of the Charter of the City of Palo Alto and Chapter 2.28 of the Palo Alto Municipal Code, the City Manager has prepared and submitted to the City Council, by letter of transmittal, a budget proposal for Fiscal Year 2021; and

B. Pursuant to the provisions of Section 12 of Article III of the Charter, the Council did, on June 22, 2020, hold public hearings on the budget after publication of notice in accordance with Section 2.28.070 of the Palo Alto Municipal Code; and

C. In accordance with the provisions of Chapter 8 of Division 1, of Title 7, commencing with Section 66016 of the Government Code, as applicable, the Council did on June 22, 2020, hold a public hearing on the proposed amendments to the Municipal Fee Schedule, after publication of notice and after availability of the data supporting the amendments was made available to the public at least 10 days prior to the hearing.

SECTION 2. Pursuant to Chapter 2.28 of the Palo Alto Municipal Code, the following documents, collectively referred to as “the budget” are hereby approved and adopted for Fiscal Year 2021:

- (a) The budget document (Exhibit “1”) containing the proposed operating and capital budgets submitted on April 20, 2020, by the City Manager for Fiscal Year 2021, entitled “City of Palo Alto - City Manager’s Fiscal Year 2021 Proposed Budget” covering General Government Funds, Enterprise Funds, Special Revenue Funds, and Internal Service Funds, a copy of which is on file in the Department of Administrative Services, to which copy reference is hereby made concerning the full particulars thereof, and by such reference is made a part hereof; and
- (b) The Amendments to the City Manager’s Fiscal Year 2021 Proposed Budget, attached hereto as Exhibit “2”, Exhibit “3”, and Exhibit “4” and made a part hereof; and
- (c) Changes and revised pages in the Table of Organization, as displayed on pages 339 through 356 in “Exhibit 1,” and amended in Exhibit “5” made a part hereof; and

**ATTACHMENT A**

(d) Fee changes of the Municipal Fee Schedule attached hereto as Exhibit "6".

SECTION 3. The sums set forth in the budget for the various departments of the City, as herein amended, are hereby appropriated to the uses and purposes set forth therein.

SECTION 4. All expenditures made on behalf of the City, directly or through any agency, except those required by state law, shall be made in accordance with the authorization contained in this ordinance and the budget as herein amended.

SECTION 5. Appropriations for the Fiscal Year 2020 that are encumbered by approved purchase orders and contracts for which goods or services have not been received or contract completed, and/or for which all payments have not been made, by the last day of the Fiscal Year 2020 shall be carried forward and added to the fund or department appropriations for Fiscal Year 2021.

SECTION 6. The City Manager is authorized and directed to make changes in the department and fund totals and summary pages of the budget necessary to reflect the amendments enumerated and aggregated in the budget as shown in Exhibit "2", Exhibit "3", and Exhibit "4" and the Fiscal Year 2020 appropriations carried forward as provided in Section 5.

SECTION 7. As specified in Section 2.04.320 of the Palo Alto Municipal Code, a majority vote of the City Council is required to adopt this ordinance.

SECTION 8. As specified in Section 2.28.140(b) of the Palo Alto Municipal Code, the Council of the City of Palo Alto hereby delegates the authority to invest the City's funds to the Director of Administrative Services, as Treasurer, in accordance with the City's Investment Policy for Fiscal Year 2021.

SECTION 9. The Council of the City of Palo Alto adopts the changes to the Municipal Fee Schedule as set forth in Exhibit "6". The amount of the new or increased fees and charges is no more than necessary to cover the reasonable costs of the governmental activity, and the manner in which those costs are allocated to a payer bears a fair and reasonable relationship to the payer's burden on, or benefits received from, the governmental activity. All new and increased fees shall go into effect immediately; provided that pursuant to Government Code Section 66017, all Planning & Community Environment Department fees relating to a "development project" as defined in Government Code Section 66000 shall become effective sixty (60) days from the date of adoption.

SECTION 10. Fees in the Municipal Fee Schedule are for government services provided directly to the payor that are not provided to those not charged. The amount of this fee does not

**ATTACHMENT A**

exceed the reasonable costs to the City of providing the services. Consequently, pursuant to Art. XIII C, Section 1(e)(2), such fees are not a tax.

SECTION 11. As provided in Section 2.04.330 of the Palo Alto Municipal Code, this ordinance shall become effective upon adoption.

SECTION 12. The Council of the City of Palo Alto hereby finds that this is not a project under the California Environmental Quality Act and, therefore, no environmental impact assessment is necessary.

INTRODUCED AND PASSED: Enter Date Here

AYES:

NOES:

ABSENT:

ABSTENTIONS:

NOT PARTICIPATING:

ATTEST:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Mayor

APPROVED AS TO FORM:

APPROVED:

\_\_\_\_\_  
City Manager

\_\_\_\_\_  
City Attorney

\_\_\_\_\_  
Director of Administrative Services

Fiscal Year 2021 City Manager's  
Proposed Operating & Capital Budgets and Municipal Fees

These documents were originally distributed on April 20, 2020. Printed copies are available upon request for \$29 per book (FY 2020 fee).

These documents may be viewed at any City of Palo Alto Library or the City's website: [www.cityofpaloalto.org/budget](http://www.cityofpaloalto.org/budget)

Changes to the Municipal Fee Schedule were distributed in Finance Committee Packet on May 13, 2020. The City Manager's Staff Report (#11190) can be viewed on the City's website: [www.cityofpaloalto.org/civicax/filebank/documents/76562](http://www.cityofpaloalto.org/civicax/filebank/documents/76562)

- At places memorandum: (Residential Parking Permit Municipal Fees)  
[www.cityofpaloalto.org/civicax/filebank/blobdload.aspx?t=86391.49&BlobID=76681](http://www.cityofpaloalto.org/civicax/filebank/blobdload.aspx?t=86391.49&BlobID=76681)

In addition, various at places memorandum and presentations were presented throughout the Finance Committee Hearings in May 2020 to provide additional information. These documents can be found on the City's budget website under "Budget Hearing Materials": [www.cityofpaloalto.org/budget](http://www.cityofpaloalto.org/budget)

**CITY OF PALO ALTO**  
**RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 PROPOSED BUDGET**

Department		Revenues		Expenses	
		Category	Adjustment	Category	Adjustment
<b>GENERAL FUND (102 &amp; 103)</b>					
<i>Administrative Services</i>	<b>City's Annual Performance Report Suspension</b> This action reduces staffing recently transferred from the City Auditor's Office to the Office of Management and Budget. This will require that the production of City's annual Performance Report be suspended. 1.0 FTE Senior Performance Auditor will be frozen.	\$	-	Salaries & Benefits	\$ (169,343)
<i>Administrative Services</i>	<b>Purchasing Staff Reorganization and Service Reduction</b> This action reduces resources in the procurement division by reducing 0.5 FTE Administrative Associate and 0.4 FTE Contract Administrator. This action will require the review of purchasing policies and requirements to allow for efficiencies in solicitation cycle time, such as changing levels for competitive solicitations or partially decentralizing low dollar items to departments. This may result in delays, decentralization, and increased risk because of a loss in oversight of procurement processes and adherence to the municipal code.	\$	-	Salaries & Benefits	\$ (185,582)
<i>Administrative Services</i>	<b>Accounting and Revenue Collections Reorganization</b> This action reorganizes resources in revenue collections and accounting, reduces customer service counter hours, increases wait times, and reduces customer service overall. Staff will explore shifting revenue collection functions to an electronic or online platform to achieve efficiencies where possible. Printing of checks will happen every two weeks, and payment inquiries from vendors and city staff will take longer to resolve. 2.0 FTE Accounting Specialist will be eliminated across all funds as a result of this action.	\$	-	Salaries & Benefits	\$ (147,786)
<i>Attorney</i>	<b>Legal Services Staffing Reduction</b> This action reduces 0.50 FTE Legal Fellow in the City Attorney's Office. This will curtail prosecution of municipal citations, code enforcement support, and public records response, and lengthen response times to new initiatives.	\$	-	Salaries & Benefits	\$ (81,171)
<i>Attorney</i>	<b>Travel, Training, and Supply Expense Reductions</b> This action reduces the department's travel, training, and office supply budget from \$89,000. This will reduce the department's capacity to maintain best practices, training, and pursue professional development opportunities, limit flexibility to take on new administrative projects and duties, and reduce resources available for office work.	\$	-	General Expense; Supplies & Materials	\$ (47,342)
<i>Auditor</i>	<b>Audit Services Reduction</b> This action reduces resources in the City Auditor's Office equal to similar internal services reductions. At the direction of the City Council and in coordination with the Council Appointed Officer Committee, staff is currently evaluating the service delivery of the internal audit function and final impacts are to be determined.	\$	-	Salaries & Benefits	\$ (165,000)
<i>Clerk</i>	<b>Travel, Training, Supply and Event Expense Reductions</b> This action reduces the department's travel, training, office supply, and special event budget from \$103,000. This will reduce the department's capacity to attend training and maintain best practices and professional development opportunities, limit flexibility to take on new administrative projects and duties, and eliminate all board and commission special events.	\$	-	General Expense; Supplies & Materials	\$ (10,000)

**CITY OF PALO ALTO**  
**RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 PROPOSED BUDGET**

Department		Revenues		Expenses	
		Category	Adjustment	Category	Adjustment
<b>GENERAL FUND (102 &amp; 103)</b>					
<i>Clerk</i>	<b>Contract Services Reduction</b> This action reduces the department's contracts budget from \$254,350. Contracts being reduced include those for advertising board and commission recruitments, public noticing, radio broadcasting of public meetings, and administrative hearing officers.		\$ -	Contract Services	\$ (55,385)
<i>Council</i>	<b>Travel, Training, Supply and Event Expense Reductions</b> This action reduces the department's travel, training, office supply, and special event budget from \$55,000. This will reduce the City Council's capacity to travel for City business and reduce the number of special events that the Council can host.		\$ -	General Expense; Supplies & Materials	\$ (48,955)
<i>City Manager's Office</i>	<b>Executive Administration Staffing Reduction</b> This action reduces 1.0 FTE Assistant to the City Manager in the City Manager's Office. This will adversely impact the department's ability to implement, manage, or coordinate any new initiatives; work on cross-departmental priorities; respond to Council and community requests; or provide support for public outreach. This position is responsible for special projects, community engagement, and related activities.		\$ -	Salaries & Benefits	\$ (218,750)
<i>City Manager's Office</i>	<b>Travel, Training, and Supply Expense Reductions</b> This action reduces the department's travel, training, and office supply budget from \$98,000. This will reduce the department's capacity to travel for city business such as regulatory and legislative advocacy and interagency coordination, limit flexibility to take on new administrative projects and duties, and reduce resources available for office work.		\$ -	General Expense; Supplies & Materials	\$ (32,000)
<i>Community Services</i>	<b>Administrative Staffing Reduction</b> This action reduces 1.0 Administrative Associate III, 1.0 Assistant Director of Community Services, 1.0 Recreation Superintendent, and 0.48 FTE in part-time staff resources. This will adversely impact the department's ability to support and respond to City Commissions and public inquiries, reduce capacity for marketing and communications, reduce CivicRec oversight and troubleshooting which could impact customers' experience, limit managerial oversight, and delay development of a therapeutic recreation plan.		\$ -	Salaries & Benefits	\$ (585,748)
<i>Community Services</i>	<b>Junior Museum and Zoo Operating Plan</b> This action adjusts budgeted revenue and expenses for the new Junior Museum and Zoo (JMZ). Ticket prices are recommended to increase from \$10 to \$18, and membership rates are recommended to increase from a range of \$110-\$245 to \$150-\$430. These actions are consistent with Staff Reports 11222 and 11322 and accompanying at-places memo, as approved by City Council on May 12 and 13, 2020. Increased ticket and membership pricing results in increased annual revenue, but in FY 2021 revenue and expenses are also decreased based on the JMZ opening being delayed from October 2020 to March 2021. Expenses such as hiring new JMZ staff are pro-rated accordingly. With the increased ticket and membership fees, in a full year of operations the JMZ would be budgeted at 85% cost recovery.	Charges for Services	\$ (46,000)	Salaries & Benefits	\$ (224,991)

Corresponding adjustments in the Municipal Fee schedule are recommended to reflect these changes.

**CITY OF PALO ALTO**  
**RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 PROPOSED BUDGET**

Department		Revenues		Expenses	
		Category	Adjustment	Category	Adjustment
<b>GENERAL FUND (102 &amp; 103)</b>					
<i>Community Services</i>	<p><b>Theater Programming and Support Reduction</b></p> <p>This action reduces programming at the Children's Theatre and reduces support for community theater productions. This action also reduces 1.0 Producer Arts/Science Program and 5.09 FTE of part-time staff resources. This reduces programming at the Palo Alto Children's Theatre (PACT) by limiting to two core productions and several smaller productions, and maintaining smaller groups for classes and camps to allow for social distancing. This action also recognizes reduced revenue for productions to reflect reduced audience sizes necessary for social distancing. Children's Theatre productions serve roughly 100 participants and bring in over 50,000 audience members annually.</p> <p>The Stern Community Theater is used by three local companies who produce approximately 15 productions annually. This action reduces on-site logistical support for community productions and administrative support to other City theaters.</p>	Charges for Services; Other Revenue	\$ (283,643)	Various	\$ (710,827)
<i>Community Services</i>	<p><b>Teen Services Reduction</b></p> <p>This action reduces some teen programs and services that are likely infeasible due to continued social distancing requirements. Impacted programs include some summer camps and a temporary closure of The Drop (teen center at Mitchell Park) through December 2020. This action also recognizes additional revenue from new donations from the Palo Alto Parks &amp; Recreation Foundation and new membership and participation fees for teen programs. This action reduces 1.0 Program Assistant I and 1.44 FTE of part-time staff resources.</p> <p>Corresponding adjustments in the Municipal Fee schedule are recommended.</p>	Charges for Services; Other Revenue	\$ (52,000)	Contract Services; Salaries & Benefits	\$ (201,590)
<i>Community Services</i>	<p><b>Art Center Programming Reduction</b></p> <p>This action reduces programming at the Palo Alto Art Center such as the scope and frequency of exhibitions, visual arts programming, and educational outreach, while retaining studio programs and classes for youth and adults. This action also recognizes the loss of related program revenue partially offset by additional donations from the Palo Alto Art Center Foundation and implementation of fees to several programs/services to improve cost recovery. The Palo Alto Art Center serves approximately 120,000 people each year through programs like free art exhibitions, educational outreach including school tours for Palo Alto Unified School District, art classes and workshops, and art-based summer camps. This action includes a reduction of 0.35 Junior Museum and Zoo Educator, 0.75 Producer Arts/Science Program, 1.0 Program Assistant, and 2.16 FTE of part-time staff resources.</p> <p>Corresponding adjustments in the Municipal Fee schedule are recommended.</p>	Charges for Services; Other Revenue	\$ (4,623)	Facilities & Equipment; Contract Services; Salaries & Benefits	\$ (452,084)

**CITY OF PALO ALTO**  
**RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 PROPOSED BUDGET**

Department		Revenues		Expenses	
		Category	Adjustment	Category	Adjustment
<b>GENERAL FUND (102 &amp; 103)</b>					
<i>Community Services</i>	<b>Community Center Reductions</b> This action reduces operating hours by approximately one to two days per week (schedule TBD) at Mitchell Park Community Center, Lucie Stern Community Center, Cubberley Community Center, and the Palo Alto Art Center. This will result in diminished services across a wide range of activities including responding to customer inquiries, scheduling facility rentals, providing class and camp programming, oversight of invoice payment, and managing custodial needs. This action reduces 2.0 Program Assistant I and 1.27 of part-time FTE staff resources.		\$ -	Salaries & Benefits	\$ (282,694)
<i>Community Services</i>	<b>Parks Maintenance Contract Services Reductions</b> This action reduces contracts for maintenance of parks, athletic fields, courts, roadsides, medians, City buildings, community centers, and other facilities by approximately 25%. This will moderately reduce aesthetic maintenance such as clearing of weeds, turf mowing, and playground washing, while still preserving and prioritizing safety-focused maintenance.		\$ -	Contract Services	\$ (274,844)
<i>Community Services</i>	<b>Community Program and Event Reductions</b> This action reduces funding for the Know Your Neighbors Grant (KYNG) program and special events such as May Fete and Chili Cook-Off. The KYNG provides grants up to \$1,000 to dozens of community members annually for events that support community connections, such as block parties. Staff assigned to the management of these programs will be reassigned to other critical work in the department.	Charges for Services	\$ (13,542)	Contract Services; Salaries & Benefits; Supplies & Materials	\$ (154,404)
<i>Community Services</i>	<b>Open Space and Recreation Reductions</b> This action reduces ranger coverage in Palo Alto Open Space Preserves and reduces public operating hours of the Lucy Evans Baylands Nature Interpretive Center by 50% (schedule TBD). This includes a reduction of 1.0 Community Services Manager and 0.17 FTE of part-time staff resources. The Interpretive Center is currently open four days per week, houses an array of science and nature exhibits, and is a feature of the curriculum of Palo Alto Unified and Ravenswood School Districts. In FY 2019 Palo Alto's Open Space Preserves received approximately 845,000 visits. This action will result in fewer ranger patrols, delayed response to maintenance such as trail and campsite repairs, decreased capacity for litter removal and group rental site reservation support, and reduced support for science educational opportunities.		\$ -	Contract Services; General Expenses; Salaries & Benefits	\$ (243,905)
<i>Community Services</i>	<b>Human Services Funding Adjustments</b> This action eliminates the funding provided to the Santa Clara County Reentry Resource Center (\$125,000) and increases one-time funding provided to Youth Community Services' Youth Connectedness Initiative to \$50,000. Human services funding remains available through the Human Services Resource Allocation Process (HSRAP) which is maintained at the funding level detailed in the FY 2021 Operating Budget.		\$ -	Contract Services; General Expenses	\$ (75,000)

**CITY OF PALO ALTO**  
**RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 PROPOSED BUDGET**

Department		Revenues		Expenses	
		Category	Adjustment	Category	Adjustment
<b>GENERAL FUND (102 &amp; 103)</b>					
<i>Community Services</i>	<p><b>Middle School Athletics and Adult Sports Leagues Revenue Adjustments</b></p> <p>This action increases the participation fees for Middle School Athletics and Adult Sports Leagues by approximately 25%, from \$260 to \$325 and from \$730 to \$913, respectively. If participation remains steady, this action will generate revenue close to cost recovery for City expenses for these programs.</p> <p>Corresponding adjustments in the Municipal Fee Schedule are not recommended as both new values fall within FY 2020 adopted ranges and will remain consistent with levels in the FY 2021 Proposed Municipal Fee Schedule.</p>	Charges for Services	\$ 100,520	\$	-
<i>Fire</i>	<p><b>Fire Inspection and Plan Review</b></p> <p>This action reduces staffing resources in the Fire Prevention Bureau, which will delay fire inspections, increase wait times and impact customer service overall. This action reduces 2.00 FTE Fire Inspectors in the General Fund, 0.40 FTE in the Fire Department with a corresponding reduction in the Planning and Development Services Department.</p>		\$ -	Salaries & Benefits	\$ (93,297)
<i>Fire</i>	<p><b>First Responder and Ambulance Subscriptions Fee</b></p> <p>The First Responder Fee would be charged for all EMS calls regardless of transport and would cover cost for initial response for first due engine. This fee would be assessed on insurance companies.</p> <p>The Ambulance Subscription Program is an optional fee for residents and businesses to secure co-pay free ambulance transport.</p>	Charges for Services	\$ 1,855,000	\$	-
<i>Fire</i>	<p><b>Emergency Incident Response Services</b></p> <p>This action temporarily reduces units when firefighters are on leave, rather than staffing units with overtime; reduces incident response resources and staffing and move towards a brownout flexible staffing model. This action includes reducing 5.0 Fire Fighter EMT positions. Response times and ability to handle concurrent calls will be reduced evenings and weekends, resulting in some calls being handled by the County mutual aid partners. This would require renegotiation of the Fire Services contract with Stanford University.</p>		\$ -	Salaries & Benefits; Contract Services	\$ (831,555)
<i>Fire</i>	<p><b>Fire Administrative and Support Services</b></p> <p>This action reduces staffing resources where functions will be reassessed and reassigned to increase efficiency and allow for more flexibility in workload and responsibilities. This action reduces 1.0 Administrative Associate II, 1.0 Training Captain, and 0.2 FTE Deputy Director Technical Services that is shared with the Police Department.</p>		\$ -	Salaries & Benefits	\$ (412,030)
<i>Human Resources</i>	<p><b>Human Resources Services Staffing Reductions</b></p> <p>This action reduces the equivalent of 1.0 FTE staff resources from the Human Resources Department. This will result in reduced administrative and analytical support for assigned programs and functions in the recruitment, employee relations and training, and information systems divisions.</p>		\$ -	Salaries & Benefits	\$ (236,001)

**CITY OF PALO ALTO**  
**RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 PROPOSED BUDGET**

Department		Revenues		Expenses	
		Category	Adjustment	Category	Adjustment
<b>GENERAL FUND (102 &amp; 103)</b>					
<i>Library</i>	<p><b>Administrative and Library Staffing Reductions</b></p> <p>This action reduces staffing for administrative support, information technology, and customer service. This action will decrease availability of Library staff and services such as reference services, readers advisory, public programs, and book clubs; decrease administrative support; increase time for re-circulating materials and responding to customer service inquiries; decrease coverage at Service Desks from two to one staff member; and limit the Library's ability to manage special projects. This action reduces 1.0 Administrative Associate III, 1.0 Assistant Director of Library Services, 1.0 Library Specialist, and 4.14 FTE of part-time staff resources.</p>	\$	-	Salaries & Benefits	\$ (718,410)
<i>Library</i>	<p><b>Reduced Library Hours and Services</b></p> <p>This action reduces operating hours and/or days at all Library branches. Neighborhood Libraries (Children's, Downtown and College Terrace) will be open 3 days per week and full service libraries (Mitchell Park and Rinconada) will be open 6 days per week. Evening hours will also be eliminated at Rinconada Library, which will close at 6pm every day as opposed to remaining open until 9pm Monday - Thursday. Children's Library will also transition to providing Neighborhood Branch level of service, which includes fewer programs and special events, similar to service levels at the Downtown Library. In FY 2019, the Libraries conducted about 770 program events for Youth ages 0-12; this action is anticipated to result in approximately 200 fewer annual youth programs. The reduced hours of Rinconada Library are expected to increase wait times for community meeting rooms and increase utilization and crowds at Mitchell Park between 6pm - 9pm. This action includes a reduction of 1.0 Library Associate, 2.0 Senior Librarian and 6.27 FTE of part-time staff resources.</p>	\$	-	Salaries & Benefits	\$ (694,616)
<i>Library</i>	<p><b>Travel, Training, and Materials Expense Reductions</b></p> <p>This action reduces the department's travel and training budget and contracts and reduces the department's new material (books) acquisition budget for two years. This will reduce the department's capacity to attend conferences and pursue other professional development opportunities, decrease the number of new books that can be purchased in response to patron or commission requests, and increase wait time customers experience for new books. Physical book circulation has been trending downward since 2018 while electronic resource utilization is trending upward.</p>	\$	-	Contract Services; General Expenses; Supplies & Materials	\$ (241,500)
<i>Office of Emergency Services</i>	<p><b>Emergency Preparedness Staffing Reduction</b></p> <p>This action reduces 1.0 Program Assistant II in the Office of Emergency Services. This reduction will result in fewer resources to support the critical infrastructure program, which includes establishing key community contacts, conducting assessments, and maintaining an essential database. Scaling back this program will impact the preparedness of the community and will result in a shortage of trained personnel to perform essential functions during an activation. Staff also anticipates that without a dedicated resource to manage Intrusion Detection Systems (IDS) that performance will decline over time.</p>	\$	-	Salaries & Benefits	\$ (98,204)

**CITY OF PALO ALTO**  
**RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 PROPOSED BUDGET**

Department		Revenues		Expenses	
		Category	Adjustment	Category	Adjustment
<b>GENERAL FUND (102 &amp; 103)</b>					
<i>Office of Emergency Services</i>	<b>Intrusion Detection Systems (IDS) Reduction</b> This action reduces funding for IDS camera systems along the Caltrain corridor from \$440,000 to \$380,000; maintaining fiber and monitoring services, and reducing maintenance to essential needs.		\$ -	Contract Services	\$ (60,000)
<i>Office of Transportation</i>	<b>Parking Services Staffing Reduction</b> This action reduces 0.48 FTE in part-time staff resources in the Office of Transportation. The department's response times and capacity to review and reconcile parking citation appears in the Residential Preferential Parking program will be adversely impacted.		\$ -	Salaries & Benefits	\$ (29,678)
<i>Office of Transportation</i>	<b>Free Shuttle Service Elimination</b> This action eliminates the free Crosstown and Embarcadero Shuttles. Staff previously assigned to the shuttle program will be reassigned to other key transportation projects. The shuttles connect the University Avenue/Downtown to South Palo Alto at Charleston Road and provide peak hour service between the University Avenue Caltrain Station and the Baylands Business Parks east of Highway 101/Embarcadero. This action will reduce free alternative transportation options to residents of and visitors to Palo Alto, including senior citizens and local students. The Crosstown and Embarcadero shuttles provided 104,929 rides in FY 2019.		\$ -	Contract Services	\$ (538,333)
<i>Planning and Development Services</i>	<b>Administration and Program Assistance Staffing Reduction</b> This action reduces 1.0 Program Assistant I, 1.0 Senior Planner, a 0.48 FTE of part-time staffing resources, and \$180,000 in consultant services in the administrative divisions of Planning and Development Services. Staff's ability to provide administrative, project management, and customer support will be reduced and responses to public record requests delayed. Reductions in other programs and strategic planning are anticipated as workloads are assumed by existing staff.		\$ -	Salaries & Benefits; Contract Services	\$ (450,691)
<i>Planning and Development Services</i>	<b>Current Planning and Development Services Front Counter Reduction</b> This action reduces 1.0 Principal Planner, 1.0 Building/Planning Technician, and \$436,000 in contract services that process applications (including over the counter permit approval), provide customer service, and schedule projects before the Planning and Transportation Committee (PTC), Architectural Review Board (ARB), and Historic Resources Board (HRB). Significant delays in application processing and customer service response times are expected. Modification to local zoning regulations may be required to streamline application review, reducing the amount of time staff spends on each project and with public engagement. A corresponding reduction is recommended for associated fee revenue.	Charges for Services; Other Revenue	\$ (486,607)	Salaries & Benefits; Contract Services	\$ (736,897)
<i>Planning and Development Services</i>	<b>Code Enforcement Reduction</b> This action reduces 2.0 Code Enforcement Officer positions, resulting in limited responses to the highest priority health and safety-related cases, and response times will slow. Implementation of the Code Enforcement Audit recommendations will not be prioritized.		\$ -	Salaries & Benefits	\$ (264,546)

**CITY OF PALO ALTO**  
**RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 PROPOSED BUDGET**

Department		Revenues		Expenses	
		Category	Adjustment	Category	Adjustment
<b>GENERAL FUND (102 &amp; 103)</b>					
<i>Planning and Development Services</i>	<b>Building Inspection and Plan Review Reorganization</b> This action reduces 1.0 Planning Manager and consultant inspection services by 50 percent, and adds 2.0 Building Inspector Specialists (1.0 for a one-year term). This will result in longer lead times for inspections, delayed progress on the Energy Reach Code, and less participation in collaborative efforts such as sustainability, waste reduction, and other priorities. Next day inspections will no longer be an option for most projects. A corresponding reduction is recommended for associated fee revenue.	Charges for Services; Permits	\$ (1,335,306)	Salaries & Benefits; Contract Services	\$ (401,295)
<i>Planning and Development Services</i>	<b>Fire Inspection and Plan Review Reduction</b> This action reduces 2.0 Fire Inspector positions (0.40 allocated to the Fire Department), 0.48 FTE part-time staffing resources, and consultant services by \$78,000 in the Fire Prevention Bureau , which will delay fire inspections, increase wait times and impact customer service overall. A corresponding reduction is recommended for associated fee revenue.	Charges for Services; Permits	\$ (529,424)	Salaries & Benefits; Contract Services	\$ (531,561)
<i>Planning and Development Services</i>	<b>Green Building Program Reduction</b> This action reduces consulting services for green building programs, energy programs, and customer support. Progress towards these programs are anticipated to slow as a result. A corresponding reduction is recommended for associated fee revenue.	Charges for Services; Permits	\$ (68,985)	Contract Services	\$ (105,548)
<i>Planning and Development Services</i>	<b>Public Works Development Services Alignment</b> This action reduces \$74,000 in consultant services to process applications and reallocates staff (equivalent to 0.70 FTE) from the Public Works division to various funds citywide. This reallocation of staff is recommended to better align with workloads anticipated in FY 2021. A corresponding reduction is recommended for associated fee revenue.	Permits	\$ (207,162)	Salaries & Benefits; Contract Services	\$ (208,853)
<i>Planning and Development Services</i>	<b>Development Services Reserve Fund (DSRF)</b> This action reduces the DSRF from \$500,000 to \$0. The DSRF was established in 2018 upon the completion of the most recent fee study and recommended to build and maintain unrestricted funds that could be used to cover unforeseen shortfalls (CMR 8539). At FY 2020 year-end close, \$595,000 of the \$1.1M reserve was recommended to offset losses in FY 2020 (CMR 11328), leaving a balance of \$500,000. The actions in this report will fully exhaust this remaining balance.		\$ 500,000	Reserves	
<i>Police</i>	<b>Reduction in Police Relations</b> This action reduces 1.0 Communications Manager in the Police Department. This will result in the elimination of proactive news releases (for all cases but those that present danger to public safety), completion of the PAPD annual report, Basic and Advanced Citizens Police Academy, and participation in National Night Out. Significant time delays are anticipated for responses to routine press inquiries.		\$ -	Salaries & Benefits	\$ (196,465)
<i>Police</i>	<b>Reallocate Position from Police to City Manager's Office</b> This action reallocates 1.0 Police Lieutenant from the Police Department to the City Manager's Office. This resource will be redeployed to evaluate critical staffing gaps and potential recruitments of new employees during the upcoming year.		\$ -	Salaries & Benefits	\$ (296,190)

**CITY OF PALO ALTO**  
**RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 PROPOSED BUDGET**

Department		Revenues		Expenses	
		Category	Adjustment	Category	Adjustment
<b>GENERAL FUND (102 &amp; 103)</b>					
<i>Police</i>	<p><b>Patrol Operations</b></p> <p>This action reduces 6.0 Police Officer positions, 2.0 Community Service Officers (0.13 allocated to Residential Parking Permit Fund), 1.0 Administrative Associate II position, reduces overtime expense by \$500,000, and reduces contract services by \$57,000 in Police patrol operations. Patrol's ability to positively impact crime rates, address traffic safety issues, and meet key performance measures for proposed response times to urgent and emergency calls for service will be reduced. Urgent and emergency calls will remain the priority for timely police response to ensure safety during potentially life threatening or higher danger crimes in progress. Patrols response to non-emergency calls for service, directed patrol checks, generalized traffic enforcement activities, and special community engagement events will be eliminated or significantly reduced. Other sworn police personnel will be re-assigned to backfill patrol vacancies as they arise to cover staffing shortages.</p>		\$ -	Salary & Benefits; Overtime; Contract Services	\$ (1,822,497)
<i>Police</i>	<p><b>Technical Services Support</b></p> <p>This action reduces 1.0 Deputy Director and 1.0 Communications Technician (0.20 allocated to Fire Department) in technical support functions. Administrative and personnel management will be significantly delayed or not occur for this division. Resources that manage radio repairs, inventories, and replacement schedules will no longer be available and potentially need to be outsourced to an outside consultant.</p>		\$ -	Salaries & Benefits	\$ (391,139)
<i>Police</i>	<p><b>Dispatch Services</b></p> <p>This action reduces 4.0 Public Safety Dispatcher positions, 1.0 Communications Manager, 0.49 FTE in part-time staffing (five positions), and \$500,000 in overtime expenses for Police dispatch operations. This is anticipated to reduce services to 80% of their current levels. This will result in potential impacts to the span of control, longer answer times for 911, and potential outsourcing of non-emergency calls. Time constraints will reduce the ability to provide Emergency Medical Dispatch (EMD) instructions and notifications to specialty teams. Extended answer times for administrative, Utility, and Public Works customers are anticipated and after hours callouts will be limited to emergencies. A corresponding reduction to revenue is recommended for dispatch services provided to Stanford.</p>	Charges for Services	\$ (131,000)	Salary & Benefits; Overtime	\$ (1,323,353)
<i>Police</i>	<p><b>Information Management and Records</b></p> <p>This action reduces 0.29 FTE in part-time staffing resources in the information and records management division related to reporting to other agencies. It is anticipated that all other services will remain intact</p>		\$ -	Salaries & Benefits	\$ (24,129)
<i>Police</i>	<p><b>Reduce Police Investigations</b></p> <p>This action reduces 2.0 Police Officer positions and 0.08 FTE part-time staffing in the detective division. Staff's ability to follow-up on criminal investigations, conduct surveillance and undercover crime suppression operations, participate in region-wide investigative meetings, and collaborate with other local police agencies will be suspended. Little to no impact is anticipated to the property and evidence unit</p>		\$ -	Salaries & Benefits	\$ (345,649)

**CITY OF PALO ALTO**  
**RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 PROPOSED BUDGET**

Department		Revenues		Expenses	
		Category	Adjustment	Category	Adjustment
<b>GENERAL FUND (102 &amp; 103)</b>					
<i>Police</i>	<b>Reduce Police Reserve Program</b> This action reduces 0.72 FTE of part-time staffing resources (six positions) and suspends the Police reserve program provided at special events throughout the City.		\$ -	Salaries & Benefits	\$ (75,449)
<i>Police</i>	<b>Suspend Traffic Program</b> This action reduces 3.0 Police Officer positions and suspends the specialized traffic program. This will result in a loss of personnel assigned full-time to targeted enforcement of traffic laws, which may result in higher instances of traffic collisions, increased dangerous driving behavior and a reduced police presence in residential neighborhoods.		\$ -	Salaries & Benefits	\$ (539,134)
<i>Police</i>	<b>Suspend Parent Project</b> This action eliminates the Parent Project program. As a result, staff anticipates increased calls for service at homes with domestic disturbances and runaways as families will no longer be referred to the program.		\$ -	Contract Services; Supplies & Materials	\$ (60,000)
<i>Police</i>	<b>Recruitment</b> This action reduces 1.0 Police Lieutenant position, 0.22 FTE in part-time staffing (two positions), and \$103,000 in other expenses in the recruitment division. This will delay the current 18-month recruiting and training cycle for a new sworn employee.		\$ -	Salaries & Benefits; Various Non-Salary	\$ (444,039)
<i>Police</i>	<b>Reduce Training</b> This action reduces training from the current 78 total designated hours down to only the mandatory 32 hours of training. Firearm training and qualification will be reduced by 50 percent.		\$ -	Various Non-Salary	\$ (103,901)
<i>Police</i>	<b>Animal Control Program</b> This action reduces 1.0 Animal Control Officer, 0.48 FTE in part-time staffing resources, and \$5,000 in supplies in the Animal Care division. As a result, some overnight services may be reduced. Collection of fees and fines related to enforcement will be impacted. A corresponding reduction in revenue is recommended for these reductions.	Charges for Services	\$ (40,372)	Salaries & Benefits; Supplies & Materials	\$ (139,863)
<i>Public Works</i>	<b>San Francisquito Creek Joint Powers Authority (SFJPA) Membership</b> This action includes a one-time increase of \$86,000 to cover consultant fees for an environmental assessment on an upstream project, and will increase expenses ongoing for the City of Palo Alto's membership fee (\$27,750) with the San Francisquito Creek Joint Powers Authority (SFJPA) which allows the City to participate in the decision-making process for a series of projects to provide flood protection for local residents. The SFJPA is an independent regional government agency founded by three cities and two countywide agencies divided by San Francisquito Creek and united by its watershed and floodplain. This joint agency leads projects along the creek and S.F. Bay to reduce flood threat, enhance ecosystems and recreational opportunities, and connect communities.		\$ -	Contract Services	\$ 113,750

**CITY OF PALO ALTO**  
**RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 PROPOSED BUDGET**

Department	Category	Revenues		Expenses	
		Category	Adjustment	Category	Adjustment
<b>GENERAL FUND (102 &amp; 103)</b>					
<i>Public Works</i>	<b>Urban Forestry</b> This action will reduce contractual funding for tree trimming services citywide by 50%. Although this reduction will significantly reduce the number of trees trimmed in FY 2021 and FY 2022, it is not anticipated to adversely impact the City's goal of a 7-year average tree trimming cycle. This is because the City is currently ahead of schedule. If the reduction is continued for more than two years, it would impact the cycle time over the medium and long-terms. Management of the contract to maximize tree trimming may result in deferral of other activities such as stump grindings and plantings of replacement trees.		\$ -	General Expenses	\$ (654,399)
<i>Public Works</i>	<b>Buildings &amp; Facilities Reductions</b> This action reduces 1.0 Project Manager across all funds (0.65 FTE in the General Fund) for FY 2021 & FY 2022 commensurate with the funding reductions in capital projects. This will realign work capacity to ensure management of the citywide Custodial contract and sufficient staff time to manage the remaining CIPs.		\$ -	Salaries & Benefits	\$ (110,642)
<i>Public Works</i>	<b>Public Works Development Services Alignment</b> This action recognizes the reallocation of staffing from the Planning and Development Services Department's Public Works division to the Public Works department. This reallocation of staff will align the position with the anticipated workload for the position.		\$ -	Salaries & Benefits	\$ 80,109
<i>Non-Departmental</i>	<b>Cubberley Lease Adjustment</b> The City leases 27 acres from the Palo Alto Unified School District (PAUSD) and offers various services and resources through those facilities including short term and long-term rentals, fields, gyms, and theater, as well as an auditorium. This would require the City and PAUSD to renegotiate the lease and reduce the City's payments and corresponding use of some of these facilities. The City has already begun initial conversations with PAUSD. Currently the balancing strategy is assuming a net savings of \$2.5 million, however this is subject to conversations and final agreement between the two parties.		\$ -	General Expenses	\$ (2,500,000)
<i>Non-Departmental</i>	<b>City Council Contingency</b> This action eliminates the City Council Contingency for one year.		\$ -	General Expenses	\$ (125,000)
<i>Non-Departmental</i>	<b>Innovation &amp; Special Event Contingency</b> This action eliminates the Innovation & Special Event Contingency for one year.		\$ -	General Expenses	\$ (50,000)
<i>Non-Departmental</i>	<b>Human Resources Contingency</b> This action eliminates the Human Resources Contingency for one year.		\$ -	General Expenses	\$ (50,000)

**CITY OF PALO ALTO**  
**RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 PROPOSED BUDGET**

Department		Revenues		Expenses	
		Category	Adjustment	Category	Adjustment
<b>GENERAL FUND (102 &amp; 103)</b>					
<i>Non-Departmental</i>	<b>Reduce General Fund Base Transfer To Capital</b> This action reduces the General Fund Base transfer to Capital by approximately 50% and includes the additional \$2.6 M in reductions in the General Fund Transfer to Capital directed by City Council during the Budget Hearings, as well as \$0.7M for sidewalks program.		\$ -	Transfer to Infrastructure	\$ (10,650,000)
<i>Non-Departmental</i>	<b>Reduce TOT Transfer to Capital</b> Consistent with City Council actions on May 4, 2020, Transient Occupancy Tax (TOT) Transfer to Capital will be reduced with the reduced TOT revenue estimate.		\$ -	Transfer to Infrastructure	\$ (8,455,000)
<i>Non-Departmental</i>	<b>Residential Parking Permit (RPP) Administrative Program Revisions</b> This action eliminates the FY 2021 General Fund operating subsidy transfer of \$185,000 into the RPP Fund consistent with Staff Report 11322 as approved by City Council on May 13, 2020. This action requires significant changes to the RPP program including transition to License Plate Reader (LPR) enforcement and virtual permitting, a policy change to no longer provide a first permit free to residents (with limited exceptions), and prioritizing the department's work to fix the 'no re-parking' signage issue. These programmatic changes allow the RPP program to return the subsidy to the General Fund and remain solvent. Corresponding revenue and expense adjustments in the RPP Fund are detailed in the Special Revenue Fund section of this document. Corresponding Municipal Fee Schedule adjustments are recommended to reflect the policy change to no longer provide the first annual residential parking permit free; however, the annual cost of the permits will remain consistent with amounts in the FY 2021 Proposed Municipal Fee Schedule.		\$ -	Operating Transfers Out	\$ (185,000)
<i>Non-Departmental</i>	<b>Tax and Return on Investment Revenue Decreases</b> This action reflects the direction of the City Council on May 4, 2020 to presume a significant decrease in revenues for Property Taxes, Sales Taxes, Transient Occupancy Tax, Utility Users Tax, Documentary Transfer Tax, and Return on Investments from the levels included in the FY 2021 Proposed Operating Budget. For more detailed information, please refer to City Manager's Report 11315.	Various General Fund Tax Revenue	\$ (38,793,700)		\$ -
<i>Non-Departmental</i>	<b>Economically Sensitive Department Revenue</b> Consistent with the direction given by the City Council on May 4, 2020, this action reflects a decrease in various departments' revenues associated with economically sensitive cost-recovery activities for FY 2021 compared to the FY 2021 Proposed Operating Budget.	Various General Fund Revenue	\$ (5,000,000)		\$ -

**CITY OF PALO ALTO**  
**RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 PROPOSED BUDGET**

Department		Revenues		Expenses	
		Category	Adjustment	Category	Adjustment
<b>GENERAL FUND (102 &amp; 103)</b>					
<i>Non-Departmental</i>	<b>Reserve: COVID-19 Recovery</b> This action establishes a reserve for future COVID-19 impacts that may need to be addressed in FY 2021. Staff will return to Council by the second quarter of FY 2021 to discuss options for using this funding as directed by the City Council on May 26, 2020.	\$	-	General Expenses	\$ 744,000
<i>Non-Departmental</i>	<b>COVID-19 Recovery: Contact Tracing</b> This action recognizes \$450,000 in one-time funding to support efforts in tracing the contacts of those who have been diagnosed with COVID-19 as requested by the Santa Clara County. The County has requested staffing assistance for these efforts as we move into the different phases of recovery. This estimate for funding equates to 50% of the most conservative cost estimate.	\$	-	Contract Services	\$ 450,000
<i>Non-Departmental</i>	<b>COVID-19 Recovery: Business and Communications Support</b> This action appropriates funding for three to six months of business and communications support to help navigate the expected near-term impacts of the COVID-19 Public Health Emergency.	\$	-	Contract Services	\$ 150,000
<i>Non-Departmental</i>	<b>COVID-19 Recovery: Workplace Restoration</b> This action appropriates funding for restoring the workplace to ensure it is a safe environment for customers and employees. These funds will ensure that the City can align with the directives of the County Health Order, including social distancing, to address the COVID-19 public health emergency.	\$	-	Contract Services	\$ 350,000
<i>Non-Departmental</i>	<b>Litigation Reserve</b> This action establishes a litigation reserve of \$1.0 million in keeping with the City's practice of proactively setting aside funds for dispute resolution.	\$	-	Contract Services	\$ 1,000,000
<i>Non-Departmental</i>	<b>Implementation Costs Associated with Balancing Strategy</b> This action appropriates \$1.1 million in FY 2021 since some actions cannot be fully implemented immediately, especially it is expected that employee separations will continue into the first quarter of FY 2021.	\$	-	General Expenses	\$ 1,055,000

**CITY OF PALO ALTO**  
**RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 PROPOSED BUDGET**

Department		Revenues		Expenses	
		Category	Adjustment	Category	Adjustment
<b>GENERAL FUND (102 &amp; 103)</b>					
<i>Various</i>	<b>Management Concessions</b> This action reflects the combined impact from adjustments to salary and benefit charges for Management group labor concessions as outlined in Attachment A, Exhibit 4.		\$ -	Salaries & Benefits	\$ (2,257,948)
<i>Various</i>	<b>Retiree Health Adjustment</b> This action reflects the combined impact from adjustments to healthcare charges for Retirees as outlined in Attachment A, Exhibit 4.		\$ -	Salaries & Benefits	\$ (527,112)
<i>Various</i>	<b>Workers' Compensation Adjustment</b> This action reflects the combined impact from adjustments to salary and benefit charges for general liability insurance as outlined in Attachment A, Exhibit 4.		\$ -	Salaries & Benefits	\$ (417,917)
<i>Various</i>	<b>General Liability Insurance Adjustment</b> This action reflects the combined impact from adjustments to allocated charge for general liability insurance as outlined in Attachment A, Exhibit 4.		\$ -	Salaries & Benefits	\$ (68,405)
<i>Various</i>	<b>Information Technology Adjustment</b> This action reflects the combined impact from adjustments to allocated charges for information technology as outlined in Attachment A, Exhibit 4.		\$ -	Allocated Charges	\$ (1,319,936)
<i>Various</i>	<b>Printing Services Adjustment</b> This action reflects the combined impact from adjustments to allocated charges for printing services as outlined in Attachment A, Exhibit 4.		\$ -	Allocated Charges	\$ (88,161)
<i>Various</i>	<b>Utilities Adjustment</b> This action reflects the combined impact from adjustments to allocated charges for utilities as outlined in Attachment A, Exhibit 4.		\$ -	Allocated Charges	\$ (253,718)
<i>Various</i>	<b>Vehicle Maintenance &amp; Replacement (VRM) Fund Reductions</b> This action reflects the combined impact from adjustments to allocated charges for vehicle replacements as outlined in Attachment A, Exhibit 4.		\$ -	Allocated Charges	\$ (1,275,491)
<i>Fund Balance</i>	<b>Adjustment to Fund Balance (Budget Stabilization Reserve)</b> This action adjusts the General Fund Budget Stabilization Reserve to offset the actions recommended in this report.		\$ -	Fund Balance/Reserves	\$ (2,708,750)
<b>GENERAL FUND (102 &amp; 103) SUBTOTAL</b>			<b>\$ (44,536,844)</b>		<b>\$ (44,536,844)</b>

**CITY OF PALO ALTO**  
**RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 PROPOSED BUDGET**

Department		Revenues		Expenses	
		Category	Adjustment	Category	Adjustment
<b>SPECIAL REVENUE FUNDS</b>					
<b><u>CALIFORNIA AVENUE FUND (237)</u></b>					
<i>Office of Transportation</i>	<b>Management Concessions</b> This action reflects the combined impact from adjustments to salary and benefit charges for Management group labor concessions as outlined in Attachment A, Exhibit 4.		\$ -	Salaries & Benefits	\$ (3,782)
<i>Office of Transportation</i>	<b>Retiree Health Adjustment</b> This action reflects the combined impact from adjustments to healthcare charges for Retirees as outlined in Attachment A, Exhibit 4.		\$ -	Salaries & Benefits	\$ (344)
<i>Office of Transportation</i>	<b>Workers' Compensation Adjustment</b> This action reflects the combined impact from adjustments to salary and benefit charges for general liability insurance as outlined in Attachment A, Exhibit 4.		\$ -	Salaries & Benefits	\$ (417)
<i>Office of Transportation</i>	<b>General Liability Insurance Adjustment</b> This action reflects the combined impact from adjustments to allocated charge for general liability insurance as outlined in Attachment A, Exhibit 4.		\$ -	Salaries & Benefits	\$ (135)
<i>Office of Transportation</i>	<b>Utilities Adjustment</b> This action reflects the combined impact from adjustments to allocated charges for utilities as outlined in Attachment A, Exhibit 4.		\$ -	Allocated Charges	\$ (3,042)
<i>Fund Balance</i>	<b>Adjustment to Fund Balance</b> This action adjusts the fund balance to offset adjustments recommended in this report.		\$ -	Fund Balance/Reserves	\$ 7,721
<b>CALIFORNIA AVENUE FUND (237) SUBTOTAL</b>			<b>\$ -</b>		<b>\$ -</b>
<b><u>COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUND (232)</u></b>					
<i>Planning and Development Services</i>	<b>Community Development Block Grant (CDBG)</b> This action adjusts CDBG allocations to align with the revised funding plan approved by the Finance Committee at the May 5, 2020 hearing, including a \$294,909 grant received from the Coronavirus Aid, Relief, and Economic Security act (CARES) (CMR 11148). An additional technical adjustment of \$757 is recommended to align expenditures that were inadvertently misstated in the Proposed Budget.	Federal Revenues	\$ 294,909	General Expense	\$ 294,152
<i>Planning and Development Services</i>	<b>Program Administration</b> This is a technical correction to adjust temporary salaries to align with grant approved funding levels for program administration.		\$ -	Salaries & Benefits	\$ 388
<i>Planning and Development Services</i>	<b>Workers' Compensation Adjustment</b> This action reflects the combined impact from adjustments to salary and benefit charges for general liability insurance as outlined in Attachment A, Exhibit 4.		\$ -	Salaries & Benefits	\$ (283)
<i>Planning and Development Services</i>	<b>General Liability Insurance Adjustment</b> This action reflects the combined impact from adjustments to allocated charge for general liability insurance as outlined in Attachment A, Exhibit 4.		\$ -	Salaries & Benefits	\$ (105)
<i>Fund Balance</i>	<b>Adjustment to Fund Balance</b> This action adjusts the fund balance to offset adjustments recommended in this report.		\$ -	Fund Balance/Reserves	\$ 757
<b>COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUND (232) SUBTOTAL</b>			<b>\$ 294,909</b>		<b>\$ 294,909</b>

**CITY OF PALO ALTO**  
**RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 PROPOSED BUDGET**

Department		Revenues		Expenses	
		Category	Adjustment	Category	Adjustment
<b>SPECIAL REVENUE FUNDS</b>					
<b><u>GAS TAX FUND (231)</u></b>					
<i>Public Works</i>	<b>Street Improvement Fund Adjustment</b> This action reduces the revenue estimate for state gas tax by \$220,000, from \$3.06M to \$2.84M, based on updated estimates released by the State Department of Finance in May.	State Revenues	\$ (219,606)		\$ -
<i>Public Works</i>	<b>Transfer to Capital Improvement Fund</b> This action reduces the transfer to the Capital Improvement Fund to align with lower than anticipated state gas tax revenues and ensure the fund's solvency. In total, the transfer from the Gas Tax Fund to the Capital Improvement Fund will be reduced by \$120,000, from \$2.7M to \$2.6M, including \$10,000 to Safe Routes to School (from \$100,000 to \$90,000), and \$110,000 to Street Maintenance (from \$1.3M to \$1.2M).		\$ -	Transfers-out	\$ (120,000)
<i>Fund Balance</i>	<b>Adjustment to Fund Balance</b> This action adjusts the fund balance to offset adjustments recommended in this report.		\$ -	Fund Balance/ Reserves	\$ (99,606)
<b>GAS TAX FUND (231) SUBTOTAL</b>			<b>\$ (219,606)</b>		<b>\$ (219,606)</b>
<b><u>HOUSING IN-LIEU/RESIDENTIAL FUND (233)</u></b>					
<i>Planning and Development Services</i>	<b>Workers' Compensation Adjustment</b> This action reflects the combined impact from adjustments to salary and benefit charges for general liability insurance as outlined in Attachment A, Exhibit 4.		\$ -	Salaries & Benefits	\$ (72)
<i>Planning and Development Services</i>	<b>General Liability Insurance Adjustment</b> This action reflects the combined impact from adjustments to allocated charge for general liability insurance as outlined in Attachment A, Exhibit 4.		\$ -	Salaries & Benefits	\$ (27)
<i>Fund Balance</i>	<b>Adjustment to Fund Balance</b> This action adjusts the fund balance to offset adjustments recommended in this report.		\$ -	Fund Balance/ Reserves	\$ 99
<b>HOUSING IN-LIEU/RESIDENTIAL FUND (233) SUBTOTAL</b>			<b>\$ -</b>		<b>\$ -</b>
<b><u>HOUSING IN-LIEU/COMMERCIAL FUND (234)</u></b>					
<i>Planning and Development Services</i>	<b>Workers' Compensation Adjustment</b> This action reflects the combined impact from adjustments to salary and benefit charges for general liability insurance as outlined in Attachment A, Exhibit 4.		\$ -	Salaries & Benefits	\$ (72)
<i>Planning and Development Services</i>	<b>General Liability Insurance Adjustment</b> This action reflects the combined impact from adjustments to allocated charge for general liability insurance as outlined in Attachment A, Exhibit 4.		\$ -	Salaries & Benefits	\$ (27)
<i>Fund Balance</i>	<b>Adjustment to Fund Balance</b> This action adjusts the fund balance to offset adjustments recommended in this report.		\$ -	Fund Balance/ Reserves	\$ 99
<b>HOUSING IN-LIEU/COMMERCIAL FUND (234) SUBTOTAL</b>			<b>\$ -</b>		<b>\$ -</b>

**CITY OF PALO ALTO**  
**RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 PROPOSED BUDGET**

Department		Revenues		Expenses	
		Category	Adjustment	Category	Adjustment
<b>SPECIAL REVENUE FUNDS</b>					
<b><u>PUBLIC ART FUND (207)</u></b>					
<i>Community Services</i>	<b>Management Concessions</b> This action reflects the combined impact from adjustments to salary and benefit charges for Management group labor concessions as outlined in Attachment A, Exhibit 4.		\$ -	Salaries & Benefits	\$ (12,774)
<i>Community Services</i>	<b>Workers' Compensation Adjustment</b> This action reflects the combined impact from adjustments to salary and benefit charges for general liability insurance as outlined in Attachment A, Exhibit 4.		\$ -	Salaries & Benefits	\$ (417)
<i>Community Services</i>	<b>General Liability Insurance Adjustment</b> This action reflects the combined impact from adjustments to allocated charge for general liability insurance as outlined in Attachment A, Exhibit 4.		\$ -	Salaries & Benefits	\$ (88)
<i>Fund Balance</i>	<b>Adjustment to Fund Balance</b> This action adjusts the fund balance to offset adjustments recommended in this report.		\$ -	Fund Balance/ Reserves	\$ 13,280
<b>PUBLIC ART FUND (207) SUBTOTAL</b>			\$ -		\$ -

**CITY OF PALO ALTO**  
**RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 PROPOSED BUDGET**

Department		Revenues		Expenses	
		Category	Adjustment	Category	Adjustment
<b>SPECIAL REVENUE FUNDS</b>					
<b><u>RESIDENTIAL PARKING PERMIT (RPP) FUND (239)</u></b>					
<i>Administrative Services</i>	<b>Accounting and Revenue Collections Reorganization</b> This action reorganizes resources in revenue collections and accounting, reduces customer service counter hours, increases wait times, and reduces customer service overall. Staff will explore shifting revenue collection functions to an electronic or online platform to achieve efficiencies where possible. Printing of checks will happen every two weeks, and payment inquiries from vendors and city staff will take longer to resolve. 2.0 FTE Accounting Specialist will be eliminated across all funds as a result of this action.		\$ -	Salaries & Benefits	\$ (52,752)
<i>Office of Transportation</i>	<b>RPP Parking Administrative Program Revisions</b> This action eliminates the FY 2021 General Fund (GF) operating subsidy transfer of \$185,000 into the RPP Fund and executes other revenue and expense adjustments consistent with Staff Report 11322 and accompanying at-places memo, as approved by City Council on May 13, 2020. This action requires significant changes to the RPP program including a proposed transition to License Plate Reader (LPR) enforcement and virtual permitting, a policy change to no longer provide a first permit free to residents (with limited exceptions), as well as other program updates such as the department's work to fix the 'no re-parking' signage issue. These programmatic changes were recommended to allow the RPP to return the subsidy to the GF and remain solvent. These changes require corresponding revenue and expense adjustments, such as lower contract services funding and increased permit sales revenue. As start-up costs of some changes such as implementation of LPR are not known at this time, OOT has input estimates and will return to Council to refine expense and savings estimates at Midyear FY 2021, if necessary. Corresponding Municipal Fee Schedule adjustments are recommended to reflect the policy change to no longer provide the first annual residential parking permit free, although the annual cost of such permits is not recommended to change in FY 2021.	Permits and Licenses; Other Revenue	\$ 79,000	Contract Services	\$ (256,800)
<i>Office of Transportation</i>	<b>Management Concessions</b> This action reflects the combined impact from adjustments to salary and benefit charges for Management group labor concessions as outlined in Attachment A, Exhibit 4.		\$ -	Salaries & Benefits	\$ (11,662)
<i>Office of Transportation</i>	<b>Retiree Health Adjustment</b> This action reflects the combined impact from adjustments to healthcare charges for Retirees as outlined in Attachment A, Exhibit 4.		\$ -	Salaries & Benefits	\$ (866)
<i>Office of Transportation</i>	<b>Workers' Compensation Adjustment</b> This action reflects the combined impact from adjustments to salary and benefit charges for general liability insurance as outlined in Attachment A, Exhibit 4.		\$ -	Salaries & Benefits	\$ (722)
<i>Office of Transportation</i>	<b>General Liability Insurance Adjustment</b> This action reflects the combined impact from adjustments to allocated charge for general liability insurance as outlined in Attachment A, Exhibit 4.		\$ -	Salaries & Benefits	\$ (268)

**CITY OF PALO ALTO**  
**RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 PROPOSED BUDGET**

Department		Revenues		Expenses	
		Category	Adjustment	Category	Adjustment
<b>SPECIAL REVENUE FUNDS</b>					
<i>Office of Transportation</i>	<b>Vehicle Maintenance &amp; Replacement (VRM) Fund Reductions</b> This action reflects the combined impact from adjustments to allocated charges for vehicle replacements as outlined in Attachment A, Exhibit 4.		\$ -	Allocated Charges	\$ (1,307)
<i>Office of Transportation</i>	<b>Printing Services Adjustment</b> This action reflects the combined impact from adjustments to allocated charges for printing services as outlined in Attachment A, Exhibit 4.		\$ -	Allocated Charges	\$ (297)
<i>Police</i>	<b>Patrol Operations</b> This action reduces 2.0 Community Service Officers (equivalent of 0.13 FTE) in the RPP Fund as part of citywide reductions in Patrol Operations. In total, 8.0 Community Services Officers (equivalent of 0.50 FTE) collectively provide enforcement services in the College Terrace district. The positions recommended for reduction are currently vacant and services maintained by existing officers; therefore, staff does not anticipate impacts to enforcement in FY 2021.		\$ -	Salaries & Benefits	\$ (14,031)
<i>Fund Balance</i>	<b>Adjustment to Fund Balance</b> This action adjusts the fund balance to offset adjustments recommended in this report.		\$ -	Fund Balance/ Reserves	\$ 417,706
<b>RESIDENTIAL PARKING PERMIT (RPP) FUND (239) SUBTOTAL</b>			<b>\$ 79,000</b>		<b>\$ 79,000</b>

**CITY OF PALO ALTO**  
**RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 PROPOSED BUDGET**

Department		Revenues		Expenses	
		Category	Adjustment	Category	Adjustment
<b>SPECIAL REVENUE FUNDS</b>					
<b><u>UNIVERSITY AVENUE FUND (236)</u></b>					
<i>Office of Transportation</i>	<b>Transportation Management Association Funding Reduction</b> This action reduces funding to the Palo Alto Transportation Management Association (TMA) from the baseline FY 2021 proposed level of \$750,000. This is consistent with City Council direction approved on May 26, 2020 and with the updated funding request from the TMA on May 21, 2020.		\$ -		\$ (297,000)
<i>Office of Transportation</i>	<b>COVID-19 Business Support</b> This action reallocates funding previously budgeted for the TMA to be used to support city-wide business recovery as a result of impacts from COVID-19.		\$ -		\$ 297,000
<i>Office of Transportation</i>	<b>Management Concessions</b> This action reflects the combined impact from adjustments to salary and benefit charges for Management group labor concessions as outlined in Attachment A, Exhibit 4.		\$ -	Salaries & Benefits	\$ (7,608)
<i>Office of Transportation</i>	<b>Retiree Health Adjustment</b> This action reflects the combined impact from adjustments to healthcare charges for Retirees as outlined in Attachment A, Exhibit 4.		\$ -	Salaries & Benefits	\$ (1,446)
<i>Office of Transportation</i>	<b>Workers' Compensation Adjustment</b> This action reflects the combined impact from adjustments to salary and benefit charges for general liability insurance as outlined in Attachment A, Exhibit 4.		\$ -	Salaries & Benefits	\$ (1,680)
<i>Office of Transportation</i>	<b>General Liability Insurance Adjustment</b> This action reflects the combined impact from adjustments to allocated charge for general liability insurance as outlined in Attachment A, Exhibit 4.		\$ -	Salaries & Benefits	\$ (654)
<i>Office of Transportation</i>	<b>Utilities Adjustment</b> This action reflects the combined impact from adjustments to allocated charges for utilities as outlined in Attachment A, Exhibit 4.		\$ -	Allocated Charges	\$ (15,062)
<i>Fund Balance</i>	<b>Adjustment to Fund Balance</b> This action adjusts the fund balance to offset adjustments recommended in this report.		\$ -	Fund Balance/Reserves	\$ 26,449
<b>UNIVERSITY AVENUE FUND (236) SUBTOTAL</b>			\$ -		\$ -

**CITY OF PALO ALTO**  
**RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 PROPOSED BUDGET**

Department		Revenues		Expenses	
		Category	Adjustment	Category	Adjustment
<b>CAPITAL IMPROVEMENT FUNDS</b>					
<b><u>CAPITAL IMPROVEMENT FUND (471)</u></b>					
<i>Capital</i>	<b>Capital Improvement Project Reappropriations</b> This action reflects the combined impact from adjustments to projects as outlined in Attachment A, Exhibit 3.	Capital	\$ 3,471,529	Capital	\$ (2,958,168)
<i>Public Works</i>	<b>Streets &amp; Sidewalks Program Reductions</b> This action reduces 1.0 Associate Engineer and 0.48 General Laborer -H, resulting in a reduction to street maintenance work and scaling back sidewalk work to only emergency repairs. The implications of this deferred maintenance include, but are not limited to, increased cost and scope for sidewalk replacement and repairs in the future and a possible increase in emergency repair needs.		\$ -	Salaries & Benefits	\$ (188,207)
<i>Public Works</i>	<b>Buildings &amp; Facilities Reductions</b> This action reduces 1.0 Project Manager across all funds (0.65 FTE in the General Fund) for FY 2021 & FY 2022 commensurate with the funding reductions in capital projects. This will realign work capacity to ensure management of the citywide Custodial contract and sufficient staff time to manage the remaining CIPs.		\$ -	Salaries & Benefits	\$ (59,577)
<i>Public Works</i>	<b>Capital Projects General Fund Buildings &amp; Facilities Reductions</b> This action reduces 1.0 Engineer and will result in reduced ability of the department to implement capital projects.		\$ -	Salaries & Benefits	\$ (166,171)
<i>Public Works</i>	<b>Public Works Development Services Alignment</b> This action recognizes the reallocation of staffing from the Planning and Development Services Department's Public Works division to the Public Works department. This reallocation of staff will align the position with the anticipated workload for the position.		\$ -	Salaries & Benefits	\$ 27,560
<i>Capital</i>	<b>Transfers from General Fund</b> This action reduces the General Fund Base transfer by approximately 50% and includes the additional \$2.6 million in reductions in the General Fund Transfer to Capital directed by City Council during the Budget Hearings (\$10.7 million). In addition, consistent with recommendations to Council on May 4, 2020, the transfer of Transient Occupancy Tax (TOT) funding from the General Fund will be reduced (\$8.5 million).	Transfers In	\$ (19,105,000)		\$ -
<i>Capital</i>	<b>Transfer from Gas Tax Fund</b> This action reduces the transfer from the Gas Tax Fund to align with lower than anticipated state gas tax revenues and ensure the fund's solvency. In total, the transfer will be reduced by \$120,000, from \$2.7M to \$2.6M, including \$10,000 to Safe Routes to School (from \$100,000 to \$90,000), and \$110,000 to Street Maintenance (from \$1.3M to \$1.2M).	Transfers In	\$ (110,000)		\$ -
<i>Public Works</i>	<b>Management Concessions</b> This action reflects the combined impact from adjustments to salary and benefit charges for Management group labor concessions as outlined in Attachment A, Exhibit 4.		\$ -	Salaries & Benefits	\$ (166,769)
<i>Public Works</i>	<b>Retiree Health Adjustment</b> This action reflects the combined impact from adjustments to healthcare charges for Retirees as outlined in Attachment A, Exhibit 4.		\$ -	Salaries & Benefits	\$ (15,586)
<i>Public Works</i>	<b>Workers' Compensation Adjustment</b> This action reflects the combined impact from adjustments to salary and benefit charges for general liability insurance as outlined in Attachment A, Exhibit 4.		\$ -	Salaries & Benefits	\$ (16,397)

**CITY OF PALO ALTO**  
**RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 PROPOSED BUDGET**

Department		Revenues		Expenses	
		Category	Adjustment	Category	Adjustment
<b>CAPITAL IMPROVEMENT FUNDS</b>					
<i>Public Works</i>	<b>General Liability Insurance Adjustment</b> This action reflects the combined impact from adjustments to allocated charge for general liability insurance as outlined in Attachment A, Exhibit 4.		\$ -	Salaries & Benefits	\$ (7,063)
<i>Various</i>	<b>Printing Services Adjustment</b> This action reflects the combined impact from adjustments to allocated charges for printing services as outlined in Attachment A, Exhibit 4.		\$ -	Allocated Charges	\$ (1,448)
<i>Public Works</i>	<b>Utilities Adjustment</b> This action reflects the combined impact from adjustments to allocated charges for utilities as outlined in Attachment A, Exhibit 4.		\$ -	Allocated Charges	\$ (12)
<i>Fund Balance</i>	<b>Adjustment to Fund Balance (Infrastructure Reserve)</b> This action adjusts the fund balance to offset adjustments recommended in this report.		\$ -	Fund Balance/ Reserves	\$ (12,191,633)
<b>CAPITAL IMPROVEMENT FUND (471) SUBTOTAL</b>			<b>\$ (15,743,471)</b>		<b>\$ (15,743,471)</b>
<b><u>CUBBERLEY INFRASTRUCTURE FUND (472)</u></b>					
<i>Public Works</i>	<b>Management Concessions</b> This action reflects the combined impact from adjustments to salary and benefit charges for Management group labor concessions as outlined in Attachment A, Exhibit 4.		\$ -	Salaries & Benefits	\$ (2,284)
<i>Fund Balance</i>	<b>Adjustment to Fund Balance (Infrastructure Reserve)</b> This action adjusts the fund balance to offset adjustments recommended in this report.		\$ -	Fund Balance/ Reserves	\$ 2,284
<b>CUBBERLEY INFRASTRUCTURE FUND (472) SUBTOTAL</b>			<b>\$ -</b>		<b>\$ -</b>

**CITY OF PALO ALTO**  
**RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 PROPOSED BUDGET**

Department		Revenues		Expenses	
		Category	Adjustment	Category	Adjustment
<b>ENTERPRISE FUNDS</b>					
<b><u>AIRPORT FUND (530)</u></b>					
<i>Public Works</i>	<b>Management Concessions</b> This action reflects the combined impact from adjustments to salary and benefit charges for Management group labor concessions as outlined in Attachment A, Exhibit 4.		\$ -	Salary & Benefits	\$ (44,325)
<i>Public Works</i>	<b>Retiree Health Adjustment</b> This action reflects the combined impact from adjustments to healthcare charges for Retirees as outlined in Attachment A, Exhibit 4.		\$ -	Salary & Benefits	\$ (2,606)
<i>Public Works</i>	<b>Workers' Compensation Adjustment</b> This action reflects the combined impact from adjustments to salary and benefit charges for general liability insurance as outlined in Attachment A, Exhibit 4.		\$ -	Salary & Benefits	\$ (2,368)
<i>Public Works</i>	<b>General Liability Insurance Adjustment</b> This action reflects the combined impact from adjustments to allocated charge for general liability insurance as outlined in Attachment A, Exhibit 4.		\$ -	Salary & Benefits	\$ (1,100)
<i>Public Works</i>	<b>Information Technology Adjustment</b> This action reflects the combined impact from adjustments to allocated charges for information technology as outlined in Attachment A, Exhibit 4.		\$ -	Allocated Charges	\$ (7,914)
<i>Public Works</i>	<b>Printing Services Adjustment</b> This action reflects the combined impact from adjustments to allocated charges for printing services as outlined in Attachment A, Exhibit 4.		\$ -	Allocated Charges	\$ (541)
<i>Public Works</i>	<b>Utilities Adjustment</b> This action reflects the combined impact from adjustments to allocated charges for utilities as outlined in Attachment A, Exhibit 4.		\$ -	Allocated Charges	\$ (6,500)
<i>Fund Balance</i>	<b>Adjustment to Fund Balance</b> This action adjusts the fund balance to offset adjustments recommended in this report.		\$ -	Fund Balance/ Reserves	\$ 65,354
<b>AIRPORT FUND (530) SUBTOTAL</b>			<b>\$ -</b>		<b>\$ -</b>

**CITY OF PALO ALTO**  
**RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 PROPOSED BUDGET**

Department		Revenues		Expenses	
		Category	Adjustment	Category	Adjustment
<b>ENTERPRISE FUNDS</b>					
<b><u>ELECTRIC FUND (513 &amp; 523)</u></b>					
<i>Capital</i>	<b>Capital Improvement Project Reappropriations</b> This action reflects the combined impact from adjustments to projects as outlined in Attachment A, Exhibit 3.		\$ -	Contract Services	\$ 1,831,915
<i>Utilities</i>	<b>Electric Rates at 0% and Staffing Resource Reduction for FY 2021</b> This action will maintain a 0% rate change for FY 2021. In addition to projected load loss, maintaining a zero electric rate change will result in revenue losses of approximately \$18 million and the reduction of the Electric Fund's respective portion of the following positions which are budgeted throughout the Utilities Funds: 1.0 Utilities Chief Operating Officer; 1.0 Assistant Director, Utilities Engineering; 1.0 Business Analyst; 1.0 Utilities Supervisor; 1.0 Substation Electrician. A portion of the revenue loss will be offset by fewer commodity purchases due to load loss. Additionally, this action reduces staffing, which are anticipated to have minimal short-term impacts, however, may delay implementation of advanced meter infrastructure and building electrification. The City will also have to defer some underground rebuild capital improvement projects to maintain reserves at the target level; these are detailed in expenses reported in the Capital information of Attachment A, Exhibit 3. Impact to other funds are detailed in Attachment A, Exhibit 4.	Net Sales	\$ (18,203,817)	Utility Purchase	\$ (9,000,000)
<i>Utilities</i>	<b>Vehicle Replacement Program Reductions</b> This action reflects the combined impact from adjustments to Vehicle Replacement Program reductions as outline in Attachment A, Exhibit 4.		\$ -	Allocated Charges	\$ (227,930)
<i>Utilities</i>	<b>Management Concessions</b> This action reflects the combined impact from adjustments to salary and benefit charges for Management group labor concessions as outlined in Attachment A, Exhibit 4.		\$ -	Salary & Benefits	\$ (20,043)
<i>Utilities</i>	<b>Retiree Health Adjustment</b> This action reflects the combined impact from adjustments to healthcare charges for Retirees as outlined in Attachment A, Exhibit 4.		\$ -	Salary & Benefits	\$ (93,265)
<i>Utilities</i>	<b>Workers' Compensation Adjustment</b> This action reflects the combined impact from adjustments to salary and benefit charges for general liability insurance as outlined in Attachment A, Exhibit 4.		\$ -	Salary & Benefits	\$ (50,364)
<i>Utilities</i>	<b>General Liability Insurance Adjustment</b> This action reflects the combined impact from adjustments to allocated charge for general liability insurance as outlined in Attachment A, Exhibit 4.		\$ -	Salary & Benefits	\$ (8,654)
<i>Utilities</i>	<b>Printing Services Adjustment</b> This action reflects the combined impact from adjustments to allocated charges for printing services as outlined in Attachment A, Exhibit 4.		\$ -	Allocated Charges	\$ (3,486)
<i>Utilities</i>	<b>Utilities Adjustment</b> This action reflects the combined impact from adjustments to allocated charges for utilities as outlined in Attachment A, Exhibit 4.		\$ -	Allocated Charges	\$ (1,065)
<i>Fund Balance</i>	<b>Adjustment to Fund Balance</b> This action adjusts the fund balance to offset adjustments recommended in this report.		\$ -	Fund Balance/Reserves	\$ (10,630,926)
<b>ELECTRIC FUND (513 &amp; 523) SUBTOTAL</b>			<b>\$ (18,203,817)</b>		<b>\$ (18,203,817)</b>

**CITY OF PALO ALTO**  
**RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 PROPOSED BUDGET**

Department		Revenues		Expenses	
		Category	Adjustment	Category	Adjustment
<b>ENTERPRISE FUNDS</b>					
<b><u>FIBER OPTICS FUND (533)</u></b>					
<i>Capital</i>	<b>Capital Improvement Project Reappropriations</b> This action reflects the combined impact from adjustments to projects as outlined in Attachment A, Exhibit 3.		\$ -	Contract Services	\$ 775,000
<i>Utilities</i>	<b>Workers' Compensation Adjustment</b> This action reflects the combined impact from adjustments to salary and benefit charges for general liability insurance as outlined in Attachment A, Exhibit 4.		\$ -	Salary & Benefits	\$ (3,531)
<i>Utilities</i>	<b>General Liability Insurance Adjustment</b> This action reflects the combined impact from adjustments to allocated charge for general liability insurance as outlined in Attachment A, Exhibit 4.		\$ -	Salary & Benefits	\$ (607)
<i>Fund Balance</i>	<b>Adjustment to Fund Balance</b> This action adjusts the fund balance to offset adjustments recommended in this report.		\$ -	Fund Balance/Reserves	\$ (770,862)
<b>FIBER OPTICS FUND (533) SUBTOTAL</b>			\$ -		\$ -

**CITY OF PALO ALTO**  
**RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 PROPOSED BUDGET**

Department		Revenues		Expenses	
		Category	Adjustment	Category	Adjustment
<b>ENTERPRISE FUNDS</b>					
<b><u>GAS FUND (514 &amp; 524)</u></b>					
<i>Capital</i>	<b>Capital Improvement Project Reappropriations</b> This action reflects the combined impact from adjustments to projects as outlined in Attachment A, Exhibit 3.		\$ -	Contract Services	\$ (3,850,001)
<i>Utilities</i>	<b>Vehicle Replacement Program Reductions</b> This action reflects the combined impact from adjustments to Vehicle Replacement Program reductions as outline in Attachment A, Exhibit 4.		\$ -	Allocated Charges	\$ (179,410)
<i>Utilities</i>	<b>Management Concessions</b> This action reflects the combined impact from adjustments to salary and benefit charges for Management group labor concessions as outlined in Attachment A, Exhibit 4.		\$ -	Salary & Benefits	\$ (3,685)
<i>Utilities</i>	<b>Retiree Health Adjustment</b> This action reflects the combined impact from adjustments to healthcare charges for Retirees as outlined in Attachment A, Exhibit 4.		\$ -	Salary & Benefits	\$ (40,393)
<i>Utilities</i>	<b>Workers' Compensation Adjustment</b> This action reflects the combined impact from adjustments to salary and benefit charges for general liability insurance as outlined in Attachment A, Exhibit 4.		\$ -	Salary & Benefits	\$ (21,314)
<i>Utilities</i>	<b>General Liability Insurance Adjustment</b> This action reflects the combined impact from adjustments to allocated charge for general liability insurance as outlined in Attachment A, Exhibit 4.		\$ -	Salary & Benefits	\$ (3,662)
<i>Utilities</i>	<b>Printing Services Adjustment</b> This action reflects the combined impact from adjustments to allocated charges for printing services as outlined in Attachment A, Exhibit 4.		\$ -	Allocated Charges	\$ (2,101)
<i>Utilities</i>	<b>Utilities Adjustment</b> This action reflects the combined impact from adjustments to allocated charges for utilities as outlined in Attachment A, Exhibit 4.		\$ -	Allocated Charges	\$ (48)
<i>Utilities</i>	<b>Gas Rate Increase of 2% and Staffing Resource Reduction for FY 2021</b> This action will increase the gas rate by 2%, which enables the City to continue the cross-bore safety inspection program and PVC gas main replacement capital project. In order to maintain Gas fund reserves within acceptable target levels, the City will reduce the scope of the gas main replacement project GS-13001 by 30%, or approximately \$3.0 million, detailed in expenses reported in the Capital information of Attachment A, Exhibit 2. Additionally, this action reduces staffing resources, which is anticipated to have minimal short-term impacts, however this may delay implementation of advanced meter infrastructure and gas meter replacements. The reduction of Gas Fund's portion of the following positions throughout the Utilities Funds is a result of this action: 1.0 Utilities Chief Operating Officer; 1.0 Assistant Director, Utilities Engineering; 1.0 Business Analyst; 1.0 Utilities Supervisor; 1.0 Substation Electrician. Impact to other funds are detailed in Attachment A, Exhibit 4.	Net Sales	\$ (2,173,364)	Utility Purchase	\$ (574,000)
<i>Fund Balance</i>	<b>Adjustment to Fund Balance</b> This action adjusts the fund balance to offset adjustments recommended in this report.		\$ -	Fund Balance/ Reserves	\$ 2,501,250
<b>GAS FUND (514 &amp; 524) SUBTOTAL</b>			<b>\$ (2,173,364)</b>		<b>\$ (2,173,364)</b>

**CITY OF PALO ALTO**  
**RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 PROPOSED BUDGET**

Department		Revenues		Expenses	
		Category	Adjustment	Category	Adjustment
<b>ENTERPRISE FUNDS</b>					
<b><u>REFUSE FUND (525)</u></b>					
<i>Public Works</i>	<b>Management Concessions</b> This action reflects the combined impact from adjustments to salary and benefit charges for Management group labor concessions as outlined in Attachment A, Exhibit 4.		\$ -	Salary & Benefits	\$ (85,355)
<i>Public Works</i>	<b>Retiree Health Adjustment</b> This action reflects the combined impact from adjustments to healthcare charges for Retirees as outlined in Attachment A, Exhibit 4.		\$ -	Salary & Benefits	\$ (13,080)
<i>Public Works</i>	<b>Workers' Compensation Adjustment</b> This action reflects the combined impact from adjustments to salary and benefit charges for general liability insurance as outlined in Attachment A, Exhibit 4.		\$ -	Salary & Benefits	\$ (6,925)
<i>Public Works</i>	<b>General Liability Insurance Adjustment</b> This action reflects the combined impact from adjustments to allocated charge for general liability insurance as outlined in Attachment A, Exhibit 4.		\$ -	Salary & Benefits	\$ (3,218)
<i>Public Works</i>	<b>Information Technology Adjustment</b> This action reflects the combined impact from adjustments to allocated charges for information technology as outlined in Attachment A, Exhibit 4.		\$ -	Allocated Charges	\$ (52,703)
<i>Public Works</i>	<b>Printing Services Adjustment</b> This action reflects the combined impact from adjustments to allocated charges for printing services as outlined in Attachment A, Exhibit 4.		\$ -	Allocated Charges	\$ (1,199)
<i>Public Works</i>	<b>Utilities Adjustment</b> This action reflects the combined impact from adjustments to allocated charges for utilities as outlined in Attachment A, Exhibit 4.		\$ -	Allocated Charges	\$ (1,865)
<i>Public Works</i>	<b>Vehicle Replacement Program Reductions</b> This action reflects the combined impact from adjustments to Vehicle Replacement Program reductions as outline in Attachment A, Exhibit 4.		\$ -	Allocated Charges	\$ (58,691)
<i>Fund Balance</i>	<b>Adjustment to Fund Balance</b> This action adjusts the fund balance to offset adjustments recommended in this report.		\$ -	Fund Balance/ Reserves	\$ 223,036
<b>REFUSE FUND (525) SUBTOTAL</b>			\$ -		\$ -

**CITY OF PALO ALTO**  
**RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 PROPOSED BUDGET**

Department		Revenues		Expenses	
		Category	Adjustment	Category	Adjustment
<b>ENTERPRISE FUNDS</b>					
<b><u>STORM DRAINAGE FUND (528)</u></b>					
<i>Capital</i>	<b>Capital Improvement Project Reappropriations</b> This action reflects the combined impact from adjustments to projects as outlined in Attachment A, Exhibit 3.		\$ -	Contract Services	\$ 5,000
<i>Public Works</i>	<b>Management Concessions</b> This action reflects the combined impact from adjustments to salary and benefit charges for Management group labor concessions as outlined in Attachment A, Exhibit 4.		\$ -	Salary & Benefits	\$ (51,646)
<i>Public Works</i>	<b>Retiree Health Adjustment</b> This action reflects the combined impact from adjustments to healthcare charges for Retirees as outlined in Attachment A, Exhibit 4.		\$ -	Salary & Benefits	\$ (8,921)
<i>Public Works</i>	<b>Workers' Compensation Adjustment</b> This action reflects the combined impact from adjustments to salary and benefit charges for general liability insurance as outlined in Attachment A, Exhibit 4.		\$ -	Salary & Benefits	\$ (6,056)
<i>Public Works</i>	<b>General Liability Insurance Adjustment</b> This action reflects the combined impact from adjustments to allocated charge for general liability insurance as outlined in Attachment A, Exhibit 4.		\$ -	Salary & Benefits	\$ (2,814)
<i>Public Works</i>	<b>Information Technology Adjustment</b> This action reflects the combined impact from adjustments to allocated charges for information technology as outlined in Attachment A, Exhibit 4.		\$ -	Allocated Charges	\$ (37,461)
<i>Public Works</i>	<b>Printing Services Adjustment</b> This action reflects the combined impact from adjustments to allocated charges for printing services as outlined in Attachment A, Exhibit 4.		\$ -	Allocated Charges	\$ (1,112)
<i>Public Works</i>	<b>Utilities Adjustment</b> This action reflects the combined impact from adjustments to allocated charges for utilities as outlined in Attachment A, Exhibit 4.		\$ -	Allocated Charges	\$ (5,348)
<i>Public Works</i>	<b>Vehicle Replacement Program Reductions</b> This action reflects the combined impact from adjustments to Vehicle Replacement Program reductions as outline in Attachment A, Exhibit 4.		\$ -	Allocated Charges	\$ (89,839)
<i>Fund Balance</i>	<b>Adjustment to Fund Balance</b> This action adjusts the fund balance to offset adjustments recommended in this report.		\$ -	Fund Balance/Reserves	\$ 198,197
<b>STORM DRAINAGE FUND (528) SUBTOTAL</b>			\$ -		\$ -

**CITY OF PALO ALTO**  
**RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 PROPOSED BUDGET**

Department		Revenues		Expenses	
		Category	Adjustment	Category	Adjustment
<b>ENTERPRISE FUNDS</b>					
<b><u>UTILITIES ADMINISTRATION FUND (521)</u></b>					
<i>Utilities</i>	<b>Management Concessions</b> This action reflects the combined impact from adjustments to salary and benefit charges for Management group labor concessions as outlined in Attachment A, Exhibit 4.		\$ -	Salary & Benefits	\$ (124,380)
<i>Utilities</i>	<b>Workers' Compensation Adjustment</b> This action reflects the combined impact from adjustments to salary and benefit charges for general liability insurance as outlined in Attachment A, Exhibit 4.		\$ -	Salary & Benefits	\$ (9,399)
<i>Utilities</i>	<b>General Liability Insurance Adjustment</b> This action reflects the combined impact from adjustments to allocated charge for general liability insurance as outlined in Attachment A, Exhibit 4.		\$ -	Salary & Benefits	\$ (1,615)
<i>Utilities</i>	<b>Information Technology Adjustment</b> This action reflects the combined impact from adjustments to allocated charges for information technology as outlined in Attachment A, Exhibit 4.		\$ -	Allocated Charges	\$ (707,568)
<i>Utilities</i>	<b>Printing Services Adjustment</b> This action reflects the combined impact from adjustments to allocated charges for printing services as outlined in Attachment A, Exhibit 4.		\$ -	Allocated Charges	\$ (6,211)
<i>Utilities</i>	<b>Utilities Adjustment</b> This action reflects the combined impact from adjustments to allocated charges for utilities as outlined in Attachment A, Exhibit 4.		\$ -	Allocated Charges	\$ (7,589)
<i>Fund Balance</i>	<b>Adjustment to Fund Balance</b> This action adjusts the fund balance to offset adjustments recommended in this report.		\$ -	Fund Balance/ Reserves	\$ 856,762
<b>UTILITIES ADMINISTRATION FUND (521) SUBTOTAL</b>			\$ -		\$ -

**CITY OF PALO ALTO**  
**RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 PROPOSED BUDGET**

Department		Revenues		Expenses	
		Category	Adjustment	Category	Adjustment
<b>ENTERPRISE FUNDS</b>					
<b><u>WASTEWATER COLLECTION FUND (527)</u></b>					
<i>Capital</i>	<b>Capital Improvement Project Reappropriations</b> This action reflects the combined impact from adjustments to projects as outlined in Attachment A, Exhibit 3.		\$ 600,000	Contract Services	\$ 316,424
<i>Utilities</i>	<b>Vehicle Replacement Program Reductions</b> This action reflects the combined impact from adjustments to Vehicle Replacement Program reductions as outline in Attachment A, Exhibit 4.		\$ -	Allocated Charges	\$ (117,130)
<i>Utilities</i>	<b>Management Concessions</b> This action reflects the combined impact from adjustments to salary and benefit charges for Management group labor concessions as outlined in Attachment A, Exhibit 4.		\$ -	Salary & Benefits	\$ (553)
<i>Utilities</i>	<b>Retiree Health Adjustment</b> This action reflects the combined impact from adjustments to healthcare charges for Retirees as outlined in Attachment A, Exhibit 4.		\$ -	Salary & Benefits	\$ (15,586)
<i>Utilities</i>	<b>Workers' Compensation Adjustment</b> This action reflects the combined impact from adjustments to salary and benefit charges for general liability insurance as outlined in Attachment A, Exhibit 4.		\$ -	Salary & Benefits	\$ (11,913)
<i>Utilities</i>	<b>General Liability Insurance Adjustment</b> This action reflects the combined impact from adjustments to allocated charge for general liability insurance as outlined in Attachment A, Exhibit 4.		\$ -	Salary & Benefits	\$ (2,047)
<i>Utilities</i>	<b>Printing Services Adjustment</b> This action reflects the combined impact from adjustments to allocated charges for printing services as outlined in Attachment A, Exhibit 4.		\$ -	Allocated Charges	\$ (250)
<i>Utilities</i>	<b>Utilities Adjustment</b> This action reflects the combined impact from adjustments to allocated charges for utilities as outlined in Attachment A, Exhibit 4.		\$ -	Allocated Charges	\$ (87)
<i>Utilities</i>	<b>Wastewater Rates at 0% and Staffing Resource Reduction for FY 2021</b> This action will maintain wastewater rates at 0% and offset potential revenue losses by reducing the linear footage of main replacement projects and/or delay future construction of sewer main replacement project WC-17001. This would decrease expenses, detailed in the Capital Information of Attachment A, Exhibit 2, by approximately \$700,000. Additionally, this action reduces the Wastewater Collection Fund's respective portions of the following positions which are allocated throughout the Utilities Funds: 1.0 Utilities Chief Operating Officer; 1.0 Assistant Director, Utilities Engineering; 1.0 Business Analyst; 1.0 Utilities Supervisor; 1.0 Substation Electrician. Impact to other funds are detailed in Attachment A, Exhibit 4.	Net Sales	\$ (878,106)	Utility Purchase	\$ (6,038)
<i>Fund Balance</i>	<b>Adjustment to Fund Balance</b> This action adjusts the fund balance to offset adjustments recommended in this report.		\$ -	Fund Balance/ Reserves	\$ (440,926)
<b>WASTEWATER COLLECTION FUND (527) SUBTOTAL</b>			<b>\$ (278,106)</b>		<b>\$ (278,106)</b>

**CITY OF PALO ALTO**  
**RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 PROPOSED BUDGET**

Department		Revenues		Expenses	
		Category	Adjustment	Category	Adjustment
<b>ENTERPRISE FUNDS</b>					
<b><u>WASTEWATER TREATMENT FUND (526)</u></b>					
<i>Capital</i>	<b>Capital Improvement Project Reappropriations</b> This action reflects the combined impact from adjustments to projects as outlined in Attachment A, Exhibit 3.	Revenue from Other Agencies	\$ 19,208,000	Contract Services	\$ 13,366,025
<i>Public Works</i>	<b>Vehicle Replacement Program Reductions</b> This action reflects the combined impact from adjustments to Vehicle Replacement Program reductions as outline in Attachment A, Exhibit 4.		\$ -	Allocated Charges	\$ (43,378)
<i>Public Works</i>	<b>Public Works Development Services Alignment</b> This action recognizes the reallocation of staffing from the Planning and Development Services Department's Public Works division to the Public Works department. This reallocation of staff will align the position with the anticipated workload for the position.		\$ -	Salaries & Benefits	\$ 27,184
<i>Public Works</i>	<b>Management Concessions</b> This action reflects the combined impact from adjustments to salary and benefit charges for Management group labor concessions as outlined in Attachment A, Exhibit 4.		\$ -	Salary & Benefits	\$ (239,062)
<i>Public Works</i>	<b>Retiree Health Adjustment</b> This action reflects the combined impact from adjustments to healthcare charges for Retirees as outlined in Attachment A, Exhibit 4.		\$ -	Salary & Benefits	\$ (50,867)
<i>Public Works</i>	<b>Workers' Compensation Adjustment</b> This action reflects the combined impact from adjustments to salary and benefit charges for general liability insurance as outlined in Attachment A, Exhibit 4.		\$ -	Salary & Benefits	\$ (31,629)
<i>Public Works</i>	<b>General Liability Insurance Adjustment</b> This action reflects the combined impact from adjustments to allocated charge for general liability insurance as outlined in Attachment A, Exhibit 4.		\$ -	Salary & Benefits	\$ (14,699)
<i>Public Works</i>	<b>Information Technology Adjustment</b> This action reflects the combined impact from adjustments to allocated charges for information technology as outlined in Attachment A, Exhibit 4.		\$ -	Allocated Charges	\$ (208,829)
<i>Public Works</i>	<b>Printing Services Adjustment</b> This action reflects the combined impact from adjustments to allocated charges for printing services as outlined in Attachment A, Exhibit 4.		\$ -	Allocated Charges	\$ (2,614)
<i>Public Works</i>	<b>Utilities Adjustment</b> This action reflects the combined impact from adjustments to allocated charges for utilities as outlined in Attachment A, Exhibit 4.		\$ -	Allocated Charges	\$ (159,106)
<i>Fund Balance</i>	<b>Adjustment to Fund Balance</b> This action adjusts the fund balance to offset adjustments recommended in this report.		\$ -	Fund Balance/ Reserves	\$ 6,564,975
<b>WASTEWATER TREATMENT FUND (526) SUBTOTAL</b>			<b>\$ 19,208,000</b>	<b>\$ 19,208,000</b>	

**CITY OF PALO ALTO**  
**RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 PROPOSED BUDGET**

Department		Revenues		Expenses	
		Category	Adjustment	Category	Adjustment
<b>ENTERPRISE FUNDS</b>					
<b><u>WATER FUND (522)</u></b>					
<i>Capital</i>	<b>Capital Improvement Project Reappropriations</b> This action reflects the combined impact from adjustments to projects as outlined in Attachment A, Exhibit 3.		\$ 865,666		\$ 5,293,357
<i>Utilities</i>	<b>Utilities Adjustment</b> This action reflects the combined impact from adjustments to allocated charges for utilities as outlined in Attachment A, Exhibit 4.		\$ -	Allocated Charges	\$ (40,448)
<i>Utilities</i>	<b>Vehicle Replacement Program Reductions</b> This action reflects the combined impact from adjustments to Vehicle Replacement Program reductions as outline in Attachment A, Exhibit 4.		\$ -	Allocated Charges	\$ (144,852)
<i>Utilities</i>	<b>Management Concessions</b> This action reflects the combined impact from adjustments to salary and benefit charges for Management group labor concessions as outlined in Attachment A, Exhibit 4.		\$ -	Salary & Benefits	\$ (1,107)
<i>Utilities</i>	<b>Retiree Health Adjustment</b> This action reflects the combined impact from adjustments to healthcare charges for Retirees as outlined in Attachment A, Exhibit 4.		\$ -	Salary & Benefits	\$ (25,509)
<i>Utilities</i>	<b>Workers' Compensation Adjustment</b> This action reflects the combined impact from adjustments to salary and benefit charges for general liability insurance as outlined in Attachment A, Exhibit 4.		\$ -	Salary & Benefits	\$ (20,663)
<i>Utilities</i>	<b>General Liability Insurance Adjustment</b> This action reflects the combined impact from adjustments to allocated charge for general liability insurance as outlined in Attachment A, Exhibit 4.		\$ -	Salary & Benefits	\$ (3,550)
<i>Utilities</i>	<b>Water Rates at 0% and Staffing Resource Reduction for FY 2021</b> This action will maintain a 0% rate increase for FY 2021 and FY 2022, in alignment with the San Francisco Public Utilities Commission (SFPUC) projection of 0% water supply rate increases until FY 2023. Due to past capital improvement project deferrals, the City has adequate Water Fund reserves to absorb the anticipated decrease in revenues, which would be partially offset by projected load losses. Additionally, the City would still be able to continue to complete the seismic water tank replacement and water main replacements in FY 2021. This action also reduces the Water Fund's respective portions of the following staff resources that are budgeted throughout the Utility Funds: 1.0 Utilities Chief Operating Officer; 1.0 Assistant Director, Utilities Engineering; 1.0 Business Analyst; 1.0 Utilities Supervisor; 1.0 Substation Electrician. These are anticipated to have minimal short-term impact, however this may delay implementation of advanced meter infrastructure and water meter replacements. Impact to other funds are detailed in Attachment A, Exhibit 4.	Net Sales	\$ (2,022,430)	Utility Purchase	\$ (750,000)
<i>Utilities</i>	<b>Printing Services Adjustment</b> This action reflects the combined impact from adjustments to allocated charges for printing services as outlined in Attachment A, Exhibit 4.		\$ -	Allocated Charges	\$ (2,075)
<i>Fund Balance</i>	<b>Adjustment to Fund Balance</b> This action adjusts the fund balance to offset adjustments recommended in this report.		\$ -	Fund Balance/ Reserves	\$ (5,463,993)
<b>WATER FUND (522) SUBTOTAL</b>			<b>\$ (1,156,764)</b>		<b>\$ (1,158,839)</b>

**CITY OF PALO ALTO**  
**RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 PROPOSED BUDGET**

Department	Revenues		Expenses	
	Category	Adjustment	Category	Adjustment
<b>INTERNAL SERVICE FUNDS</b>				
<b><u>GENERAL BENEFITS FUND (687)</u></b>				
<i>Non-Departmental</i>	<b>Charges to Other Funds/Retirement Expense</b>	\$ (405,595)		\$ (405,595)
	<p>This one-time action decreases the estimate for charges to other funds by \$406,000 due to labor concessions in the Management group in FY 2021. In total, the Management concessions generate salary and benefit savings of \$3.5M (\$2.3M in the General Fund). Of this amount, \$406,000 (\$258,000 in the General Fund) is attributable to pension costs that are calculated as a percentage of payroll, including normal cost, employee share, and supplemental contributions. The General Benefits Fund acts as a pass-through for pension costs; therefore, a reduction to the department allocation and the associated expense for pension is recommended. Corresponding actions are recommended in this report and detailed in Attachment A, Exhibit 4 to distribute savings across the City.</p>			
<i>Non-Departmental</i>	<b>Transfer To Retiree Health Benefits Fund</b>	\$ -		\$ (37,000)
	<p>This action decreases the transfer from the General Benefit Fund to the Retiree Healthcare Fund to align the implied subsidy with the most recent actuarial valuation performed by Bartel Associates that reduced the subsidy from 2.38M to \$2.35M in FY 2021 (CMR 11284). The implied subsidy recognizes the higher cost of medical services for retirees, which is reduced from the active employees' health care costs in the General Benefits Fund and transferred to the Retiree Health Benefit fund for retiree medical costs. A corresponding increase to active employee healthcare costs is also recommended in this report.</p>			
<i>Non-Departmental</i>	<b>Health Benefit Expense</b>	\$ -		\$ 37,000
	<p>This action increases active employee healthcare costs in the General Benefit Fund to align the implied subsidy with the most recent actuarial valuation performed by Bartel Associates that reduced the subsidy from 2.38M to \$2.35M in FY 2021 (CMR 11284). The implied subsidy recognizes the higher cost of medical services for retirees, which is reduced from the active employees' health care costs in the General Benefits Fund and transferred to the Retiree Health Benefit fund for retiree medical costs. A corresponding reduction to the transfer is also recommended in this report.</p>			
<i>Fund Balance</i>	<b>Adjustment to Fund Balance</b>	\$ -	Fund Balance/ Reserves	\$ -
	<p>This action adjusts the fund balance to offset adjustments recommended in this report.</p>			
<b>GENERAL BENEFITS FUND (687) SUBTOTAL</b>		<b>\$ (405,595)</b>		<b>\$ (405,595)</b>
<b><u>GENERAL LIABILITY INSURANCE FUND (689)</u></b>				
<i>Non-Departmental</i>	<b>Charges to Other Funds</b>	\$ (125,000)		\$ -
	<p>This one-time action decreases the estimate for charges to other funds by \$125,000 (\$68,000 in the General Fund) and is offset by a decrease in accumulated fund balance in the General Liability Fund. Staff will continue to proactively monitor and analyze the General Liability Insurance Fund throughout FY 2021 to ensure it remains resourced appropriately and that the risk is appropriately managed. Corresponding actions are recommended in this report and detailed in Attachment A, Exhibit 4 to distribute savings across the City.</p>			
<i>Fund Balance</i>	<b>Adjustment to Fund Balance</b>	\$ -	Fund Balance/ Reserves	\$ (125,000)
	<p>This action adjusts the fund balance to offset adjustments recommended in this report.</p>			
<b>GENERAL LIABILITY INSURANCE FUND (689) SUBTOTAL</b>		<b>\$ (125,000)</b>		<b>\$ (125,000)</b>

**CITY OF PALO ALTO**  
**RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 PROPOSED BUDGET**

Department		Revenues		Expenses	
		Category	Adjustment	Category	Adjustment
<b>INTERNAL SERVICE FUNDS</b>					
<b><u>PRINTING AND MAILING FUND (683)</u></b>					
<i>Administrative Services</i>	<b>Vehicle Replacement Program Reductions</b> This action reflects the combined impact from adjustments to Vehicle Replacement Program reductions as outline in Attachment A, Exhibit 4.		\$ -	Allocated Charges	\$ (1,307)
<i>Administrative Services</i>	<b>Printing Services</b> This action restructures the City's printing services through a reduction in costs by \$110,000. Staff is evaluating adjustments to the City's copier leases. The General Fund portion of these savings is anticipated to be approximately \$88,000 based on the allocation of printing costs across the City. Impacts to various citywide funds are detailed in Attachment A, Exhibit 4.	Allocated Charges	\$ (110,000)		\$ (110,000)
<i>Non-Departmental</i>	<b>Management Concessions</b> This action reflects the combined impact from adjustments to salary and benefit charges for Management group labor concessions as outlined in Attachment A, Exhibit 4.		\$ -		\$ (1,676)
<i>Non-Departmental</i>	<b>Retiree Health Adjustment</b> This action reflects the combined impact from adjustments to healthcare charges for Retirees as outlined in Attachment A, Exhibit 4.		\$ -		\$ (852)
<i>Non-Departmental</i>	<b>Workers' Compensation Adjustment</b> This action reflects the combined impact from adjustments to salary and benefit charges for general liability insurance as outlined in Attachment A, Exhibit 4.		\$ -		\$ (614)
<i>Non-Departmental</i>	<b>General Liability Insurance Adjustment</b> This action reflects the combined impact from adjustments to allocated charge for general liability insurance as outlined in Attachment A, Exhibit 4.		\$ -		\$ (91)
<i>Public Works</i>	<b>Information Technology Adjustment</b> This action reflects the combined impact from adjustments to allocated charges for information technology as outlined in Attachment A, Exhibit 4.		\$ -	Allocated Charges	\$ (8,816)
<i>Fund Balance</i>	<b>Adjustment to Fund Balance</b> This action adjusts the fund balance to offset adjustments recommended in this report.		\$ -	Fund Balance/ Reserves	\$ 13,356
<b>PRINTING AND MAILING FUND (683) SUBTOTAL</b>			<b>\$ (110,000)</b>		<b>\$ (110,000)</b>

**CITY OF PALO ALTO**  
**RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 PROPOSED BUDGET**

Department		Revenues		Expenses	
		Category	Adjustment	Category	Adjustment
<b>INTERNAL SERVICE FUNDS</b>					
<b><u>RETIREE HEALTH BENEFITS FUND (694)</u></b>					
<i>Non-Departmental</i>	<b>Charges to Other Funds/Retirement Premium Expense</b> This action decreases the estimate for charges to other funds by \$826,000 (\$527,000 in the General Fund) to align department allocations for Retiree Healthcare costs with the most recent actuarial valuation performed by Bartel Associates. Consistent with the direction approved by the Finance Committee on May 5, 2020 the allocated charges will now be aligned with funding contributions presuming a 6.25 percent Discount Rate (CMR 11284). Corresponding actions are recommended in this report and detailed in Attachment A, Exhibit 4 to distribute savings across the City.		\$ (826,000)		\$ (826,000)
<i>Non-Departmental</i>	<b>Transfer From General Benefits Fund/Health Benefit Expense</b> This action decreases the transfer from the General Benefit Fund to the Retiree Healthcare Fund to align the implied subsidy with the most recent actuarial valuation performed by Bartel Associates that reduced the subsidy from 2.38M to \$2.35M in FY 2021 (CMR 11284). The implied subsidy recognizes the higher cost of medical services for retirees, which is reduced from the active employees' health care costs in the General Benefits Funds and transferred to the Retiree Health Benefits fund for retiree medical costs. A corresponding reduction to retiree healthcare costs is also recommended in this report.		\$ (37,000)		\$ (37,000)
<b>RETIREE HEALTH BENEFITS FUND (694) SUBTOTAL</b>			<b>\$ (863,000)</b>		<b>\$ (863,000)</b>
<b><u>TECHNOLOGY FUND (682)</u></b>					
<i>Capital</i>	<b>Capital Improvement Project Reappropriations</b> This action reflects the combined impact from adjustments to projects as outlined in Attachment A, Exhibit 3.	Charges to Other Funds	\$ (46,000)	Contract Services	\$ (2,157,463)
<i>Information Technology</i>	<b>Recognize Accumulated Savings in IT Fund Balance</b> This action recognizes anticipated savings resulting from FY 2020 Vacancy Savings and funding for equipment replacements that has accumulated to subsidize payments from all funds to the Information Technology Fund on a one-time basis in FY 2021. This will result in savings in IT allocated charges in the General Fund and Other Funds and decrease the fund balance in the Information Technology Fund. Since this action does not decrease expenses in the IT Fund consistent with revenue decreases, the revenue and expense adjustments for all funds are much closer aligned than other actions. This action reflects the combined impact from adjustments to Information Technology reductions as outlined in Attachment A, Exhibit 4.	Charges to Other Funds	\$ (682,113)		\$ -
<i>Information Technology</i>	<b>Printing Services Adjustment</b> This action reflects the combined impact from adjustments to allocated charges for printing services as outlined in Attachment A, Exhibit 4.		\$ -	Allocated Charges	\$ (506)
<i>Information Technology</i>	<b>Utilities Adjustment</b> This action reflects the combined impact from adjustments to allocated charges for utilities as outlined in Attachment A, Exhibit 4.		\$ -	Allocated Charges	\$ (997)
<i>Information Technology</i>	<b>Vehicle Replacement Program Reductions</b> This action reflects the combined impact from adjustments to Vehicle Replacement Program reductions as outlined in Attachment A, Exhibit 4.		\$ -	Allocated Charges	\$ (4,632)
<i>Information Technology</i>	<b>Management Concessions</b> This action reflects the combined impact from adjustments to salary and benefit charges for Management group labor concessions as outlined in Attachment A, Exhibit 4.		\$ -	Salary & Benefits	\$ (453,765)

**CITY OF PALO ALTO**  
**RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 PROPOSED BUDGET**

Department		Revenues		Expenses	
		Category	Adjustment	Category	Adjustment
<b>INTERNAL SERVICE FUNDS</b>					
<i>Information Technology</i>	<b>Retiree Health Adjustment</b> This action reflects the combined impact from adjustments to healthcare charges for Retirees as outlined in Attachment A, Exhibit 4.		\$ -	Salary & Benefits	\$ (20,698)
<i>Information Technology</i>	<b>Workers' Compensation Adjustment</b> This action reflects the combined impact from adjustments to salary and benefit charges for general liability insurance as outlined in Attachment A, Exhibit 4.		\$ -	Salary & Benefits	\$ (15,658)
<i>Information Technology</i>	<b>General Liability Insurance Adjustment</b> This action reflects the combined impact from adjustments to allocated charge for general liability insurance as outlined in Attachment A, Exhibit 4.		\$ -	Salary & Benefits	\$ (3,109)
<i>Information Technology</i>	<b>Position Eliminations, Deferral of Hiring, and Reduction in Department Training</b> This action reduces and defers the hiring of staff including 1.0 Director, Information Technology, 2.0 Senior Technologists, and 1.0 Technologist. This budget impact will result in decreased response time for internal work orders and delays in projects support and management across the organization.	Charges to Other Funds	\$ (923,256)	Salary & Benefits	\$ (923,256)
<i>Information Technology</i>	<b>Reduction in Software and Equipment Support</b> This action reduces the Citywide allocation for software replacement and may result in use of reserves or a resource impact to a department where replacement costs have not fully amortized. This reduction also contains costs that are no longer needed due to the City moving to an alternative platform, equipment being taken out of service, or alternative service delivery models being utilized.	Charges to Other Funds	\$ (790,881)	Contract Services	\$ (790,881)
<i>Fund Balance</i>	<b>Adjustment to Fund Balance</b> This action adjusts the fund balance to offset adjustments recommended in this report.		\$ -	Fund Balance/ Reserves	\$ 1,928,715
<b>TECHNOLOGY FUND (682) SUBTOTAL</b>			<b>\$ (2,442,250)</b>		<b>\$ (2,442,250)</b>

**CITY OF PALO ALTO**  
**RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 PROPOSED BUDGET**

Department		Revenues		Expenses	
		Category	Adjustment	Category	Adjustment
<b>INTERNAL SERVICE FUNDS</b>					
<b><u>VEHICLE REPLACEMENT FUND (681)</u></b>					
<i>Capital</i>	<b>Capital Improvement Project Reappropriations</b> This action reflects the combined impact from adjustments to projects as outlined in Attachment A, Exhibit 3.		\$ -	Contract Services	\$ (1,786,000)
<i>Public Works</i>	<b>Vehicle Maintenance &amp; Replacement (VRM) Fund Reductions</b> This action will reduce vehicle replacements and resources, including 1.0 Motor Equipment Mechanic II, for FY 2021 & FY 2022. This will limit vehicle replacements in FY21 & FY22 to only regulatory or serious maintenance issues, resulting in an increase in backlog and the need to catch up to the replacement schedule in the future. Impacts to various citywide funds are detailed in Attachment A, Exhibit 4.		\$ (2,142,660)	Allocated Charges	\$ (127,067)
<i>Public Works</i>	<b>Management Concessions</b> This action reflects the combined impact from adjustments to salary and benefit charges for Management group labor concessions as outlined in Attachment A, Exhibit 4.		\$ -	Salary & Benefits	\$ (47,357)
<i>Public Works</i>	<b>Retiree Health Adjustment</b> This action reflects the combined impact from adjustments to healthcare charges for Retirees as outlined in Attachment A, Exhibit 4.		\$ -	Salary & Benefits	\$ (8,870)
<i>Public Works</i>	<b>Workers' Compensation Adjustment</b> This action reflects the combined impact from adjustments to salary and benefit charges for general liability insurance as outlined in Attachment A, Exhibit 4.		\$ -	Salary & Benefits	\$ (6,587)
<i>Public Works</i>	<b>General Liability Insurance Adjustment</b> This action reflects the combined impact from adjustments to allocated charge for general liability insurance as outlined in Attachment A, Exhibit 4.		\$ -	Salary & Benefits	\$ (3,061)
<i>Public Works</i>	<b>Utilities Adjustment</b> This action reflects the combined impact from adjustments to allocated charges for utilities as outlined in Attachment A, Exhibit 4.		\$ -	Allocated Charges	\$ (7,529)
<i>Public Works</i>	<b>Information Technology Adjustment</b> This action reflects the combined impact from adjustments to allocated charges for information technology as outlined in Attachment A, Exhibit 4.		\$ -	Allocated Charges	\$ (53,023)
<i>Fund Balance</i>	<b>Adjustment to Fund Balance</b> This action adjusts the fund balance to offset adjustments recommended in this report.		\$ -	Fund Balance/ Reserves	\$ (103,166)
<b>VEHICLE REPLACEMENT FUND (681) SUBTOTAL</b>			<b>\$ (2,142,660)</b>		<b>\$ (2,142,660)</b>

**CITY OF PALO ALTO**  
**RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 PROPOSED BUDGET**

Department	Revenues		Expenses	
	Category	Adjustment	Category	Adjustment
<b>INTERNAL SERVICE FUNDS</b>				
<b><u>WORKERS' COMPENSATION FUND (688)</u></b>				
<i>Non-Departmental</i>	<b>Charges to Other Funds</b>	\$ (625,000)		\$ -
	This one-time action decreases the estimate for charges to other funds by \$625,000 (\$418,000 in the General Fund) and is offset by a decrease in accumulated fund balance in the Workers' Compensation Fund. Staff will continue to proactively monitor and analyze the Workers' Compensation Fund throughout FY 2021 to ensure it remains resourced appropriately and that the risk is appropriately managed. Corresponding actions are recommended in this report and detailed in Attachment A, Exhibit 4 to distribute savings across the City.			
<i>Non-Departmental</i>	<b>Management Concessions</b>	\$ -	Salary & Benefits	\$ (13,635)
	This action reflects the combined impact from adjustments to salary and benefit charges for Management group labor concessions as outlined in Attachment A, Exhibit 4.			
<i>Fund Balance</i>	<b>Adjustment to Fund Balance</b>	\$ -	Fund Balance/ Reserves	\$ (611,365)
	This action adjusts the fund balance to offset adjustments recommended in this report.			
<b>WORKERS' COMPENSATION FUND (688) SUBTOTAL</b>		<b>\$ (625,000)</b>		<b>\$ (625,000)</b>

**CITY OF PALO ALTO**  
**AMENDMENTS TO THE CITY MANAGER'S FY 2021 PROPOSED CAPITAL IMPROVEMENT PROGRAM**

Project Number	Project Title	FY 2021 Funding		5-yr CIP Funding		5-Yr CIP Revised Total	
		Revenue Adjustments	Expense Adjustments	Revenue Adjustments	Expense Adjustments	Revenue Funding	Expense Funding
<b>CAPITAL IMPROVEMENT FUND</b>							
AC-86017	Art In Public Spaces	\$ -	\$ (122,770)	\$ -	\$ 67,115	\$ -	\$ 2,748,081
PF-93009	Americans With Disabilities Act Compliance	\$ -	\$ (200,000)	\$ -	\$ (200,000)	\$ -	\$ 2,161,026
PG-06001	Athletic Courts Resurfacing	\$ -	\$ 91,535	\$ -	\$ 37,375	\$ -	\$ 1,457,975
PG-19001	Baylands Athletic Center 10.5 Acre Expansion Plan	\$ -	\$ (81,400)	\$ -	\$ (81,400)	\$ -	\$ -
PE-17006	Baylands Flood Protection Levee Improvements	\$ -	\$ (1,098,600)	\$ -	\$ (1,098,600)	\$ -	\$ -
PG-06003	Benches, Signage, Walkways, Perimeter Landscaping, and Site Amenities	\$ -	\$ 23,099	\$ -	\$ 23,099	\$ -	\$ 1,251,619
PL-04010	Bicycle and Pedestrian Transportation Plan Implementation	\$ -	\$ (1,000,000)	\$ -	\$ (4,000,000)	\$ 2,400,000	\$ 7,323,595
PE-19003	Birch Street Improvements	\$ -	\$ -	\$ 1,500,000	\$ 2,400,000	\$ 1,500,000	\$ 2,400,000
PF-01003	Building Systems Improvements	\$ -	\$ (300,000)	\$ -	\$ (300,000)	\$ -	\$ 1,433,637
PE-18006	Byxbee Park Completion	\$ -	\$ (300,000)	\$ -	\$ (300,000)	\$ 2,400,000	\$ 2,881,146
PG-14002	Cameron Park Improvements	\$ -	\$ 20,000	\$ -	\$ 20,000	\$ -	\$ 217,800
AS-10000	Capital Improvement Fund Administration	\$ -	\$ 471,140	\$ -	\$ 2,006,696	\$ -	\$ 14,790,565
FD-20000	Cardiac Monitor Replacement	\$ 7,000	\$ 42,000	\$ 7,000	\$ 42,000	\$ 7,000	\$ 42,000
PE-13011	Charleston/Arastradero Corridor Project	\$ -	\$ 5,800,000	\$ -	\$ 5,800,000	\$ 1,303,710	\$ 5,800,000
PE-09003	City Facility Parking Lot Maintenance	\$ -	\$ (400,000)	\$ -	\$ (400,000)	\$ 100,000	\$ 1,142,641
PG-18001	Dog Park Installation and Renovation	\$ 150,000	\$ -	\$ 150,000	\$ -	\$ 450,000	\$ 590,400

**CITY OF PALO ALTO**  
**AMENDMENTS TO THE CITY MANAGER'S FY 2021 PROPOSED CAPITAL IMPROVEMENT PROGRAM**

Project Number	Project Title	FY 2021 Funding		5-yr CIP Funding		5-Yr CIP Revised Total	
		Revenue Adjustments	Expense Adjustments	Revenue Adjustments	Expense Adjustments	Revenue Funding	Expense Funding
PE-13017	El Camino Median Landscape Improvements	\$ -	\$ (108,300)	\$ -	\$ (1,009,800)	\$ -	\$ -
PL-15001	Embarcadero Road at El Camino Improvements	\$ -	\$ -	\$ -	\$ (7,426,600)	\$ -	\$ -
PL-19000	Emergency Vehicle Traffic Signal Preemption System Pilot	\$ -	\$ 60,000	\$ -	\$ 60,000	\$ -	\$ 60,000
PF-02022	Facility Interior Finishes Replacement	\$ -	\$ (400,000)	\$ -	\$ (400,000)	\$ 413,000	\$ 1,773,217
FD-14002	Fire Ringdown System Replacement	\$ 5,000	\$ 16,000	\$ 5,000	\$ 16,000	\$ 5,000	\$ 16,000
PE-18004	Fire Station 4 Replacement	\$ -	\$ (1,000,000)	\$ 8,150,000	\$ -	\$ 8,900,000	\$ 9,850,000
PG-17001	Foothills Park, Pearson Arastradero Preserve, and Esther Clark Park Conservation Plan	\$ -	\$ (319,200)	\$ -	\$ (489,600)	\$ -	\$ -
PG-13003	Golf Reconfiguration & Baylands Athletic Center Improvements	\$ -	\$ 200,000	\$ -	\$ 200,000	\$ -	\$ 200,000
LB-21000	Library Automated Material Handling	\$ 180,000	\$ 220,900	\$ -	\$ -	\$ 630,000	\$ 803,900
PE-15007	New Downtown Parking Garage	\$ -	\$ (35,172)	\$ (9,072,000)	\$ (21,532,172)	\$ 5,541,000	\$ 5,103,000
PE-15001	New Public Safety Building	\$ 900,000	\$ -	\$ 900,000	\$ -	\$ 103,150,000	\$ 106,600,000
OS-09001	Off-Road Pathway Resurfacing And Repair	\$ -	\$ (200,000)	\$ -	\$ (200,000)	\$ -	\$ 738,300
PG-09002	Park and Open Space Emergency Repairs	\$ -	\$ 22,134	\$ -	\$ 22,134	\$ -	\$ 1,333,355
PG-19000	Park Restroom Installation	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 1,050,000	\$ 1,285,300
PL-15003	Parking District Implementation	\$ -	\$ (173,674)	\$ -	\$ (375,574)	\$ -	\$ 712,300
PG-14000	Ramos Park Improvements	\$ -	\$ 209,000	\$ -	\$ 209,000	\$ -	\$ 209,000
PE-08001	Rinconada Park Improvements	\$ 1,999,529	\$ 1,037,933	\$ 1,999,529	\$ 1,037,933	\$ 2,399,529	\$ 6,107,329

**CITY OF PALO ALTO**  
**AMENDMENTS TO THE CITY MANAGER'S FY 2021 PROPOSED CAPITAL IMPROVEMENT PROGRAM**

Project Number	Project Title	FY 2021 Funding		5-yr CIP Funding		5-Yr CIP Revised Total	
		Revenue Adjustments	Expense Adjustments	Revenue Adjustments	Expense Adjustments	Revenue Funding	Expense Funding
PF-00006	Roofing Replacement	\$ -	\$ (684,002)	\$ -	\$ (684,002)	\$ -	\$ 2,240,091
PL-00026	Safe Routes to School	\$ (10,000)	\$ (10,000)	\$ (10,000)	\$ (10,000)	\$ 1,409,354	\$ 2,096,954
PO-89003	Sidewalk Repairs	\$ -	\$ (1,747,619)	\$ -	\$ (2,547,619)	\$ -	\$ 5,261,863
PE-13014	Street Lights Condition Assessment	\$ -	\$ (241,778)	\$ -	\$ (241,778)	\$ -	\$ -
PO-05054	Street Lights Improvements	\$ -	\$ (300,000)	\$ -	\$ (500,000)	\$ -	\$ 868,987
PE-86070	Street Maintenance	\$ (110,000)	\$ 381,843	\$ (110,000)	\$ (618,157)	\$ 16,268,450	\$ 24,835,243
PL-05030	Traffic Signal and Intelligent Transportation Systems	\$ -	\$ (500,000)	\$ -	\$ (500,000)	\$ 3,480,000	\$ 5,051,655
PL-12000	Transportation and Parking Improvements	\$ -	\$ -	\$ -	\$ (200,000)	\$ -	\$ 2,649,042
PG-18002	Turf Management Plan	\$ -	\$ (109,900)	\$ -	\$ (109,900)	\$ -	\$ -
PE-15011	Ventura Buildings Improvements	\$ -	\$ (2,034,197)	\$ -	\$ (2,034,197)	\$ -	\$ -
<b>TOTAL CAPITAL IMPROVEMENT FUND PROJECT ADJUSTMENTS</b>		\$ 3,471,529	\$ (2,421,028)	\$ 3,869,529	\$ (32,968,047)	\$ 151,407,043	\$ 222,036,021

ELECTRIC FUND							
EL-16002	Capacitor Bank Installation	\$ -	\$ 300,000	\$ -	\$ 300,000	\$ -	\$ 600,000
EL-14000	Coleridge/Cowper/Tennyson 4/12kV Conversion	\$ -	\$ (830,000)	\$ -	\$ (830,000)	\$ -	\$ 50,000
EL-19002	Colorado Substation Site Improvements	\$ -	\$ 330,000	\$ -	\$ 330,000	\$ -	\$ 1,250,000
EL-17001	East Meadow Circles 4/12kV Conversion	\$ -	\$ (66,000)	\$ -	\$ (66,000)	\$ -	\$ 100,000
EL-02011	Electric Utility Geographic Information System	\$ -	\$ 220,000	\$ -	\$ 220,000	\$ -	\$ 1,049,950

**CITY OF PALO ALTO**  
**AMENDMENTS TO THE CITY MANAGER'S FY 2021 PROPOSED CAPITAL IMPROVEMENT PROGRAM**

Project Number	Project Title	FY 2021 Funding		5-yr CIP Funding		5-Yr CIP Revised Total	
		Revenue Adjustments	Expense Adjustments	Revenue Adjustments	Expense Adjustments	Revenue Funding	Expense Funding
EL-17007	Facility Relocation for Caltrain Modernization Project	\$ -	\$ 2,723,631	\$ -	\$ 2,723,631	\$ -	\$ 2,723,631
EL-20000	Hopkins Substation 4/12KV Conversion	\$ -	\$ (50,000)	\$ -	\$ (50,000)	\$ -	\$ 4,110,000
EL-17005	Inter-substation Line Protection Relay	\$ -	\$ 110,429	\$ -	\$ 110,429	\$ -	\$ 490,429
EL-11003	Rebuild Underground District 15	\$ -	\$ (1,119,609)	\$ -	\$ (1,119,609)	\$ -	\$ 50,000
EL-13003	Rebuild Underground District 16	\$ -	\$ (340,667)	\$ -	\$ (340,667)	\$ -	\$ 359,000
EL-17000	Rebuild Underground District 23	\$ -	\$ (214,000)	\$ -	\$ (214,000)	\$ -	\$ 1,100,000
EL-16000	Rebuild Underground District 26	\$ -	\$ (1,745,500)	\$ -	\$ (1,545,500)	\$ -	\$ 300,000
EL-14005	Reconfigure Quarry Feeders	\$ -	\$ 50,000	\$ -	\$ 50,000	\$ -	\$ 50,000
EL-16003	Substation Physical Security	\$ -	\$ (303,000)	\$ -	\$ (303,000)	\$ -	\$ 2,695,852
EL-12001	Underground District 46 - Charleston/El Camino Real	\$ -	\$ 1,021,531	\$ -	\$ 1,021,531	\$ -	\$ 1,021,531
EL-11010	Underground District 47-Middlefield, Homer, Webster, Addison	\$ -	\$ 120,000	\$ -	\$ 120,000	\$ -	\$ 120,000
EL-16001	Underground System Rebuild	\$ -	\$ (50,000)	\$ -	\$ (50,000)	\$ -	\$ 1,760,500
EL-19004	Wood Pole Replacement	\$ -	\$ 1,475,000	\$ -	\$ 1,475,000	\$ 750,000	\$ 9,020,000
<b>TOTAL ELECTRIC FUND PROJECT ADJUSTMENTS</b>		\$ -	\$ 1,631,815	\$ -	\$ 1,831,815	\$ 750,000	\$ 26,850,893

**CITY OF PALO ALTO**  
**AMENDMENTS TO THE CITY MANAGER'S FY 2021 PROPOSED CAPITAL IMPROVEMENT PROGRAM**

Project Number	Project Title	FY 2021 Funding		5-yr CIP Funding		5-Yr CIP Revised Total	
		Revenue Adjustments	Expense Adjustments	Revenue Adjustments	Expense Adjustments	Revenue Funding	Expense Funding
<b>FIBER FUND</b>							
FO-16000	Fiber Optics Network - System Rebuild	\$ -	\$ 775,000	\$ -	\$ 775,000	\$ -	\$ 1,075,000
TOTAL FIBER FUND PROJECT ADJUSTMENTS		\$ -	\$ 775,000	\$ -	\$ 775,000	\$ -	\$ 1,075,000
<b>GAS FUND</b>							
GS-13001	Gas Main Replacement - Project 23	\$ -	\$ (3,000,000)	\$ -	\$ (3,000,000)	\$ -	\$ 7,620,046
GS-80019	Gas Meters and Regulators	\$ -	\$ (850,001)	\$ -	\$ (850,001)	\$ -	\$ 3,000,000
TOTAL GAS FUND PROJECT ADJUSTMENTS		\$ -	\$ (3,850,001)	\$ -	\$ (3,850,001)	\$ -	\$ 10,620,046
<b>STORMWATER MANAGEMENT FUND</b>							
SD-23000	West Bayshore Road Trunk Line Improvements	\$ -	\$ 5,000	\$ -	\$ 5,000	\$ -	\$ 2,401,475
TOTAL STORMWATER MANAGEMENT FUND PROJECT ADJUSTMENTS		\$ -	\$ 5,000	\$ -	\$ 5,000	\$ -	\$ 2,401,475
<b>TECHNOLOGY FUND</b>							
TE-19001	City Council Chambers Upgrade	\$ (46,000)	\$ (93,000)	\$ -	\$ -	\$ 46,000	\$ 93,000
TE-12001	Development Center Blueprint Technology Enhancements	\$ -	\$ (25,000)	\$ -	\$ (25,000)	\$ -	\$ 452,600
TE-19000	Enterprise Resource Planning Upgrade	\$ -	\$ (2,029,000)	\$ -	\$ -	\$ -	\$ 2,029,000
TE-13004	Infrastructure Management System	\$ -	\$ 25,000	\$ -	\$ 25,000	\$ -	\$ 46,800
TE-01012	IT Disaster Recovery Plan	\$ -	\$ (33,600)	\$ -	\$ (33,600)	\$ -	\$ -
TE-05000	Radio Infrastructure Replacement	\$ -	\$ (1,863)	\$ -	\$ (1,863)	\$ -	\$ 199,137
TOTAL TECHNOLOGY FUND PROJECT ADJUSTMENTS		\$ (46,000)	\$ (2,157,463)	\$ -	\$ (35,463)	\$ 46,000	\$ 2,820,537

**CITY OF PALO ALTO**  
**AMENDMENTS TO THE CITY MANAGER'S FY 2021 PROPOSED CAPITAL IMPROVEMENT PROGRAM**

Project Number	Project Title	FY 2021 Funding		5-yr CIP Funding		5-Yr CIP Revised Total	
		Revenue Adjustments	Expense Adjustments	Revenue Adjustments	Expense Adjustments	Revenue Funding	Expense Funding
<b>VEHICLE REPLACEMENT FUND</b>							
VR-21000	Scheduled Vehicle and Equipment Replacement - Fiscal Year 2021	\$ -	\$ (1,786,000)	\$ -	\$ (1,786,000)	\$ -	\$ 1,405,000
VR-22000	Scheduled Vehicle and Equipment Replacement - Fiscal Year 2022	\$ -	\$ -	\$ -	\$ (1,786,000)	\$ -	\$ 1,377,000
<b>TOTAL VEHICLE REPLACEMENT FUND PROJECT ADJUSTMENTS</b>		\$ -	\$ (1,786,000)	\$ -	\$ (3,572,000)	\$ -	\$ 2,782,000
<b>WASTEWATER COLLECTION FUND</b>							
WC-80020	Sewer System, Customer Connections	\$ 450,000	\$ -	\$ 450,000	\$ -	\$ 2,100,000	\$ 2,220,000
WC-15001	Wastewater Collection System Rehabilitation/Augmentation Project 28	\$ -	\$ 500,000	\$ -	\$ 500,000	\$ -	\$ 500,000
WC-16001	Wastewater Collection System Rehabilitation/Augmentation Project 29	\$ -	\$ 557,424	\$ -	\$ 557,424	\$ -	\$ 2,195,424
WC-17001	Wastewater Collection System Rehabilitation/Augmentation Project 30	\$ -	\$ (741,000)	\$ -	\$ (741,000)	\$ -	\$ 5,980,000
<b>TOTAL WASTEWATER COLLECTION FUND PROJECT ADJUSTMENTS</b>		\$ 450,000	\$ 316,424	\$ 450,000	\$ 316,424	\$ 2,100,000	\$ 10,895,424
<b>WASTEWATER TREATMENT FUND</b>							
WQ-19003	Advanced Water Purification Facility	\$ 3,000,000	\$ 448,000	\$ 3,000,000	\$ 448,000	\$ 23,900,000	\$ 21,564,000
WQ-14002	New Laboratory And Environmental Services Building	\$ 1,910,000	\$ 434,168	\$ 1,910,000	\$ 434,168	\$ 23,410,000	\$ 23,167,460
WQ-19000	Outfall Line Construction	\$ 3,850,000	\$ 3,850,000	\$ 3,850,000	\$ 3,850,000	\$ 8,800,000	\$ 8,886,000
WQ-19002	Plant Repair, Retrofit, and Equipment Replacement	\$ -	\$ 20,944	\$ -	\$ 20,944	\$ -	\$ 21,514,834
WQ-14003	Primary Sedimentation Tank Rehabilitation	\$ 8,148,000	\$ 7,774,613	\$ 8,148,000	\$ 7,774,613	\$ 17,632,000	\$ 19,654,800
WQ-19001	Secondary Treatment Upgrades	\$ 2,300,000	\$ 838,300	\$ 2,300,000	\$ 838,300	\$ 32,430,000	\$ 31,362,300
<b>TOTAL WASTEWATER TREATMENT FUND PROJECT ADJUSTMENTS</b>		\$ 19,208,000	\$ 13,366,025	\$ 19,208,000	\$ 13,366,025	\$ 106,172,000	\$ 126,149,394

**CITY OF PALO ALTO**  
**AMENDMENTS TO THE CITY MANAGER'S FY 2021 PROPOSED CAPITAL IMPROVEMENT PROGRAM**

Project Number	Project Title	FY 2021 Funding		5-yr CIP Funding		5-Yr CIP Revised Total	
		Revenue Adjustments	Expense Adjustments	Revenue Adjustments	Expense Adjustments	Revenue Funding	Expense Funding
<b>WATER FUND</b>							
WS-19000	Mayfield Reservoir Subgrade and Venting Repair	\$ -	\$ 184,879	\$ -	\$ 184,879	\$ -	\$ 184,879
WS-14001	Water Main Replacement - Project 28	\$ -	\$ 85,107	\$ -	\$ 85,107	\$ -	\$ 9,085,107
WS-80015	Water Meters	\$ -	\$ (1,000,000)	\$ -	\$ (1,000,000)	\$ -	\$ 2,819,207
WS-07001	Water Recycling Facilities	\$ -	\$ (4,629)	\$ -	\$ (4,629)	\$ -	\$ 391,020
WS-07000	Water Regulation Station Improvements	\$ -	\$ (550,000)	\$ -	\$ (550,000)	\$ -	\$ 209,000
WS-80013	Water System Customer Connections	\$ 575,000	\$ -	\$ 2,375,000	\$ -	\$ 9,358,154	\$ 4,524,300
WS-09000	Water Tank Seismic Upgrade and Rehabilitation	\$ -	\$ 6,142,000	\$ -	\$ 6,142,000	\$ -	\$ 11,993,000
WS-02014	Water, Gas, Wastewater Utility GIS Data	\$ -	\$ 436,000	\$ -	\$ 436,000	\$ 1,663,021	\$ 2,930,528
<b>TOTAL WATER FUND PROJECT ADJUSTMENTS</b>		\$ 575,000	\$ 5,293,357	\$ 2,375,000	\$ 5,293,357	\$ 11,021,175	\$ 32,137,041
<b>TOTAL ALL FUNDS</b>		\$ 23,658,529	\$ 11,173,129	\$ 25,902,529	\$ (18,837,890)	\$ 271,496,218	\$ 437,767,831

**CITY OF PALO ALTO**  
**RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 BUDGET**

Fund	Department/ Fund	Title	Revenue	Expense	Comments
<b>GENERAL FUND</b>					
General Fund	Administrative Services	Workers' Compensation Adjustment	\$ -	\$ (19,573)	Adjustment to salary and benefit charges for workers' compensation to reduce the allocation to departments in FY 2021.
General Fund	City Attorney	Workers' Compensation Adjustment	\$ -	\$ (6,950)	Adjustment to salary and benefit charges for workers' compensation to reduce the allocation to departments in FY 2021.
General Fund	City Auditor	Workers' Compensation Adjustment	\$ -	\$ (2,766)	Adjustment to salary and benefit charges for workers' compensation to reduce the allocation to departments in FY 2021.
General Fund	City Clerk	Workers' Compensation Adjustment	\$ -	\$ (2,486)	Adjustment to salary and benefit charges for workers' compensation to reduce the allocation to departments in FY 2021.
General Fund	City Council	Workers' Compensation Adjustment	\$ -	\$ (608)	Adjustment to salary and benefit charges for workers' compensation to reduce the allocation to departments in FY 2021.
General Fund	City Manager	Workers' Compensation Adjustment	\$ -	\$ (7,966)	Adjustment to salary and benefit charges for workers' compensation to reduce the allocation to departments in FY 2021.
General Fund	Community Services	Workers' Compensation Adjustment	\$ -	\$ (39,422)	Adjustment to salary and benefit charges for workers' compensation to reduce the allocation to departments in FY 2021.
General Fund	Fire	Workers' Compensation Adjustment	\$ -	\$ (126,398)	Adjustment to salary and benefit charges for workers' compensation to reduce the allocation to departments in FY 2021.
General Fund	Human Resources	Workers' Compensation Adjustment	\$ -	\$ (8,035)	Adjustment to salary and benefit charges for workers' compensation to reduce the allocation to departments in FY 2021.
General Fund	Library	Workers' Compensation Adjustment	\$ -	\$ (16,934)	Adjustment to salary and benefit charges for workers' compensation to reduce the allocation to departments in FY 2021.
General Fund	Office of Emergency Services	Workers' Compensation Adjustment	\$ -	\$ (2,655)	Adjustment to salary and benefit charges for workers' compensation to reduce the allocation to departments in FY 2021.
General Fund	Office of Transportation	Workers' Compensation Adjustment	\$ -	\$ (2,698)	Adjustment to salary and benefit charges for workers' compensation to reduce the allocation to departments in FY 2021.
General Fund	Planning and Development Services	Workers' Compensation Adjustment	\$ -	\$ (26,836)	Adjustment to salary and benefit charges for workers' compensation to reduce the allocation to departments in FY 2021.
General Fund	Police	Workers' Compensation Adjustment	\$ -	\$ (131,882)	Adjustment to salary and benefit charges for workers' compensation to reduce the allocation to departments in FY 2021.
General Fund	Public Works	Workers' Compensation Adjustment	\$ -	\$ (22,705)	Adjustment to salary and benefit charges for workers' compensation to reduce the allocation to departments in FY 2021.
<b>GENERAL FUND SUBTOTAL</b>			-	\$ (417,917)	
<b>CAPITAL FUNDS</b>					
Capital Improvement Fund	471	Workers' Compensation Adjustment	\$ -	\$ (16,397)	Adjustment to salary and benefit charges for workers' compensation to reduce the allocation to departments in FY 2021.
<b>CAPITAL FUNDS SUBTOTAL</b>			\$ -	\$ (16,397)	
<b>ENTERPRISE FUNDS</b>					
Airport Fund	530	Workers' Compensation Adjustment	\$ -	\$ (2,368)	Adjustment to salary and benefit charges for workers' compensation to reduce the allocation to departments in FY 2021.
Electric Fund	513 & 523	Workers' Compensation Adjustment	\$ -	\$ (50,364)	Adjustment to salary and benefit charges for workers' compensation to reduce the allocation to departments in FY 2021.
Fiber Optics Fund	533	Workers' Compensation Adjustment	\$ -	\$ (3,531)	Adjustment to salary and benefit charges for workers' compensation to reduce the allocation to departments in FY 2021.

**CITY OF PALO ALTO**  
**RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 BUDGET**

Fund	Department/ Fund	Title	Revenue	Expense	Comments
Gas Fund	514 & 524	Workers' Compensation Adjustment	\$ -	\$ (21,314)	Adjustment to salary and benefit charges for workers' compensation to reduce the allocation to departments in FY 2021.
Refuse Fund	525	Workers' Compensation Adjustment	\$ -	\$ (6,925)	Adjustment to salary and benefit charges for workers' compensation to reduce the allocation to departments in FY 2021.
Storm Drainage Fund	528	Workers' Compensation Adjustment	\$ -	\$ (6,056)	Adjustment to salary and benefit charges for workers' compensation to reduce the allocation to departments in FY 2021.
Utilities Administration Fund	521	Workers' Compensation Adjustment	\$ -	\$ (9,399)	Adjustment to salary and benefit charges for workers' compensation to reduce the allocation to departments in FY 2021.
Wastewater Collection Fund	527	Workers' Compensation Adjustment	\$ -	\$ (11,913)	Adjustment to salary and benefit charges for workers' compensation to reduce the allocation to departments in FY 2021.
Wastewater Treatment Fund	526	Workers' Compensation Adjustment	\$ -	\$ (31,629)	Adjustment to salary and benefit charges for workers' compensation to reduce the allocation to departments in FY 2021.
Water Fund	522	Workers' Compensation Adjustment	\$ -	\$ (20,663)	Adjustment to salary and benefit charges for workers' compensation to reduce the allocation to departments in FY 2021.
<b>ENTERPRISE FUNDS SUBTOTAL</b>			\$ -	\$ (164,162)	
<b>INTERNAL SERVICE FUNDS</b>					
Information Technology Fund	682	Workers' Compensation Adjustment	\$ -	\$ (15,658)	Adjustment to salary and benefit charges for workers' compensation to reduce the allocation to departments in FY 2021.
Printing & Mailing Fund	683	Workers' Compensation Adjustment	\$ -	\$ (614)	Adjustment to salary and benefit charges for workers' compensation to reduce the allocation to departments in FY 2021.
Vehicle Maintenance & Replacement Fund	681	Workers' Compensation Adjustment	\$ -	\$ (6,587)	Adjustment to salary and benefit charges for workers' compensation to reduce the allocation to departments in FY 2021.
<b>INTERNAL SERVICE FUNDS SUBTOTAL</b>			\$ -	\$ (22,859)	
<b>SPECIAL REVENUE FUNDS</b>					
California Avenue Fund	237	Workers' Compensation Adjustment	\$ -	\$ (417)	Adjustment to salary and benefit charges for workers' compensation to reduce the allocation to departments in FY 2021.
Community Development Block Grant (CDBG) Fund	232	Workers' Compensation Adjustment	\$ -	\$ (283)	Adjustment to salary and benefit charges for workers' compensation to reduce the allocation to departments in FY 2021.
Housing In-Lieu/Residential Fund	233	Workers' Compensation Adjustment	\$ -	\$ (72)	Adjustment to salary and benefit charges for workers' compensation to reduce the allocation to departments in FY 2021.
Housing In-Lieu/Commercial Fund	234	Workers' Compensation Adjustment	\$ -	\$ (72)	Adjustment to salary and benefit charges for workers' compensation to reduce the allocation to departments in FY 2021.
Public Art Fund	207	Workers' Compensation Adjustment	\$ -	\$ (417)	Adjustment to salary and benefit charges for workers' compensation to reduce the allocation to departments in FY 2021.
Residential Parking Permit (RPP) Fund	239	Workers' Compensation Adjustment	\$ -	\$ (722)	Adjustment to salary and benefit charges for workers' compensation to reduce the allocation to departments in FY 2021.
University Avenue Fund	236	Workers' Compensation Adjustment	\$ -	\$ (1,680)	Adjustment to salary and benefit charges for workers' compensation to reduce the allocation to departments in FY 2021.
<b>SPECIAL REVENUE FUNDS SUBTOTAL</b>			\$ -	\$ (3,665)	
<b>TOTAL ADJUSTMENT</b>			\$ -	\$ (625,000)	

**CITY OF PALO ALTO**  
**RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 BUDGET**

Fund	Department/ Fund	Title	Revenue	Expense	Comments
<b>GENERAL FUND</b>					
General Fund	Administrative Services	General Liability Insurance Adjustment	\$ -	\$ (2,887)	Adjustment to allocated charges for general liability to reduce the allocation to departments in FY 2021.
General Fund	City Attorney	General Liability Insurance Adjustment	\$ -	\$ (1,370)	Adjustment to allocated charges for general liability to reduce the allocation to departments in FY 2021.
General Fund	City Auditor	General Liability Insurance Adjustment	\$ -	\$ (549)	Adjustment to allocated charges for general liability to reduce the allocation to departments in FY 2021.
General Fund	City Clerk	General Liability Insurance Adjustment	\$ -	\$ (494)	Adjustment to allocated charges for general liability to reduce the allocation to departments in FY 2021.
General Fund	City Council	General Liability Insurance Adjustment	\$ -	\$ (121)	Adjustment to allocated charges for general liability to reduce the allocation to departments in FY 2021.
General Fund	City Manager	General Liability Insurance Adjustment	\$ -	\$ (1,582)	Adjustment to allocated charges for general liability to reduce the allocation to departments in FY 2021.
General Fund	Community Services	General Liability Insurance Adjustment	\$ -	\$ (8,355)	Adjustment to allocated charges for general liability to reduce the allocation to departments in FY 2021.
General Fund	Fire	General Liability Insurance Adjustment	\$ -	\$ (8,653)	Adjustment to allocated charges for general liability to reduce the allocation to departments in FY 2021.
General Fund	Human Resources	General Liability Insurance Adjustment	\$ -	\$ (2,085)	Adjustment to allocated charges for general liability to reduce the allocation to departments in FY 2021.
General Fund	Library	General Liability Insurance Adjustment	\$ -	\$ (3,077)	Adjustment to allocated charges for general liability to reduce the allocation to departments in FY 2021.
General Fund	Office of Emergency Services	General Liability Insurance Adjustment	\$ -	\$ (403)	Adjustment to allocated charges for general liability to reduce the allocation to departments in FY 2021.
General Fund	Office of Transportation	General Liability Insurance Adjustment	\$ -	\$ (1,003)	Adjustment to allocated charges for general liability to reduce the allocation to departments in FY 2021.
General Fund	Planning and Development Services	General Liability Insurance Adjustment	\$ -	\$ (7,240)	Adjustment to allocated charges for general liability to reduce the allocation to departments in FY 2021.
General Fund	Police	General Liability Insurance Adjustment	\$ -	\$ (20,035)	Adjustment to allocated charges for general liability to reduce the allocation to departments in FY 2021.
General Fund	Public Works	General Liability Insurance Adjustment	\$ -	\$ (10,552)	Adjustment to allocated charges for general liability to reduce the allocation to departments in FY 2021.
<b>GENERAL FUND SUBTOTAL</b>			-	\$ (68,405)	
<b>CAPITAL FUNDS</b>					
Capital Improvement Fund	471	General Liability Insurance Adjustment	\$ -	\$ (7,063)	Adjustment to allocated charges for general liability to reduce the allocation to departments in FY 2021.
<b>CAPITAL FUNDS SUBTOTAL</b>			\$ -	\$ (7,063)	
<b>ENTERPRISE FUNDS</b>					
Airport Fund	530	General Liability Insurance Adjustment	\$ -	\$ (1,100)	Adjustment to allocated charges for general liability to reduce the allocation to departments in FY 2021.
Electric Fund	513 & 523	General Liability Insurance Adjustment	\$ -	\$ (8,654)	Adjustment to allocated charges for general liability to reduce the allocation to departments in FY 2021.
Fiber Optics Fund	533	General Liability Insurance Adjustment	\$ -	\$ (607)	Adjustment to allocated charges for general liability to reduce the allocation to departments in FY 2021.

**CITY OF PALO ALTO  
RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 BUDGET**

Fund	Department/ Fund	Title	Revenue	Expense	Comments
Gas Fund	514 & 524	General Liability Insurance Adjustment	\$ -	\$ (3,662)	Adjustment to allocated charges for general liability to reduce the allocation to departments in FY 2021.
Refuse Fund	525	General Liability Insurance Adjustment	\$ -	\$ (3,218)	Adjustment to allocated charges for general liability to reduce the allocation to departments in FY 2021.
Storm Drainage Fund	528	General Liability Insurance Adjustment	\$ -	\$ (2,814)	Adjustment to allocated charges for general liability to reduce the allocation to departments in FY 2021.
Utilities Administration Fund	521	General Liability Insurance Adjustment	\$ -	\$ (1,615)	Adjustment to allocated charges for general liability to reduce the allocation to departments in FY 2021.
Wastewater Treatment Fund	526	General Liability Insurance Adjustment	\$ -	\$ (14,699)	Adjustment to allocated charges for general liability to reduce the allocation to departments in FY 2021.
Wastewater Collection Fund	527	General Liability Insurance Adjustment	\$ -	\$ (2,047)	Adjustment to allocated charges for general liability to reduce the allocation to departments in FY 2021.
Water Fund	522	General Liability Insurance Adjustment	\$ -	\$ (3,550)	Adjustment to allocated charges for general liability to reduce the allocation to departments in FY 2021.
<b>ENTERPRISE FUNDS SUBTOTAL</b>			\$ -	\$ (41,968)	
<b>INTERNAL SERVICE FUNDS</b>					
Information Technology Fund	682	General Liability Insurance Adjustment	\$ -	\$ (3,109)	Adjustment to allocated charges for general liability to reduce the allocation to departments in FY 2021.
Printing & Mailing Fund	683	General Liability Insurance Adjustment	\$ -	\$ (91)	Adjustment to allocated charges for general liability to reduce the allocation to departments in FY 2021.
Vehicle Maintenance & Replacement Fund	681	General Liability Insurance Adjustment	\$ -	\$ (3,061)	Adjustment to allocated charges for general liability to reduce the allocation to departments in FY 2021.
<b>INTERNAL SERVICE FUNDS SUBTOTAL</b>			\$ -	\$ (6,260)	
<b>SPECIAL REVENUE FUNDS</b>					
California Avenue Fund	237	General Liability Insurance Adjustment	\$ -	\$ (135)	Adjustment to allocated charges for general liability to reduce the allocation to departments in FY 2021.
Community Development Block Grant (CDBG) Fund	232	General Liability Insurance Adjustment	\$ -	\$ (105)	Adjustment to allocated charges for general liability to reduce the allocation to departments in FY 2021.
Housing In-Lieu/Residential Fund	233	General Liability Insurance Adjustment	\$ -	\$ (27)	Adjustment to allocated charges for general liability to reduce the allocation to departments in FY 2021.
Housing In-Lieu/Commercial Fund	234	General Liability Insurance Adjustment	\$ -	\$ (27)	Adjustment to allocated charges for general liability to reduce the allocation to departments in FY 2021.
Public Art Fund	207	General Liability Insurance Adjustment	\$ -	\$ (88)	Adjustment to allocated charges for general liability to reduce the allocation to departments in FY 2021.
Residential Parking Permit (RPP) Fund	239	General Liability Insurance Adjustment	\$ -	\$ (268)	Adjustment to allocated charges for general liability to reduce the allocation to departments in FY 2021.
University Avenue Fund	236	General Liability Insurance Adjustment	\$ -	\$ (654)	Adjustment to allocated charges for general liability to reduce the allocation to departments in FY 2021.
<b>SPECIAL REVENUE FUNDS SUBTOTAL</b>			\$ -	\$ (1,304)	
<b>TOTAL ADJUSTMENT</b>			\$ -	\$ (125,000)	

**CITY OF PALO ALTO**  
**RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 BUDGET**

Fund	Department/ Fund	Title	Revenue	Expense	Comments
<b>GENERAL FUND</b>					
General Fund	Administrative Services	Retiree Health Adjustment	\$ -	\$ (28,315)	Adjustment to allocated charges for retiree health to align with the most recent actuarial valuation.
General Fund	City Attorney	Retiree Health Adjustment	\$ -	\$ (6,916)	Adjustment to allocated charges for retiree health to align with the most recent actuarial valuation.
General Fund	City Auditor	Retiree Health Adjustment	\$ -	\$ (2,706)	Adjustment to allocated charges for retiree health to align with the most recent actuarial valuation.
General Fund	City Clerk	Retiree Health Adjustment	\$ -	\$ (2,406)	Adjustment to allocated charges for retiree health to align with the most recent actuarial valuation.
General Fund	City Council	Retiree Health Adjustment	\$ -	\$ (2,957)	Adjustment to allocated charges for retiree health to align with the most recent actuarial valuation.
General Fund	City Manager	Retiree Health Adjustment	\$ -	\$ (7,567)	Adjustment to allocated charges for retiree health to align with the most recent actuarial valuation.
General Fund	Community Services	Retiree Health Adjustment	\$ -	\$ (54,325)	Adjustment to allocated charges for retiree health to align with the most recent actuarial valuation.
General Fund	Fire	Retiree Health Adjustment	\$ -	\$ (133,056)	Adjustment to allocated charges for retiree health to align with the most recent actuarial valuation.
General Fund	Human Resources	Retiree Health Adjustment	\$ -	\$ (11,426)	Adjustment to allocated charges for retiree health to align with the most recent actuarial valuation.
General Fund	Library	Retiree Health Adjustment	\$ -	\$ (26,461)	Adjustment to allocated charges for retiree health to align with the most recent actuarial valuation.
General Fund	Office of Emergency Services	Retiree Health Adjustment	\$ -	\$ (3,102)	Adjustment to allocated charges for retiree health to align with the most recent actuarial valuation.
General Fund	Office of Transportation	Retiree Health Adjustment	\$ -	\$ (4,751)	Adjustment to allocated charges for retiree health to align with the most recent actuarial valuation.
General Fund	Planning and Development Services	Retiree Health Adjustment	\$ -	\$ (38,398)	Adjustment to allocated charges for retiree health to align with the most recent actuarial valuation.
General Fund	Police	Retiree Health Adjustment	\$ -	\$ (154,060)	Adjustment to allocated charges for retiree health to align with the most recent actuarial valuation.
General Fund	Public Works	Retiree Health Adjustment	\$ -	\$ (50,667)	Adjustment to allocated charges for retiree health to align with the most recent actuarial valuation.
<b>GENERAL FUND SUBTOTAL</b>			-	\$ (527,112)	
<b>CAPITAL FUNDS</b>					
Capital Improvement Fund	471	Retiree Health Adjustment	\$ -	\$ (15,586)	Adjustment to allocated charges for retiree health to align with the most recent actuarial valuation.
<b>CAPITAL FUNDS SUBTOTAL</b>			\$ -	\$ (15,586)	
<b>ENTERPRISE FUNDS</b>					
Airport Fund	530	Retiree Health Adjustment	\$ -	\$ (2,606)	Adjustment to allocated charges for retiree health to align with the most recent actuarial valuation.
Electric Fund	513 & 523	Retiree Health Adjustment	\$ -	\$ (93,265)	Adjustment to allocated charges for retiree health to align with the most recent actuarial valuation.
Gas Fund	514 & 524	Retiree Health Adjustment	\$ -	\$ (40,393)	Adjustment to allocated charges for retiree health to align with the most recent actuarial valuation.

**CITY OF PALO ALTO**  
**RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 BUDGET**

Fund	Department/ Fund	Title	Revenue	Expense	Comments
<i>Refuse Fund</i>	525	Retiree Health Adjustment	\$ -	\$ (13,080)	Adjustment to allocated charges for retiree health to align with the most recent actuarial valuation.
<i>Storm Drainage Fund</i>	528	Retiree Health Adjustment	\$ -	\$ (8,921)	Adjustment to allocated charges for retiree health to align with the most recent actuarial valuation.
<i>Wastewater Treatment Fund</i>	526	Retiree Health Adjustment	\$ -	\$ (50,867)	Adjustment to allocated charges for retiree health to align with the most recent actuarial valuation.
<i>Wastewater Collection Fund</i>	527	Retiree Health Adjustment	\$ -	\$ (15,586)	Adjustment to allocated charges for retiree health to align with the most recent actuarial valuation.
<i>Water Fund</i>	522	Retiree Health Adjustment	\$ -	\$ (25,509)	Adjustment to allocated charges for retiree health to align with the most recent actuarial valuation.
<b>ENTERPRISE FUNDS SUBTOTAL</b>			\$ -	\$ (250,226)	
<b>INTERNAL SERVICE FUNDS</b>					
<i>Information Technology Fund</i>	682	Retiree Health Adjustment	\$ -	\$ (20,698)	Adjustment to allocated charges for retiree health to align with the most recent actuarial valuation.
<i>Printing &amp; Mailing Fund</i>	683	Retiree Health Adjustment	\$ -	\$ (852)	Adjustment to allocated charges for retiree health to align with the most recent actuarial valuation.
<i>Vehicle Maintenance &amp; Replacement Fund</i>	681	Retiree Health Adjustment	\$ -	\$ (8,870)	Adjustment to allocated charges for retiree health to align with the most recent actuarial valuation.
<b>INTERNAL SERVICE FUNDS SUBTOTAL</b>			\$ -	\$ (30,420)	
<b>SPECIAL REVENUE FUNDS</b>					
<i>California Avenue Fund</i>	237	Retiree Health Adjustment	\$ -	\$ (344)	Adjustment to allocated charges for retiree health to align with the most recent actuarial valuation.
<i>Residential Parking Permit (RPP) Fund</i>	239	Retiree Health Adjustment	\$ -	\$ (866)	Adjustment to allocated charges for retiree health to align with the most recent actuarial valuation.
<i>University Avenue Fund</i>	236	Retiree Health Adjustment	\$ -	\$ (1,446)	Adjustment to allocated charges for retiree health to align with the most recent actuarial valuation.
<b>SPECIAL REVENUE FUNDS SUBTOTAL</b>			\$ -	\$ (2,656)	
<b>TOTAL ADJUSTMENT</b>			\$ -	\$ (826,000)	

**CITY OF PALO ALTO**  
**RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 BUDGET**

Fund	Department/ Fund	Title	Revenue	Expense	Comments
<b>GENERAL FUND</b>					
General Fund	Administrative Services	Salary and Benefits Adjustment	\$ -	\$ (370,960)	Adjustment to salary and benefits to align with Management labor concessions in FY 2021.
General Fund	City Attorney	Salary and Benefits Adjustment	\$ -	\$ (176,811)	Adjustment to salary and benefits to align with Management labor concessions in FY 2021.
General Fund	City Auditor	Salary and Benefits Adjustment	\$ -	\$ (49,365)	Adjustment to salary and benefits to align with Management labor concessions in FY 2021.
General Fund	City Clerk	Salary and Benefits Adjustment	\$ -	\$ (39,026)	Adjustment to salary and benefits to align with Management labor concessions in FY 2021.
General Fund	City Manager	Salary and Benefits Adjustment	\$ -	\$ (181,483)	Adjustment to salary and benefits to align with Management labor concessions in FY 2021.
General Fund	Community Services	Salary and Benefits Adjustment	\$ -	\$ (255,557)	Adjustment to salary and benefits to align with Management labor concessions in FY 2021.
General Fund	Fire	Salary and Benefits Adjustment	\$ -	\$ (121,211)	Adjustment to salary and benefits to align with Management labor concessions in FY 2021.
General Fund	Human Resources	Salary and Benefits Adjustment	\$ -	\$ (209,272)	Adjustment to salary and benefits to align with Management labor concessions in FY 2021.
General Fund	Library	Salary and Benefits Adjustment	\$ -	\$ (151,494)	Adjustment to salary and benefits to align with Management labor concessions in FY 2021.
General Fund	Office of Emergency Services	Salary and Benefits Adjustment	\$ -	\$ (32,594)	Adjustment to salary and benefits to align with Management labor concessions in FY 2021.
General Fund	Office of Transportation	Salary and Benefits Adjustment	\$ -	\$ (45,845)	Adjustment to salary and benefits to align with Management labor concessions in FY 2021.
General Fund	Planning and Development Services	Salary and Benefits Adjustment	\$ -	\$ (295,070)	Adjustment to salary and benefits to align with Management labor concessions in FY 2021.
General Fund	Police	Salary and Benefits Adjustment	\$ -	\$ (146,116)	Adjustment to salary and benefits to align with Management labor concessions in FY 2021.
General Fund	Public Works	Salary and Benefits Adjustment	\$ -	\$ (183,143)	Adjustment to salary and benefits to align with Management labor concessions in FY 2021.
<b>GENERAL FUND SUBTOTAL</b>			-	\$ (2,257,948)	
<b>CAPITAL FUNDS</b>					
Capital Improvement Fund	471	Salary and Benefits Adjustment	\$ -	\$ (166,769)	Adjustment to salary and benefits to align with Management labor concessions in FY 2021.
Cubberley Property Infrastructure Fund	472	Salary and Benefits Adjustment	\$ -	\$ (2,284)	Adjustment to salary and benefits to align with Management labor concessions in FY 2021.
<b>CAPITAL FUNDS SUBTOTAL</b>			\$ -	\$ (169,053)	
<b>ENTERPRISE FUNDS</b>					
Airport Fund	530	Salary and Benefits Adjustment	\$ -	\$ (44,325)	Adjustment to salary and benefits to align with Management labor concessions in FY 2021.
Electric Fund	513 & 523	Salary and Benefits Adjustment	\$ -	\$ (20,043)	Adjustment to salary and benefits to align with Management labor concessions in FY 2021.
Gas Fund	514 & 524	Salary and Benefits Adjustment	\$ -	\$ (3,685)	Adjustment to salary and benefits to align with Management labor concessions in FY 2021.
Refuse Fund	525	Salary and Benefits Adjustment	\$ -	\$ (85,355)	Adjustment to salary and benefits to align with Management labor concessions in FY 2021.

**CITY OF PALO ALTO**  
**RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 BUDGET**

Fund	Department/ Fund	Title	Revenue	Expense	Comments
<i>Storm Drainage Fund</i>	528	Salary and Benefits Adjustment	\$ -	\$ (51,646)	Adjustment to salary and benefits to align with Management labor concessions in FY 2021.
<i>Utilities Administration Fund</i>	521	Salary and Benefits Adjustment	\$ -	\$ (124,380)	Adjustment to salary and benefits to align with Management labor concessions in FY 2021.
<i>Wastewater Treatment Fund</i>	526	Salary and Benefits Adjustment	\$ -	\$ (239,062)	Adjustment to salary and benefits to align with Management labor concessions in FY 2021.
<i>Wastewater Collection Fund</i>	527	Salary and Benefits Adjustment	\$ -	\$ (553)	Adjustment to salary and benefits to align with Management labor concessions in FY 2021.
<i>Water Fund</i>	522	Salary and Benefits Adjustment	\$ -	\$ (1,107)	Adjustment to salary and benefits to align with Management labor concessions in FY 2021.
<b>ENTERPRISE FUNDS SUBTOTAL</b>			\$ -	\$ (570,155)	
<b>INTERNAL SERVICE FUNDS</b>					
<i>Information Technology Fund</i>	682	Salary and Benefits Adjustment	\$ -	\$ (453,765)	Adjustment to salary and benefits to align with Management labor concessions in FY 2021.
<i>Printing &amp; Mailing Fund</i>	683	Salary and Benefits Adjustment	\$ -	\$ (1,676)	Adjustment to salary and benefits to align with Management labor concessions in FY 2021.
<i>Vehicle Maintenance &amp; Replacement Fund</i>	681	Salary and Benefits Adjustment	\$ -	\$ (47,357)	Adjustment to salary and benefits to align with Management labor concessions in FY 2021.
<i>Workers' Compensation Fund</i>	688	Salary and Benefits Adjustment	\$ -	\$ (13,635)	Adjustment to salary and benefits to align with Management labor concessions in FY 2021.
<b>INTERNAL SERVICE FUNDS SUBTOTAL</b>			\$ -	\$ (516,433)	
<b>SPECIAL REVENUE FUNDS</b>					
<i>California Avenue Fund</i>	237	Salary and Benefits Adjustment	\$ -	\$ (3,782)	Adjustment to salary and benefits to align with Management labor concessions in FY 2021.
<i>Public Art Fund</i>	207	Salary and Benefits Adjustment	\$ -	\$ (12,774)	Adjustment to salary and benefits to align with Management labor concessions in FY 2021.
<i>Residential Parking Permit (RPP) Fund</i>	239	Salary and Benefits Adjustment	\$ -	\$ (11,662)	Adjustment to salary and benefits to align with Management labor concessions in FY 2021.
<i>University Avenue Fund</i>	236	Salary and Benefits Adjustment	\$ -	\$ (7,608)	Adjustment to salary and benefits to align with Management labor concessions in FY 2021.
<b>SPECIAL REVENUE FUNDS SUBTOTAL</b>			\$ -	\$ (35,827)	
<b>TOTAL ADJUSTMENT</b>			\$ -	\$ (3,549,416)	

**CITY OF PALO ALTO  
RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 BUDGET**

Fund	Department/ Fund	Title	Revenue	Expense	Comments
<b>GENERAL FUND</b>					
General Fund	Administrative Services	Information Technology Adjustment	\$ -	\$ (67,928)	Adjustment to allocated charges for technology services to align with service reductions in FY 2021.
General Fund	City Attorney	Information Technology Adjustment	\$ -	\$ (18,817)	Adjustment to allocated charges for technology services to align with service reductions in FY 2021.
General Fund	City Auditor	Information Technology Adjustment	\$ -	\$ (8,187)	Adjustment to allocated charges for technology services to align with service reductions in FY 2021.
General Fund	City Clerk	Information Technology Adjustment	\$ -	\$ (10,624)	Adjustment to allocated charges for technology services to align with service reductions in FY 2021.
General Fund	City Council	Information Technology Adjustment	\$ -	\$ (1,877)	Adjustment to allocated charges for technology services to align with service reductions in FY 2021.
General Fund	City Manager	Information Technology Adjustment	\$ -	\$ (23,184)	Adjustment to allocated charges for technology services to align with service reductions in FY 2021.
General Fund	Community Services	Information Technology Adjustment	\$ -	\$ (169,964)	Adjustment to allocated charges for technology services to align with service reductions in FY 2021.
General Fund	Fire	Information Technology Adjustment	\$ -	\$ (241,227)	Adjustment to allocated charges for technology services to align with service reductions in FY 2021.
General Fund	Human Resources	Information Technology Adjustment	\$ -	\$ (22,786)	Adjustment to allocated charges for technology services to align with service reductions in FY 2021.
General Fund	Library	Information Technology Adjustment	\$ -	\$ (143,043)	Adjustment to allocated charges for technology services to align with service reductions in FY 2021.
General Fund	Office of Emergency Services	Information Technology Adjustment	\$ -	\$ (24,502)	Adjustment to allocated charges for technology services to align with service reductions in FY 2021.
General Fund	Office of Transportation	Information Technology Adjustment	\$ -	\$ (9,719)	Adjustment to allocated charges for technology services to align with service reductions in FY 2021.
General Fund	Planning and Development Services	Information Technology Adjustment	\$ -	\$ (117,444)	Adjustment to allocated charges for technology services to align with service reductions in FY 2021.
General Fund	Police	Information Technology Adjustment	\$ -	\$ (294,149)	Adjustment to allocated charges for technology services to align with service reductions in FY 2021.
General Fund	Public Works	Information Technology Adjustment	\$ -	\$ (166,485)	Adjustment to allocated charges for technology services to align with service reductions in FY 2021.
<b>GENERAL FUND SUBTOTAL</b>			\$ -	\$ (1,319,936)	
<b>ENTERPRISE FUNDS</b>					
Airport Enterprise Fund	530	Information Technology Adjustment	\$ -	\$ (7,914)	Adjustment to allocated charges for technology services to align with service reductions in FY 2021.
Refuse Fund	525	Information Technology Adjustment	\$ -	\$ (52,703)	Adjustment to allocated charges for technology services to align with service reductions in FY 2021.

**CITY OF PALO ALTO  
RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 BUDGET**

Department/ Fund		Title	Revenue	Expense	Comments
<i>Stormwater Management Fund</i>	528	Information Technology Adjustment	\$ -	\$ (37,461)	Adjustment to allocated charges for technology services to align with service reductions in FY 2021.
<i>Utilities Administration Fund</i>	521	Information Technology Adjustment	\$ -	\$ (707,568)	Adjustment to allocated charges for technology services to align with service reductions in FY 2021.
<i>Wastewater Treatment Fund</i>	526	Information Technology Adjustment	\$ -	\$ (208,829)	Adjustment to allocated charges for technology services to align with service reductions in FY 2021.
<b>ENTERPRISE FUNDS SUBTOTAL</b>			\$ -	\$ (1,014,475)	
<b>INTERNAL SERVICE FUNDS</b>					
<i>Printing &amp; Mailing Services Fund</i>	683	Information Technology Adjustment	\$ -	\$ (8,816)	Adjustment to allocated charges for technology services to align with service reductions in FY 2021.
<i>Vehicle Replacement &amp; Maintenance Fund</i>	681	Information Technology Adjustment	\$ -	\$ (53,023)	Adjustment to allocated charges for technology services to align with service reductions in FY 2021.
<b>INTERNAL SERVICE FUNDS SUBTOTAL</b>			\$ -	\$ (61,839)	
<b>TOTAL ADJUSTMENT</b>			\$ -	\$ (2,396,250)	

**CITY OF PALO ALTO  
RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 BUDGET**

Fund	Department/ Fund	Title	Revenue	Expense	Comments
<b>GENERAL FUND</b>					
General Fund	Administrative Services	Printing Services Reductions	\$ -	\$ (5,602)	Adjustment to allocated charges for printing services to align with service reductions in FY 2021.
General Fund	City Attorney	Printing Services Reductions	\$ -	\$ (617)	Adjustment to allocated charges for printing services to align with service reductions in FY 2021.
General Fund	City Auditor	Printing Services Reductions	\$ -	\$ (904)	Adjustment to allocated charges for printing services to align with service reductions in FY 2021.
General Fund	City Clerk	Printing Services Reductions	\$ -	\$ (9,030)	Adjustment to allocated charges for printing services to align with service reductions in FY 2021.
General Fund	City Manager	Printing Services Reductions	\$ -	\$ (1,785)	Adjustment to allocated charges for printing services to align with service reductions in FY 2021.
General Fund	Community Services	Printing Services Reductions	\$ -	\$ (18,207)	Adjustment to allocated charges for printing services to align with service reductions in FY 2021.
General Fund	Fire	Printing Services Reductions	\$ -	\$ (1,215)	Adjustment to allocated charges for printing services to align with service reductions in FY 2021.
General Fund	Human Resources	Printing Services Reductions	\$ -	\$ (1,583)	Adjustment to allocated charges for printing services to align with service reductions in FY 2021.
General Fund	Library	Printing Services Reductions	\$ -	\$ (3,765)	Adjustment to allocated charges for printing services to align with service reductions in FY 2021.
General Fund	Office of Emergency Services	Printing Services Reductions	\$ -	\$ (809)	Adjustment to allocated charges for printing services to align with service reductions in FY 2021.
General Fund	Office of Transportation	Printing Services Reductions	\$ -	\$ (654)	Adjustment to allocated charges for printing services to align with service reductions in FY 2021.
General Fund	Planning and Development Services	Printing Services Reductions	\$ -	\$ (29,174)	Adjustment to allocated charges for printing services to align with service reductions in FY 2021.
General Fund	Police	Printing Services Reductions	\$ -	\$ (9,684)	Adjustment to allocated charges for printing services to align with service reductions in FY 2021.
General Fund	Public Works	Printing Services Reductions	\$ -	\$ (4,758)	Adjustment to allocated charges for printing services to align with service reductions in FY 2021.
Stores Inventory	Non-Departmental	Printing Services Reductions	\$ -	\$ (374)	Adjustment to allocated charges for printing services to align with service reductions in FY 2021.
<b>GENERAL FUND SUBTOTAL</b>			\$ -	\$ (88,161)	
<b>ENTERPRISE FUNDS</b>					
Airport Enterprise Fund	530	Printing Services Reductions	\$ -	\$ (541)	Adjustment to allocated charges for printing services to align with service reductions in FY 2021.
Electric Fund	513 & 523	Printing Services Reductions	\$ -	\$ (3,486)	Adjustment to allocated charges for printing services to align with service reductions in FY 2021.

**CITY OF PALO ALTO**  
**RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 BUDGET**

Fund	Department/ Fund	Title	Revenue	Expense	Comments
<i>Gas Fund</i>	514 & 524	Printing Services Reductions	\$ -	\$ (2,101)	Adjustment to allocated charges for printing services to align with service reductions in FY 2021.
<i>Refuse Fund</i>	525	Printing Services Reductions	\$ -	\$ (1,199)	Adjustment to allocated charges for printing services to align with service reductions in FY 2021.
<i>Stormwater Management Fund</i>	528	Printing Services Reductions	\$ -	\$ (1,112)	Adjustment to allocated charges for printing services to align with service reductions in FY 2021.
<i>Utilities Administration Fund</i>	521	Printing Services Reductions	\$ -	\$ (6,211)	Adjustment to allocated charges for printing services to align with service reductions in FY 2021.
<i>Wastewater Collection Fund</i>	527	Printing Services Reductions	\$ -	\$ (250)	Adjustment to allocated charges for printing services to align with service reductions in FY 2021.
<i>Wastewater Treatment Fund</i>	526	Printing Services Reductions	\$ -	\$ (2,614)	Adjustment to allocated charges for printing services to align with service reductions in FY 2021.
<i>Water Fund</i>	522	Printing Services Reductions	\$ -	\$ (2,075)	Adjustment to allocated charges for printing services to align with service reductions in FY 2021.
<b>ENTERPRISE FUNDS SUBTOTAL</b>			\$ -	\$ (19,588)	
<b>INTERNAL SERVICE FUNDS</b>					
<i>Information Technology Fund</i>	682	Printing Services Reductions	\$ -	\$ (506)	Adjustment to allocated charges for printing services to align with service reductions in FY 2021.
<b>INTERNAL SERVICE FUNDS SUBTOTAL</b>			\$ -	\$ (506)	
<b>SPECIAL REVENUE FUNDS</b>					
<i>Residential Parking Permit Program</i>	239	Printing Services Reductions	\$ -	\$ (297)	Adjustment to allocated charges for printing services to align with service reductions in FY 2021.
<b>SPECIAL REVENUE FUNDS SUBTOTAL</b>			\$ -	\$ (297)	
<b>TOTAL ADJUSTMENT</b>			\$ -	\$ (108,552)	

**CITY OF PALO ALTO  
RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 BUDGET**

Fund	Department/ Fund	Title	Revenue	Expense	Comments
<b>GENERAL FUND</b>					
General Fund	Community Services	Utilities Allocated Charges	\$ -	\$ (155,400)	Adjustment to allocated charges for utilities in alignment with rates reductions in FY 2021.
General Fund	Fire	Utilities Allocated Charges	\$ -	\$ (7,685)	Adjustment to allocated charges for utilities in alignment with rates reductions in FY 2021.
General Fund	Library	Utilities Allocated Charges	\$ -	\$ (26,502)	Adjustment to allocated charges for utilities in alignment with rates reductions in FY 2021.
General Fund	Planning and Development Services	Utilities Allocated Charges	\$ -	\$ (364)	Adjustment to allocated charges for utilities in alignment with rates reductions in FY 2021.
General Fund	Police	Utilities Allocated Charges	\$ -	\$ (5)	Adjustment to allocated charges for utilities in alignment with rates reductions in FY 2021.
General Fund	Public Works	Utilities Allocated Charges	\$ -	\$ (63,762)	Adjustment to allocated charges for utilities in alignment with rates reductions in FY 2021.
<b>GENERAL FUND SUBTOTAL</b>			\$ -	\$ (253,718)	
<b>CAPITAL FUNDS</b>					
Capital Improvement Fund	471	Utilities Allocated Charges	\$ -	\$ (12)	Adjustment to allocated charges for utilities in alignment with rates reductions in FY 2021.
<b>CAPITAL FUNDS SUBTOTAL</b>			\$ -	\$ (12)	
<b>ENTERPRISE FUNDS</b>					
Airport Enterprise Fund	530	Utilities Allocated Charges	\$ -	\$ (6,500)	Adjustment to allocated charges for utilities in alignment with rates reductions in FY 2021.
Electric Supply Fund	513 & 523	Utilities Allocated Charges	\$ -	\$ (1,065)	Adjustment to allocated charges for utilities in alignment with rates reductions in FY 2021.
Gas Fund	514 & 524	Utilities Allocated Charges	\$ -	\$ (48)	Adjustment to allocated charges for utilities in alignment with rates reductions in FY 2021.
Refuse Fund	525	Utilities Allocated Charges	\$ -	\$ (1,865)	Adjustment to allocated charges for utilities in alignment with rates reductions in FY 2021.
Stormwater Management Fund	528	Utilities Allocated Charges	\$ -	\$ (5,348)	Adjustment to allocated charges for utilities in alignment with rates reductions in FY 2021.
Utilities Administration Fund	521	Utilities Allocated Charges	\$ -	\$ (7,589)	Adjustment to allocated charges for utilities in alignment with rates reductions in FY 2021.
Wastewater Collection Fund	527	Utilities Allocated Charges	\$ -	\$ (87)	Adjustment to allocated charges for utilities in alignment with rates reductions in FY 2021.
Wastewater Treatment Fund	526	Utilities Allocated Charges	\$ -	\$ (159,106)	Adjustment to allocated charges for utilities in alignment with rates reductions in FY 2021.
Water Fund	522	Utilities Allocated Charges	\$ -	\$ (40,448)	Adjustment to allocated charges for utilities in alignment with rates reductions in FY 2021.
<b>ENTERPRISE FUNDS SUBTOTAL</b>			\$ -	\$ (222,057)	

**CITY OF PALO ALTO**  
**RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 BUDGET**

Fund	Department/ Fund	Title	Revenue	Expense	Comments
<b>INTERNAL SERVICE FUNDS</b>					
<i>Information Technology Fund</i>	682	Utilities Allocated Charges	\$ -	\$ (997)	Adjustment to allocated charges for utilities in alignment with rates reductions in FY 2021.
<i>Vehicle Replacement &amp; Maintenance</i>	681	Utilities Allocated Charges	\$ -	\$ (7,529)	Adjustment to allocated charges for utilities in alignment with rates reductions in FY 2021.
<b>INTERNAL SERVICE FUNDS SUBTOTAL</b>			\$ -	\$ (8,526)	
<b>SPECIAL REVENUE FUNDS</b>					
<i>California Avenue Parking Permits</i>	237	Utilities Allocated Charges	\$ -	\$ (3,042)	Adjustment to allocated charges for utilities in alignment with rates reductions in FY 2021.
<i>University Avenue Parking Permits</i>	236	Utilities Allocated Charges	\$ -	\$ (15,062)	Adjustment to allocated charges for utilities in alignment with rates reductions in FY 2021.
<b>SPECIAL REVENUE FUNDS SUBTOTAL</b>			\$ -	\$ (18,104)	
<b>TOTAL ADJUSTMENT</b>			\$ -	\$ (502,418)	

**CITY OF PALO ALTO**  
**RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 BUDGET**

Fund	Department/ Fund	Title	Revenue	Expense	Comments
<b>GENERAL FUND</b>					
<i>General Fund</i>	<i>Administrative Services</i>	Vehicle Replacement Program Reductions	\$ -	\$ (14,684)	Adjustment to allocated charges for vehicle replacements to align with program reductions in FY 2021.
<i>General Fund</i>	<i>Community Services</i>	Vehicle Replacement Program Reductions	\$ -	\$ (120,728)	Adjustment to allocated charges for vehicle replacements to align with program reductions in FY 2021.
<i>General Fund</i>	<i>Planning and Development Services</i>	Vehicle Replacement Program Reductions	\$ -	\$ (98,094)	Adjustment to allocated charges for vehicle replacements to align with program reductions in FY 2021.
<i>General Fund</i>	<i>Fire</i>	Vehicle Replacement Program Reductions	\$ -	\$ (627,587)	Adjustment to allocated charges for vehicle replacements to align with program reductions in FY 2021.
<i>General Fund</i>	<i>Library</i>	Vehicle Replacement Program Reductions	\$ -	\$ (758)	Adjustment to allocated charges for vehicle replacements to align with program reductions in FY 2021.
<i>General Fund</i>	<i>Office of Emergency Services</i>	Vehicle Replacement Program Reductions	\$ -	\$ (6,568)	Adjustment to allocated charges for vehicle replacements to align with program reductions in FY 2021.
<i>General Fund</i>	<i>Police</i>	Vehicle Replacement Program Reductions	\$ -	\$ (216,807)	Adjustment to allocated charges for vehicle replacements to align with program reductions in FY 2021.
<i>General Fund</i>	<i>Public Works</i>	Vehicle Replacement Program Reductions	\$ -	\$ (190,266)	Adjustment to allocated charges for vehicle replacements to align with program reductions in FY 2021.
<b>GENERAL FUND SUBTOTAL</b>			\$ -	\$ (1,275,491)	
<b>ENTERPRISE FUNDS</b>					
<i>Electric Fund</i>	513 & 523	Vehicle Replacement Program Reductions		\$ (227,930)	Adjustment to allocated charges for vehicle replacements to align with program reductions in FY 2021.
<i>Gas Fund</i>	514 & 524	Vehicle Replacement Program Reductions	\$ -	\$ (179,410)	Adjustment to allocated charges for vehicle replacements to align with program reductions in FY 2021.
<i>Refuse Fund</i>	525	Vehicle Replacement Program Reductions	\$ -	\$ (58,691)	Adjustment to allocated charges for vehicle replacements to align with program reductions in FY 2021.
<i>Stormwater Management Fund</i>	528	Vehicle Replacement Program Reductions	\$ -	\$ (89,839)	Adjustment to allocated charges for vehicle replacements to align with program reductions in FY 2021.
<i>Wastewater Collection Fund</i>	527	Vehicle Replacement Program Reductions	\$ -	\$ (117,130)	Adjustment to allocated charges for vehicle replacements to align with program reductions in FY 2021.
<i>Wastewater Treatment Fund</i>	526	Vehicle Replacement Program Reductions	\$ -	\$ (43,378)	Adjustment to allocated charges for vehicle replacements to align with program reductions in FY 2021.
<i>Water Fund</i>	522	Vehicle Replacement Program Reductions	\$ -	\$ (144,852)	Adjustment to allocated charges for vehicle replacements to align with program reductions in FY 2021.
<b>ENTERPRISE FUNDS SUBTOTAL</b>			\$ -	\$ (861,230)	

**CITY OF PALO ALTO  
RECOMMENDED AMENDMENTS TO THE CITY MANAGER'S FY 2021 BUDGET**

Fund	Department/ Fund	Title	Revenue	Expense	Comments
<b>INTERNAL SERVICE FUNDS</b>					
<i>Information Technology Fund</i>	682	Vehicle Replacement Program Reductions	\$ -	\$ (4,632)	Adjustment to allocated charges for vehicle replacements to align with program reductions in FY 2021.
<b>INTERNAL SERVICE FUNDS SUBTOTAL</b>			\$ -	\$ (4,632)	
<b>SPECIAL REVENUE FUNDS</b>					
<i>Residential Parking Permit Program</i>	239	Vehicle Replacement Program Reductions	\$ -	\$ (1,307)	Adjustment to allocated charges for vehicle replacements to align with program reductions in FY 2021.
<b>SPECIAL REVENUE FUNDS SUBTOTAL</b>			\$ -	\$ (1,307)	
<b>TOTAL ADJUSTMENT</b>			\$ -	\$ (2,142,660)	

## TABLE OF ORGANIZATION

Table of Organization<sup>a</sup>

	FY 2018 Actuals	FY 2019 Actuals	FY 2020 Adopted Budget	FY 2021 Adopted Budget	FY 2021 Change FTE	FY 2021 Change %
<b>General Fund</b>						
<b>Administrative Services</b>						
Account Specialist	4.88	4.63	4.63	3.13	-1.50	(32.40)%
Account Specialist (Freeze)	0.00	0.00	0.00	1.50	1.50	0.00%
Account Specialist-Lead	3.05	3.45	3.45	3.45	0.00	0.00%
Accountant	3.00	3.00	3.00	3.00	0.00	0.00%
Administrative Assistant	1.00	1.00	1.00	1.00	0.00	0.00%
Administrative Associate II	1.00	1.00	1.00	0.50	-0.50	(50.00)%
Administrative Associate II (Freeze)	0.00	0.00	0.00	0.50	0.50	0.00%
Administrative Associate III	1.00	1.00	1.00	1.00	0.00	0.00%
Assistant Director Administrative Services	1.65	1.65	1.65	1.65	0.00	0.00%
Buyer	1.00	1.00	1.00	1.00	0.00	0.00%
Chief Procurement Officer	1.00	1.00	1.00	1.00	0.00	0.00%
Contracts Administrator	2.70	2.70	2.70	2.30	-0.40	(14.81)%
Contracts Administrator (Freeze)	0.00	0.00	0.00	0.40	0.40	0.00%
Director Administrative Services/CFO	0.80	0.80	0.80	0.80	0.00	0.00%
Director Office of Management and Budget	1.00	1.00	1.00	0.00	-1.00	(100.00)%
Director Office of Management and Budget (Freeze)	0.00	0.00	0.00	1.00	1.00	0.00%
Management Analyst	0.00	1.00	2.00	2.00	0.00	0.00%
Manager Accounting	1.00	0.00	0.00	0.00	0.00	0.00%
Manager Budget	1.00	2.00	2.00	2.00	0.00	0.00%
Manager Real Property	1.00	1.00	1.00	1.00	0.00	0.00%
Manager Revenue Collections	0.62	0.62	0.62	0.62	0.00	0.00%
Manager Treasury, Debt & Investments	0.60	0.60	0.60	0.60	0.00	0.00%
Manager, Finance	0.00	1.00	1.00	1.00	0.00	0.00%
Payroll Analyst	2.00	2.00	2.00	2.00	0.00	0.00%
Performance Auditor II (Freeze)	0.00	0.00	0.00	1.00	1.00	0.00%
Principal Management Analyst	0.00	0.00	0.00	0.00	0.00	0.00%
Senior Accountant	3.00	3.00	3.00	3.00	0.00	0.00%
Senior Buyer	1.00	1.00	1.00	1.00	0.00	0.00%
Senior Management Analyst	4.90	2.30	2.30	2.30	0.00	0.00%
Storekeeper	1.00	1.00	1.00	1.00	0.00	0.00%
Storekeeper-Lead	0.20	0.20	0.20	0.20	0.00	0.00%
Warehouse Supervisor	0.20	0.20	0.20	0.20	0.00	0.00%
<b>Total Administrative Services</b>	<b>38.60</b>	<b>38.15</b>	<b>39.15</b>	<b>40.15</b>	<b>1.00</b>	<b>2.55%</b>
<b>City Attorney</b>						
Assistant City Attorney	3.00	3.00	3.00	3.00	0.00	0.00%

# TABLE OF ORGANIZATION

## Table of Organization<sup>a</sup>

	FY 2018 Actuals	FY 2019 Actuals	FY 2020 Adopted Budget	FY 2021 Adopted Budget	FY 2021 Change FTE	FY 2021 Change %
Chief Assistant City Attorney	1.00	1.00	1.00	1.00	0.00	0.00%
City Attorney	1.00	1.00	1.00	1.00	0.00	0.00%
Claims Investigator	1.00	1.00	1.00	1.00	0.00	0.00%
Deputy City Attorney	1.00	1.00	1.00	1.00	0.00	0.00%
Legal Fellow	1.00	1.00	1.00	0.50	-0.50	(50.00)%
Legal Fellow (Freeze)	0.00	0.00	0.00	0.50	0.50	0.00%
Principal Attorney	0.00	0.00	0.00	0.00	0.00	0.00%
Secretary to City Attorney	1.00	1.00	1.00	1.00	0.00	0.00%
Senior Assistant City Attorney	0.00	0.00	0.00	0.00	0.00	0.00%
Senior Deputy City Attorney	0.00	0.00	0.00	0.00	0.00	0.00%
Senior Legal Secretary	1.00	0.00	0.00	0.00	0.00	0.00%
Senior Management Analyst	1.00	1.00	1.00	1.00	0.00	0.00%
<b>Total City Attorney</b>	<b>11.00</b>	<b>10.00</b>	<b>10.00</b>	<b>10.00</b>	<b>0.00</b>	<b>0.00%</b>

### City Auditor

Administrative Assistant	0.00	0.00	0.00	0.00	0.00	0.00%
City Auditor	1.00	1.00	1.00	1.00	0.00	0.00%
Performance Auditor I	1.00	1.00	0.00	0.00	0.00	0.00%
Performance Auditor II	1.00	1.00	2.00	0.00	-2.00	(100.00)%
Senior Performance Auditor	2.00	1.00	1.00	2.00	1.00	100.00%
<b>Total City Auditor</b>	<b>5.00</b>	<b>4.00</b>	<b>4.00</b>	<b>3.00</b>	<b>-1.00</b>	<b>(25.00)%</b>

### City Clerk

Administrative Associate III	2.00	2.00	2.00	2.00	0.00	0.00%
Assistant City Clerk	1.00	1.00	1.00	1.00	0.00	0.00%
City Clerk	1.00	1.00	1.00	1.00	0.00	0.00%
Deputy City Clerk	1.00	1.00	1.00	1.00	0.00	0.00%
Hearing Officer	0.75	0.00	0.00	0.00	0.00	0.00%
<b>Total City Clerk</b>	<b>5.75</b>	<b>5.00</b>	<b>5.00</b>	<b>5.00</b>	<b>0.00</b>	<b>0.00%</b>

### City Manager

Administrative Assistant	1.00	1.00	2.00	2.00	0.00	0.00%
Administrative Associate III	1.00	1.00	0.00	0.00	0.00	0.00%
Assistant City Manager	0.00	0.00	1.00	1.00	0.00	0.00%
Assistant City Manager/Utilities General Manager	0.25	0.25	0.00	0.00	0.00	0.00%
Assistant to the City Manager	2.00	2.00	2.00	1.00	-1.00	(50.00)%
Assistant to the City Manager (Freeze)	0.00	0.00	0.00	1.00	1.00	0.00%
Chief Communications Officer	1.00	1.00	1.00	1.00	0.00	0.00%
Chief Sustainability Officer	1.00	1.00	0.00	0.00	0.00	0.00%

# Table of Organization<sup>a</sup>

	FY 2018 Actuals	FY 2019 Actuals	FY 2020 Adopted Budget	FY 2021 Adopted Budget	FY 2021 Change FTE	FY 2021 Change %
City Manager	1.00	1.00	1.00	1.00	0.00	0.00%
Deputy City Manager	2.00	2.00	1.00	1.00	0.00	0.00%
Executive Assistant to the City Manager	1.00	1.00	1.00	1.00	0.00	0.00%
Management Analyst	0.00	0.75	0.75	0.00	-0.75	(100.00)%
Manager Communications	1.00	1.00	1.00	1.00	0.00	0.00%
Manager Economic Development	0.00	0.00	0.00	0.00	0.00	0.00%
<b>Total City Manager</b>	<b>11.25</b>	<b>12.00</b>	<b>10.75</b>	<b>10.00</b>	<b>-0.75</b>	<b>(6.98)%</b>
<b>Community Services</b>						
Administrative Assistant	1.00	1.00	1.00	1.00	0.00	0.00%
Administrative Associate III	1.00	1.00	1.00	0.00	-1.00	(100.00)%
Administrative Associate III (Freeze)	0.00	0.00	0.00	1.00	1.00	0.00%
Assistant Director Community Services	2.00	2.00	2.00	1.00	-1.00	(50.00)%
Assistant Director Community Services (Freeze)	0.00	0.00	0.00	1.00	1.00	0.00%
Building Serviceperson	2.00	1.25	1.25	1.00	-0.25	(20.00)%
Building Serviceperson-Lead	2.00	0.60	0.60	0.60	0.00	0.00%
Coordinator Recreation Programs	4.00	3.00	4.00	4.00	0.00	0.00%
Director Community Services	1.00	1.00	1.00	1.00	0.00	0.00%
Division Manager Open Space, Parks and Golf	1.00	1.00	1.00	0.00	-1.00	(100.00)%
Heavy Equipment Operator	0.07	0.07	0.07	0.07	0.00	0.00%
Inspector, Field Services	2.00	2.00	2.00	2.00	0.00	0.00%
Junior Museum & Zoo Educator	3.60	3.60	3.60	3.25	-0.35	(9.72)%
Junior Museum & Zoo Educator (Freeze)	0.00	0.00	0.00	0.35	0.35	0.00%
Management Analyst	1.00	1.00	1.00	1.00	0.00	0.00%
Management Assistant	1.00	1.00	1.00	1.00	0.00	0.00%
Manager Community Services	5.00	5.00	5.00	4.00	-1.00	(20.00)%
Manager Community Services (Freeze)	0.00	0.00	0.00	1.00	1.00	0.00%
Manager Community Services Senior Program	4.00	4.00	4.00	4.00	0.00	0.00%
Manager Human Services	1.00	1.00	1.00	1.00	0.00	0.00%
Park Maintenance Person	6.00	6.00	6.00	6.00	0.00	0.00%
Park Maintenance-Lead	1.00	1.00	1.00	1.00	0.00	0.00%
Park Ranger	5.00	5.00	5.00	5.00	0.00	0.00%
Parks/Golf Crew-Lead	2.00	2.00	2.00	2.00	0.00	0.00%
Producer Arts/Science Program	11.00	11.00	11.00	9.25	-1.75	(15.91)%
Producer Arts/Science Program (Freeze)	0.00	0.00	0.00	1.75	1.75	0.00%

# TABLE OF ORGANIZATION

## Table of Organization<sup>a</sup>

	FY 2018 Actuals	FY 2019 Actuals	FY 2020 Adopted Budget	FY 2021 Adopted Budget	FY 2021 Change FTE	FY 2021 Change %
Producer Arts/Science Programs	0.00	0.00	0.00	1.00	1.00	0.00%
Program Assistant I	8.00	8.00	8.00	3.00	-5.00	(62.50)%
Program Assistant I (Freeze)	0.00	0.00	0.00	4.00	4.00	0.00%
Program Assistant II	4.00	4.00	3.00	4.00	1.00	33.33%
Project Manager	0.10	0.10	0.10	0.10	0.00	0.00%
Senior Management Analyst	1.00	1.00	1.00	1.00	0.00	0.00%
Sprinkler System Representative	4.00	4.00	4.00	4.00	0.00	0.00%
Superintendent Community Services	2.00	2.00	2.00	2.00	0.00	0.00%
Superintendent Recreation	1.00	1.00	1.00	0.00	-1.00	(100.00)%
Superintendent Recreation (Freeze)	0.00	0.00	0.00	1.00	1.00	0.00%
Theater Specialist	2.00	2.00	2.00	2.00	0.00	0.00%
<b>Total Community Services</b>	<b>78.77</b>	<b>75.62</b>	<b>75.62</b>	<b>75.37</b>	<b>-0.25</b>	<b>(0.33)%</b>
<b>Fire</b>						
40-Hour Training Battalion Chief	1.00	1.00	1.00	1.00	0.00	0.00%
40-Hour Training Captain	1.00	1.00	1.00	0.00	-1.00	(100.00)%
40-Hour Training Captain (Freeze)	0.00	0.00	0.00	1.00	1.00	0.00%
Administrative Assistant	1.00	1.00	1.00	1.00	0.00	0.00%
Administrative Associate II	2.00	2.20	2.20	1.20	-1.00	(45.45)%
Administrative Associate II (Freeze)	0.00	0.00	0.00	1.00	1.00	0.00%
Battalion Chief	3.00	3.00	3.00	3.00	0.00	0.00%
Business Analyst	0.80	0.80	0.80	0.80	0.00	0.00%
Deputy Chief/Fire Marshal	0.05	0.05	0.05	0.05	0.00	0.00%
Deputy Director Technical Services Division	0.20	0.20	0.20	0.00	-0.20	(100.00)%
Deputy Director Technical Services Division (Freeze)	0.00	0.00	0.00	0.20	0.20	0.00%
Deputy Fire Chief	2.00	2.00	2.00	2.00	0.00	0.00%
Emergency Medical Service Director	1.00	1.00	1.00	1.00	0.00	0.00%
Emergency Medical Services Data Specialist	1.00	1.00	1.00	1.00	0.00	0.00%
Fire Apparatus Operator	30.00	26.00	26.00	26.00	0.00	0.00%
Fire Captain	21.00	21.00	21.00	21.00	0.00	0.00%
Fire Chief	1.00	1.00	1.00	1.00	0.00	0.00%
Fire Fighter	41.00	34.00	34.00	29.00	-5.00	(14.71)%
Fire Fighter (Freeze)	0.00	0.00	0.00	5.00	5.00	0.00%
Fire Inspector	0.80	0.80	0.80	0.40	-0.40	(50.00)%
Fire Inspector (Freeze)	0.00	0.00	0.00	0.40	0.40	0.00%
Geographic Information System Specialist	0.50	0.50	0.50	0.50	0.00	0.00%
Hazardous Materials Inspector	0.30	0.30	0.30	0.30	0.00	0.00%

# Table of Organization<sup>a</sup>

	FY 2018 Actuals	FY 2019 Actuals	FY 2020 Adopted Budget	FY 2021 Adopted Budget	FY 2021 Change FTE	FY 2021 Change %
Police Chief	0.00	0.00	0.00	0.00	0.00	0.00%
Senior Management Analyst	1.00	1.00	1.00	1.00	0.00	0.00%
<b>Total Fire</b>	<b>108.65</b>	<b>97.85</b>	<b>97.85</b>	<b>97.85</b>	<b>0.00</b>	<b>0.00%</b>
<b>Human Resources</b>						
Administrative Assistant	0.00	0.00	0.00	0.00	0.00	0.00%
Assistant Director Human Resources	1.00	1.00	1.00	1.00	0.00	0.00%
Director Human Resources/CPO	1.00	1.00	1.00	1.00	0.00	0.00%
Human Resources Representative	3.00	3.00	3.00	2.50	-0.50	(16.67)%
Human Resources Representative (Freeze)	0.00	0.00	0.00	0.50	0.50	0.00%
Human Resources Technician	4.00	4.00	4.00	3.50	-0.50	(12.50)%
Human Resources Technician (Freeze)	0.00	0.00	0.00	0.50	0.50	0.00%
Manager Employee Benefits	1.00	1.00	1.00	1.00	0.00	0.00%
Manager Employee Relations	1.00	1.00	1.00	1.00	0.00	0.00%
Senior Human Resources Administrator	3.00	3.00	3.00	3.00	0.00	0.00%
Senior Management Analyst	2.00	2.00	2.00	2.00	0.00	0.00%
<b>Total Human Resources</b>	<b>16.00</b>	<b>16.00</b>	<b>16.00</b>	<b>16.00</b>	<b>0.00</b>	<b>0.00%</b>
<b>Library</b>						
Administrative Associate III	1.00	1.00	1.00	0.00	-1.00	(100.00)%
Administrative Associate III (Freeze)	0.00	0.00	0.00	1.00	1.00	0.00%
Assistant Director Library Services	1.00	1.00	1.00	0.00	-1.00	(100.00)%
Assistant Director Library Services (Freeze)	0.00	0.00	0.00	1.00	1.00	0.00%
Business Analyst	1.00	1.00	1.00	1.00	0.00	0.00%
Coordinator Library Programs	1.00	1.00	1.00	1.00	0.00	0.00%
Director Libraries	1.00	1.00	1.00	1.00	0.00	0.00%
Division Head Library Services	1.00	1.00	1.00	1.00	0.00	0.00%
Librarian	7.00	7.00	6.00	6.00	0.00	0.00%
Library Associate	7.00	7.00	7.00	6.00	-1.00	(14.29)%
Library Associate (Freeze)	0.00	0.00	0.00	1.00	1.00	0.00%
Library Specialist	12.50	11.50	11.50	10.50	-1.00	(8.70)%
Library Specialist (Freeze)	0.00	0.00	0.00	1.00	1.00	0.00%
Management Analyst	1.00	1.00	1.00	1.00	0.00	0.00%
Manager Library Services	4.00	4.00	3.00	3.00	0.00	0.00%
Senior Librarian	9.00	9.00	8.00	6.00	-2.00	(25.00)%
Senior Librarian (Freeze)	0.00	0.00	0.00	2.00	2.00	0.00%
Supervising Librarian	2.00	2.00	4.00	4.00	0.00	0.00%
<b>Total Library</b>	<b>48.50</b>	<b>47.50</b>	<b>46.50</b>	<b>46.50</b>	<b>0.00</b>	<b>0.00%</b>

# TABLE OF ORGANIZATION

## Table of Organization<sup>a</sup>

	FY 2018 Actuals	FY 2019 Actuals	FY 2020 Adopted Budget	FY 2021 Adopted Budget	FY 2021 Change FTE	FY 2021 Change %
<b>Office of Emergency Services</b>						
Director Office of Emergency Services	1.00	1.00	1.00	1.00	0.00	0.00%
Office of Emergency Services Coordinator	1.00	1.00	1.00	1.00	0.00	0.00%
Program Assistant II	1.00	1.00	1.00	0.00	-1.00	(100.00)%
Program Assistant II (Freeze)	0.00	0.00	0.00	1.00	1.00	0.00%
<b>Total Office of Emergency Services</b>	<b>3.00</b>	<b>3.00</b>	<b>3.00</b>	<b>3.00</b>	<b>0.00</b>	<b>0.00%</b>
<b>Office of Transportation<sup>b</sup></b>						
Administrative Assistant	0.00	0.00	0.50	0.50	0.00	0.00%
Associate Engineer	0.00	0.00	0.30	0.30	0.00	0.00%
Associate Planner	0.00	0.00	0.30	0.45	0.15	50.00%
Chief Transportation Official	0.00	0.00	0.70	0.70	0.00	0.00%
Coordinator Transportation Systems Management	0.00	0.00	1.25	1.25	0.00	0.00%
Management Analyst	0.00	0.00	0.50	0.50	0.00	0.00%
Project Engineer	0.00	0.00	0.45	0.45	0.00	0.00%
Senior Engineer	0.00	0.00	0.20	0.20	0.00	0.00%
Senior Planner	0.00	0.00	0.50	0.50	0.00	0.00%
Traffic Engineering-Lead	0.00	0.00	0.35	0.35	0.00	0.00%
Transportation Planning Manager	0.00	0.00	1.15	1.15	0.00	0.00%
<b>Total Office of Transportation</b>	<b>0.00</b>	<b>0.00</b>	<b>6.20</b>	<b>6.35</b>	<b>0.15</b>	<b>2.42%</b>
<b>Planning and Community Environment<sup>c</sup></b>						
Administrative Assistant	2.00	2.00	1.00	1.00	0.00	0.00%
Administrative Associate I	1.00	1.00	1.00	1.00	0.00	0.00%
Administrative Associate II	3.00	2.80	2.80	2.80	0.00	0.00%
Administrative Associate III	4.00	3.59	4.00	4.00	0.00	0.00%
Assistant Chief Building Official	1.00	1.00	1.00	1.00	0.00	0.00%
Assistant Director PCE	1.00	1.00	1.00	1.00	0.00	0.00%
Assistant Director Public Works	0.00	0.00	0.00	0.00	0.00	0.00%
Associate Engineer	0.75	0.67	0.22	0.20	-0.02	(9.09)%
Associate Planner	1.00	3.27	3.15	3.00	-0.15	(4.76)%
Building Inspector Specialist	4.00	4.00	4.00	6.00	2.00	50.00%
Building/Planning Technician	3.00	3.00	3.00	2.00	-1.00	(33.33)%
Building/Planning Technician (Freeze)	0.00	0.00	0.00	1.00	1.00	0.00%
Business Analyst	1.00	1.00	0.00	0.00	0.00	0.00%
Chief Building Official	1.00	1.00	1.00	1.00	0.00	0.00%
Chief Planning Official	1.00	1.00	1.00	1.00	0.00	0.00%
Chief Transportation Official	0.43	0.64	0.00	0.00	0.00	0.00%

# Table of Organization<sup>a</sup>

	FY 2018 Actuals	FY 2019 Actuals	FY 2020 Adopted Budget	FY 2021 Adopted Budget	FY 2021 Change FTE	FY 2021 Change %
Code Enforcement Officer	2.00	2.00	2.00	0.00	-2.00	(100.00)%
Code Enforcement Officer (Freeze)	0.00	0.00	0.00	2.00	2.00	0.00%
Code Enforcement-Lead	1.00	1.00	1.00	1.00	0.00	0.00%
Coordinator Transportation Systems Management	0.88	0.74	0.00	0.00	0.00	0.00%
Deputy Chief/Fire Marshal	0.80	0.80	0.80	0.80	0.00	0.00%
Development Project Coordinator II	2.00	2.00	2.00	2.00	0.00	0.00%
Development Project Coordinator III	3.00	3.00	3.00	3.00	0.00	0.00%
Development Services Director	1.00	1.00	0.00	0.00	0.00	0.00%
Director Planning/Community Environment	1.00	1.00	1.00	1.00	0.00	0.00%
Engineer	0.64	0.64	0.64	0.52	-0.12	(18.75)%
Engineering Technician III	1.78	1.78	1.78	1.50	-0.28	(15.73)%
Fire Inspector	3.20	3.20	3.20	1.60	-1.60	(50.00)%
Fire Inspector (Freeze)	0.00	0.00	0.00	1.60	1.60	0.00%
Hazardous Materials Inspector	1.60	1.60	1.60	1.60	0.00	0.00%
Industrial Waste Inspector	0.01	0.01	0.01	0.00	-0.01	(100.00)%
Industrial Waste Investigator	0.35	0.35	0.35	0.35	0.00	0.00%
Inspector, Field Services	0.68	0.68	0.68	0.68	0.00	0.00%
Landscape Architect Park Planner	0.00	0.50	0.50	0.50	0.00	0.00%
Management Analyst	1.99	1.81	0.01	0.00	-0.01	(100.00)%
Manager Development Center	1.00	1.00	0.00	0.00	0.00	0.00%
Manager Environmental Control Program	0.10	0.10	0.10	0.00	-0.10	(100.00)%
Manager Planning	4.00	3.00	5.00	4.00	-1.00	(20.00)%
Manager Urban Forestry	0.04	0.04	0.04	0.00	-0.04	(100.00)%
Parking Operations-Lead	0.00	0.10	0.00	0.00	0.00	0.00%
Planner	4.00	4.00	4.00	4.00	0.00	0.00%
Planning Arborist	0.29	0.00	0.00	0.00	0.00	0.00%
Planning Division Manager	0.00	1.00	0.00	0.00	0.00	0.00%
Principal Management Analyst	0.00	0.00	1.00	0.00	-1.00	(100.00)%
Principal Planner	0.00	1.00	2.00	1.00	-1.00	(50.00)%
Principal Planner (Freeze)	0.00	0.00	0.00	1.00	1.00	0.00%
Program Assistant I	1.00	1.00	1.00	0.00	-1.00	(100.00)%
Program Assistant I (Freeze)	0.00	0.00	0.00	1.00	1.00	0.00%
Program Assistant II	0.60	0.00	0.00	0.00	0.00	0.00%
Project Engineer	0.53	0.83	0.13	0.10	-0.03	(23.08)%
Senior Business Analyst	0.00	0.00	1.00	1.00	0.00	0.00%
Senior Engineer	0.46	0.46	0.46	0.40	-0.06	(13.04)%
Senior Industrial Waste Investigator	0.01	0.01	0.01	0.00	-0.01	(100.00)%
Senior Management Analyst	2.00	1.88	2.00	2.00	0.00	0.00%

## TABLE OF ORGANIZATION

### Table of Organization<sup>a</sup>

	FY 2018 Actuals	FY 2019 Actuals	FY 2020 Adopted Budget	FY 2021 Adopted Budget	FY 2021 Change FTE	FY 2021 Change %
Senior Planner	6.75	3.88	3.60	2.60	-1.00	(27.78)%
Senior Planner (Freeze)	0.00	0.00	0.00	1.00	1.00	0.00%
Supervisor Inspection and Surveying	0.27	0.27	0.27	0.25	-0.02	(7.41)%
Traffic Engineering-Lead	0.38	0.65	0.10	0.10	0.00	0.00%
Transportation Planning Manager	0.20	0.41	0.00	0.00	0.00	0.00%
<b>Total Planning and Community Environment</b>	<b>66.74</b>	<b>66.71</b>	<b>62.45</b>	<b>61.60</b>	<b>-0.85</b>	<b>-1.36%</b>
<b>Police</b>						
Administrative Assistant	1.00	1.00	1.00	1.00	0.00	0.00%
Administrative Associate II	3.00	3.00	3.00	2.00	-1.00	(33.33)%
Administrative Associate II (Freeze)	0.00	0.00	0.00	1.00	1.00	0.00%
Animal Control Officer	3.00	3.00	3.00	2.00	-1.00	(33.33)%
Animal Control Officer (Freeze)	0.00	0.00	0.00	1.00	1.00	0.00%
Animal Control Officer-Lead	1.00	1.00	1.00	1.00	0.00	0.00%
Animal Services Specialist II	2.00	2.00	0.00	0.00	0.00	0.00%
Assistant Police Chief	1.00	1.00	1.00	1.00	0.00	0.00%
Business Analyst	1.20	1.20	1.20	1.20	0.00	0.00%
Code Enforcement Officer	1.00	1.00	1.00	1.00	0.00	0.00%
Communications Manager	1.00	1.00	1.00	0.00	-1.00	(100.00)%
Communications Manager (Freeze)	0.00	0.00	0.00	1.00	1.00	0.00%
Communications Technician	1.00	1.00	1.00	0.00	-1.00	(100.00)%
Communications Technician (Freeze)	0.00	0.00	0.00	1.00	1.00	0.00%
Community Service Officer	7.50	7.50	7.50	5.63	-1.87	(24.93)%
Community Service Officer (Freeze)	0.00	0.00	0.00	1.87	1.87	0.00%
Court Liaison Officer	1.00	1.00	1.00	1.00	0.00	0.00%
Crime Analyst	1.00	1.00	1.00	1.00	0.00	0.00%
Deputy Director Technical Services Division	0.80	0.80	0.80	0.00	-0.80	(100.00)%
Deputy Director Technical Services Division (Freeze)	0.00	0.00	0.00	0.80	0.80	0.00%
Geographic Information System Specialist	0.50	0.50	0.50	0.50	0.00	0.00%
Police Agent	19.00	19.00	19.00	19.00	0.00	0.00%
Police Captain	2.00	2.00	2.00	2.00	0.00	0.00%
Police Chief	1.00	1.00	1.00	1.00	0.00	0.00%
Police Lieutenant	5.00	5.00	5.00	4.00	-1.00	(20.00)%
Police Lieutenant (Freeze)	0.00	0.00	0.00	1.00	1.00	0.00%
Police Officer	50.00	50.00	50.00	39.00	-11.00	(22.00)%
Police Officer (Freeze)	0.00	0.00	0.00	11.00	11.00	0.00%
Police Records Specialist II	6.00	6.00	6.00	6.00	0.00	0.00%

# Table of Organization<sup>a</sup>

	FY 2018 Actuals	FY 2019 Actuals	FY 2020 Adopted Budget	FY 2021 Adopted Budget	FY 2021 Change FTE	FY 2021 Change %
Police Records Specialist-Lead	1.00	1.00	1.00	1.00	0.00	0.00%
Police Sergeant	14.00	14.00	14.00	14.00	0.00	0.00%
Program Assistant II	1.00	1.00	1.00	1.00	0.00	0.00%
Property Evidence Technician	2.00	2.00	2.00	2.00	0.00	0.00%
Public Safety Communications Manager	1.00	1.00	1.00	0.00	-1.00	(100.00)%
Public Safety Communications Manager (Freeze)	0.00	0.00	0.00	1.00	1.00	0.00%
Public Safety Dispatcher	16.00	16.00	16.00	12.00	-4.00	(25.00)%
Public Safety Dispatcher (Freeze)	0.00	0.00	0.00	4.00	4.00	0.00%
Public Safety Dispatcher-Lead	4.00	4.00	4.00	4.00	0.00	0.00%
Public Safety Program Manager	2.00	2.00	2.00	2.00	0.00	0.00%
Senior Management Analyst	1.00	1.00	1.00	1.00	0.00	0.00%
Superintendent Animal Services	1.00	1.00	0.00	0.00	0.00	0.00%
Veterinarian	1.00	1.00	0.00	0.00	0.00	0.00%
Veterinarian Technician	2.00	2.00	0.00	0.00	0.00	0.00%
<b>Total Police</b>	<b>155.00</b>	<b>155.00</b>	<b>149.00</b>	<b>149.00</b>	<b>0.00</b>	<b>0.00%</b>
<b>Public Works</b>						
Administrative Assistant	1.00	1.00	1.00	1.00	0.00	0.00%
Administrative Associate I	0.60	0.60	0.10	0.10	0.00	0.00%
Administrative Associate II	2.65	2.65	2.65	2.65	0.00	0.00%
Administrative Associate III	0.01	0.01	0.01	0.01	0.00	0.00%
Assistant Director Public Works	0.87	0.87	0.73	0.73	0.00	0.00%
Associate Engineer	0.30	0.30	0.00	0.00	0.00	0.00%
Building Serviceperson	1.00	0.00	0.00	0.00	0.00	0.00%
Building Serviceperson-Lead	1.00	1.00	1.00	1.00	0.00	0.00%
Cement Finisher	3.00	2.00	2.00	2.00	0.00	0.00%
Cement Finisher-Lead	0.26	0.26	0.26	0.26	0.00	0.00%
Coordinator Public Works Projects	1.50	1.50	1.50	1.50	0.00	0.00%
Director Public Works/City Engineer	1.00	1.00	1.00	1.00	0.00	0.00%
Electrician	0.80	0.80	0.80	0.80	0.00	0.00%
Engineer	0.66	0.66	0.36	0.48	0.12	33.33%
Engineering Technician III	1.47	1.47	1.47	1.75	0.28	19.05%
Equipment Operator	3.46	2.46	2.46	2.46	0.00	0.00%
Facilities Carpenter	1.00	1.00	1.00	1.00	0.00	0.00%
Facilities Maintenance-Lead	1.85	1.85	1.85	1.85	0.00	0.00%
Facilities Painter	1.75	1.75	1.75	1.75	0.00	0.00%
Facilities Technician	4.05	4.05	4.05	4.05	0.00	0.00%
Heavy Equipment Operator	2.33	2.33	2.33	2.33	0.00	0.00%
Heavy Equipment Operator-Lead	0.85	0.85	0.85	0.85	0.00	0.00%

# TABLE OF ORGANIZATION

## Table of Organization<sup>a</sup>

	FY 2018 Actuals	FY 2019 Actuals	FY 2020 Adopted Budget	FY 2021 Adopted Budget	FY 2021 Change FTE	FY 2021 Change %
Inspector, Field Services	0.11	0.11	0.11	0.11	0.00	0.00%
Landscape Architect Park Planner	0.10	0.60	0.60	0.60	0.00	0.00%
Management Analyst	0.70	0.70	0.70	1.45	0.75	107.14%
Manager Facilities	0.90	0.90	0.90	0.90	0.00	0.00%
Manager Maintenance Operations	1.20	1.20	1.20	1.20	0.00	0.00%
Manager Urban Forestry	0.96	0.96	0.96	1.00	0.04	4.17%
Manager Watershed Protection	0.05	0.05	0.05	0.05	0.00	0.00%
Planning Arborist	0.71	0.00	0.00	0.00	0.00	0.00%
Project Engineer	0.50	0.50	0.00	0.00	0.00	0.00%
Project Manager	2.65	2.65	2.65	2.00	-0.65	(24.53)%
Project Manager (Freeze)	0.00	0.00	0.00	0.65	0.65	0.00%
Senior Engineer	0.79	0.79	0.59	0.60	0.01	1.69%
Senior Management Analyst	1.11	1.11	1.11	1.11	0.00	0.00%
Senior Project Manager	0.10	0.10	0.00	0.00	0.00	0.00%
Supervisor Inspection and Surveying	0.10	0.10	0.10	0.10	0.00	0.00%
Surveyor, Public Works	0.33	0.33	0.33	0.33	0.00	0.00%
Traffic Controller Maintainer I	1.94	1.94	1.94	1.94	0.00	0.00%
Traffic Controller Maintainer II	2.00	2.00	2.00	2.00	0.00	0.00%
Tree Maintenance Person	1.00	1.00	1.00	1.00	0.00	0.00%
Tree Trim/Line Clear	7.00	7.00	7.00	7.00	0.00	0.00%
Tree Trim/Line Clear-Lead	1.00	1.00	1.00	1.00	0.00	0.00%
<b>Total Public Works</b>	<b>54.66</b>	<b>51.45</b>	<b>49.41</b>	<b>50.61</b>	<b>1.20</b>	<b>2.43%</b>
<b>Total General Fund</b>	<b>602.92</b>	<b>582.28</b>	<b>574.93</b>	<b>574.43</b>	<b>-0.50</b>	<b>-0.09%</b>
<b>Enterprise Fund</b>						
<b>Public Works</b>						
Account Specialist	0.30	0.30	0.30	0.30	0.00	0.00%
Accountant	0.40	0.40	0.40	0.40	0.00	0.00%
Administrative Associate I	0.10	0.10	0.10	0.10	0.00	0.00%
Administrative Associate II	2.15	2.15	2.15	2.15	0.00	0.00%
Administrative Associate III	0.10	0.10	0.10	0.10	0.00	0.00%
Assistant Director Public Works	1.30	1.30	1.30	1.30	0.00	0.00%
Assistant Manager WQCP	2.00	2.00	2.00	2.00	0.00	0.00%
Associate Engineer	2.99	2.99	2.99	3.00	0.01	0.33%
Chemist	3.00	3.00	3.00	3.00	0.00	0.00%
Deputy Chief/Fire Marshal	0.07	0.07	0.07	0.07	0.00	0.00%
Electrician	3.00	3.00	3.00	3.00	0.00	0.00%
Electrician-Lead	2.00	2.00	2.00	2.00	0.00	0.00%
Engineer	0.90	0.90	0.90	0.90	0.00	0.00%

# Table of Organization<sup>a</sup>

	FY 2018 Actuals	FY 2019 Actuals	FY 2020 Adopted Budget	FY 2021 Adopted Budget	FY 2021 Change FTE	FY 2021 Change %
Engineering Technician III	0.25	0.25	0.25	0.25	0.00	0.00%
Environmental Specialist	2.00	2.00	2.00	2.00	0.00	0.00%
Equipment Operator	0.54	0.54	0.54	0.54	0.00	0.00%
Facilities Maintenance Lead	1.00	1.00	1.00	1.00	0.00	0.00%
Facilities Technician	1.50	1.50	1.50	1.50	0.00	0.00%
Hazardous Materials Inspector	0.04	0.04	0.04	0.04	0.00	0.00%
Heavy Equipment Operator	0.90	0.90	0.90	0.90	0.00	0.00%
Heavy Equipment Operator-Lead	1.15	1.15	1.15	1.15	0.00	0.00%
Industrial Waste Inspector	2.99	2.99	2.99	3.00	0.01	0.33%
Industrial Waste Investigator	1.15	1.15	1.15	1.15	0.00	0.00%
Laboratory Technician WQC	3.00	3.00	3.00	3.00	0.00	0.00%
Landfill Technician	1.00	1.00	1.00	1.00	0.00	0.00%
Management Analyst	2.30	2.30	2.30	2.30	0.00	0.00%
Manager Airport	1.00	1.00	1.00	1.00	0.00	0.00%
Manager Environmental Control Program	4.90	4.90	4.90	5.00	0.10	2.04%
Manager Laboratory Services	1.00	1.00	1.00	1.00	0.00	0.00%
Manager Maintenance Operations	1.96	1.96	1.96	1.96	0.00	0.00%
Manager Solid Waste	1.00	1.00	1.00	1.00	0.00	0.00%
Manager Water Quality Control Plant	1.00	1.00	1.00	1.00	0.00	0.00%
Manager Watershed Protection	0.95	0.95	0.95	0.95	0.00	0.00%
Plant Mechanic	7.00	7.00	7.00	7.00	0.00	0.00%
Program Assistant I	1.00	1.00	1.00	1.00	0.00	0.00%
Program Assistant II	2.00	2.00	2.00	2.00	0.00	0.00%
Project Engineer	1.83	1.83	1.83	1.83	0.00	0.00%
Project Manager	1.35	1.35	1.35	1.35	0.00	0.00%
Senior Accountant	0.30	0.30	0.30	0.30	0.00	0.00%
Senior Buyer	1.00	1.00	1.00	1.00	0.00	0.00%
Senior Chemist	1.00	1.00	1.00	1.00	0.00	0.00%
Senior Engineer	3.76	3.76	3.76	3.76	0.00	0.00%
Senior Industrial Waste Investigator	0.99	0.99	0.99	1.00	0.01	1.01%
Senior Management Analyst	0.21	0.21	0.21	0.21	0.00	0.00%
Senior Mechanic	1.00	1.00	1.00	1.00	0.00	0.00%
Senior Operator WQC	6.00	6.00	6.00	6.00	0.00	0.00%
Senior Technologist	1.00	1.00	1.00	1.00	0.00	0.00%
Storekeeper	1.00	1.00	1.00	1.00	0.00	0.00%
Street Maintenance Assistant	1.00	1.00	1.00	1.00	0.00	0.00%
Street Sweeper Operator	1.63	1.63	1.63	1.63	0.00	0.00%
Supervisor WQCP Operations	3.00	3.00	3.00	3.00	0.00	0.00%
Surveyor, Public Works	0.12	0.12	0.12	0.12	0.00	0.00%

# TABLE OF ORGANIZATION

## Table of Organization<sup>a</sup>

	FY 2018 Actuals	FY 2019 Actuals	FY 2020 Adopted Budget	FY 2021 Adopted Budget	FY 2021 Change FTE	FY 2021 Change %
Technologist	1.00	1.00	1.00	1.00	0.00	0.00%
Traffic Controller Maintainer I	0.06	0.06	0.06	0.06	0.00	0.00%
WQC Plant Operator II	16.00	16.00	16.00	16.00	0.00	0.00%
Zero Waste Coordinator	1.00	1.00	1.00	1.00	0.00	0.00%
<b>Total Public Works</b>	<b>101.19</b>	<b>101.19</b>	<b>101.19</b>	<b>101.32</b>	<b>0.13</b>	<b>0.13%</b>
<b>Utilities</b>						
Account Specialist	1.70	1.70	1.70	1.70	0.00	0.00%
Accountant	0.60	0.60	0.60	0.60	0.00	0.00%
Administrative Assistant	1.00	1.00	1.00	1.00	0.00	0.00%
Administrative Associate II	7.00	7.00	6.00	6.00	0.00	0.00%
Assistant City Manager/Utilities General Manager	0.75	0.75	0.00	0.00	0.00	0.00%
Assistant Director Administrative Services	0.25	0.25	0.25	0.25	0.00	0.00%
Assistant Director Utilities Customer Support Services	1.00	1.00	1.00	1.00	0.00	0.00%
Assistant Director Utilities Engineering	1.00	1.00	1.00	0.00	-1.00	(100.00)%
Assistant Director Utilities Engineering (Freeze)	0.00	0.00	0.00	1.00	1.00	0.00%
Assistant Director Utilities Operations	1.00	1.00	1.00	1.00	0.00	0.00%
Assistant Director Utilities/Resource Management	1.00	1.00	1.00	1.00	0.00	0.00%
Business Analyst	7.00	6.00	6.00	5.00	-1.00	(16.67)%
Business Analyst (Freeze)	0.00	0.00	0.00	1.00	1.00	0.00%
Cathodic Protection Technician Assistant	1.00	1.00	1.00	1.00	0.00	0.00%
Cathodic Technician	1.00	1.00	1.00	1.00	0.00	0.00%
Cement Finisher	2.00	2.00	2.00	2.00	0.00	0.00%
Contracts Administrator	0.70	0.70	0.70	0.70	0.00	0.00%
Coordinator Utilities Projects	6.00	6.00	6.00	6.00	0.00	0.00%
Customer Service Representative	7.00	7.00	7.00	7.00	0.00	0.00%
Customer Service Specialist	2.00	2.00	2.00	2.00	0.00	0.00%
Customer Service Specialist-Lead	2.00	2.00	2.00	2.00	0.00	0.00%
Deputy Chief/Fire Marshal	0.08	0.08	0.08	0.08	0.00	0.00%
Deputy City Attorney	1.00	1.00	1.00	1.00	0.00	0.00%
Director Administrative Services/CFO	0.20	0.20	0.20	0.20	0.00	0.00%
Electric Heavy Equipment Operator	0.00	0.00	0.00	2.00	2.00	0.00%
Electric Project Engineer	2.00	2.00	4.00	4.00	0.00	0.00%
Electric Underground Inspector	2.00	2.00	2.00	2.00	0.00	0.00%
Electric Underground Inspector-Lead	1.00	1.00	1.00	1.00	0.00	0.00%
Electrical Equipment Technician	1.00	1.00	1.00	1.00	0.00	0.00%

# Table of Organization<sup>a</sup>

	FY 2018 Actuals	FY 2019 Actuals	FY 2020 Adopted Budget	FY 2021 Adopted Budget	FY 2021 Change FTE	FY 2021 Change %
Electrician Assistant I	3.00	3.00	3.00	3.00	0.00	0.00%
Engineer	4.00	4.00	4.00	4.00	0.00	0.00%
Engineering Manager - Electric	1.00	1.00	1.00	1.00	0.00	0.00%
Engineering Manager - WGW	1.00	1.00	1.00	1.00	0.00	0.00%
Engineering Technician III	3.00	3.00	3.00	3.00	0.00	0.00%
Gas and Water Meter Measurement and Control Technician	4.00	4.00	4.00	4.00	0.00	0.00%
Gas and Water Meter Measurement and Control Technician - Lead	1.00	1.00	1.00	1.00	0.00	0.00%
Hazardous Materials Inspector	0.06	0.06	0.06	0.06	0.00	0.00%
Heavy Equipment Operator	6.70	6.70	6.70	0.00	-6.70	(100.00)%
Heavy Equipment Operator - Install/ Repair	4.00	4.00	4.00	4.00	0.00	0.00%
Industrial Waste Investigator	0.50	0.50	0.50	0.50	0.00	0.00%
Inspector, Field Services	5.00	5.00	5.00	5.00	0.00	0.00%
Lineperson/Cable Specialist	11.00	11.00	11.00	10.00	-1.00	(9.09)%
Lineperson/Cable Specialist-Lead	4.00	4.00	4.00	4.00	0.00	0.00%
Maintenance Mechanic-Welding	2.00	2.00	2.00	2.00	0.00	0.00%
Manager Communications	1.00	1.00	1.00	1.00	0.00	0.00%
Manager Customer Service	1.00	1.00	1.00	1.00	0.00	0.00%
Manager Electric Operations	1.00	1.00	1.00	1.00	0.00	0.00%
Manager Treasury, Debt & Investments	0.40	0.40	0.40	0.40	0.00	0.00%
Manager Utilities Compliance	1.00	1.00	1.00	1.00	0.00	0.00%
Manager Utilities Credit & Collection	1.00	1.00	1.00	1.00	0.00	0.00%
Manager Utilities Operations WGW	1.00	1.00	1.00	1.00	0.00	0.00%
Manager Utilities Program Services	1.00	1.00	1.00	1.00	0.00	0.00%
Manager Utilities Strategic Business	1.00	1.00	1.00	1.00	0.00	0.00%
Manager Utilities Telecommunications	1.00	1.00	1.00	1.00	0.00	0.00%
Meter Reader	6.00	6.00	6.00	6.00	0.00	0.00%
Meter Reader-Lead	1.00	1.00	1.00	1.00	0.00	0.00%
Metering Technician	3.00	3.00	3.00	3.00	0.00	0.00%
Metering Technician-Lead	1.00	1.00	1.00	1.00	0.00	0.00%
Offset Equipment Operator	0.48	0.48	0.48	0.48	0.00	0.00%
Overhead Underground Troubleshooter	2.00	2.00	2.00	2.00	0.00	0.00%
Power Engineer	3.00	3.00	1.00	1.00	0.00	0.00%
Principal Business Analyst	1.00	1.00	1.00	1.00	0.00	0.00%
Program Assistant I	1.50	1.50	1.50	1.50	0.00	0.00%
Program Assistant II	0.00	0.00	1.00	1.00	0.00	0.00%
Project Engineer	5.00	5.00	5.00	5.00	0.00	0.00%
Project Manager	0.75	0.75	0.75	0.75	0.00	0.00%

# TABLE OF ORGANIZATION

## Table of Organization<sup>a</sup>

	FY 2018 Actuals	FY 2019 Actuals	FY 2020 Adopted Budget	FY 2021 Adopted Budget	FY 2021 Change FTE	FY 2021 Change %
Resource Planner	6.00	6.00	5.00	5.00	0.00	0.00%
Restoration Lead	1.00	1.00	1.00	1.00	0.00	0.00%
SCADA Technologist	2.00	2.00	2.00	2.00	0.00	0.00%
Senior Accountant	0.70	0.70	0.70	0.70	0.00	0.00%
Senior Business Analyst	2.00	3.00	3.00	3.00	0.00	0.00%
Senior Electrical Engineer	4.00	4.00	4.00	4.00	0.00	0.00%
Senior Engineer	5.00	5.00	5.00	5.00	0.00	0.00%
Senior Management Analyst	0.70	0.70	0.70	0.70	0.00	0.00%
Senior Mechanic	1.00	1.00	1.00	1.00	0.00	0.00%
Senior Performance Auditor	1.00	1.00	1.00	1.00	0.00	0.00%
Senior Resource Planner	6.00	6.00	6.50	6.50	0.00	0.00%
Senior Utilities Field Service Representative	1.00	1.00	1.00	1.00	0.00	0.00%
Senior Water Systems Operator	2.00	2.00	2.00	2.00	0.00	0.00%
Storekeeper	1.00	1.00	1.00	1.00	0.00	0.00%
Storekeeper-Lead	0.80	0.80	0.80	0.80	0.00	0.00%
Street Light, Traffic Signal & Fiber Technician	5.00	5.00	5.00	5.00	0.00	0.00%
Street Light, Traffic Signal & Fiber-Lead	2.00	2.00	2.00	2.00	0.00	0.00%
Substation Electrician	6.00	6.00	6.00	5.00	-1.00	(16.67)%
Substation Electrician (Freeze)	0.00	0.00	0.00	1.00	1.00	0.00%
Substation Electrician-Lead	2.00	2.00	2.00	2.00	0.00	0.00%
Supervising Electric Project Engineer	1.00	1.00	1.00	1.00	0.00	0.00%
Tree Maintenance Person	1.00	1.00	1.00	1.00	0.00	0.00%
Utilities Chief Operating Officer	1.00	1.00	1.00	0.00	-1.00	(100.00)%
Utilities Chief Operating Officer (Freeze)	0.00	0.00	0.00	1.00	1.00	0.00%
Utilities Compliance Technician	2.00	2.00	2.00	3.00	1.00	50.00%
Utilities Compliance Technician-Lead	1.00	1.00	1.00	1.00	0.00	0.00%
Utilities Credit/Collection Specialist	2.00	2.00	2.00	2.00	0.00	0.00%
Utilities Director	0.00	0.00	1.00	1.00	0.00	0.00%
Utilities Engineer Estimator	5.00	5.00	5.00	5.00	0.00	0.00%
Utilities Field Services Representative	5.00	5.00	5.00	5.00	0.00	0.00%
Utilities Install Repair-Lead-Welding Certified	2.00	2.00	2.00	2.00	0.00	0.00%
Utilities Install Repair-Welding Certified	3.00	3.00	3.00	3.00	0.00	0.00%
Utilities Install/Repair	10.00	10.00	10.00	10.00	0.00	0.00%
Utilities Install/Repair Assistant	1.00	1.00	1.00	1.00	0.00	0.00%
Utilities Install/Repair-Lead	5.00	5.00	5.00	5.00	0.00	0.00%
Utilities Key Account Representative	3.00	3.00	3.00	3.00	0.00	0.00%

# Table of Organization<sup>a</sup>

	FY 2018 Actuals	FY 2019 Actuals	FY 2020 Adopted Budget	FY 2021 Adopted Budget	FY 2021 Change FTE	FY 2021 Change %
Utilities Locator	3.00	3.00	3.00	3.00	0.00	0.00%
Utilities Marketing Program Administrator	3.00	3.00	4.00	4.00	0.00	0.00%
Utilities Safety Officer	1.00	1.00	1.00	1.00	0.00	0.00%
Utilities Supervisor	12.00	12.00	12.00	11.00	-1.00	(8.33)%
Utilities Supervisor (Freeze)	0.00	0.00	0.00	1.00	1.00	0.00%
Utilities System Operator	5.00	5.00	5.00	5.00	0.00	0.00%
Utility Engineering Estimator - Lead	1.00	1.00	1.00	1.00	0.00	0.00%
Warehouse Supervisor	0.80	0.80	0.80	0.80	0.00	0.00%
Water System Operator II	4.00	4.00	4.00	4.00	0.00	0.00%
WGW Heavy Equipment Operator	0.00	0.00	0.00	4.70	4.70	0.00%
<b>Total Utilities</b>	<b>256.67</b>	<b>256.67</b>	<b>257.42</b>	<b>257.42</b>	<b>0.00</b>	<b>0.00%</b>
<b>Total Enterprise Fund</b>	<b>357.86</b>	<b>357.86</b>	<b>358.61</b>	<b>358.74</b>	<b>0.13</b>	<b>0.04%</b>
<b>Other Funds</b>						
<b>Capital Project Fund</b>						
Administrative Assistant	0.00	0.00	0.15	0.15	0.00	0.00%
Administrative Associate I	0.80	0.80	0.80	0.80	0.00	0.00%
Administrative Associate III	0.89	1.09	0.89	0.89	0.00	0.00%
Assistant Director Public Works	0.58	0.58	0.72	0.72	0.00	0.00%
Associate Engineer	2.96	3.04	2.50	1.50	-1.00	(40.00)%
Associate Engineer (Freeze)	0.00	0.00	0.00	1.00	1.00	0.00%
Associate Planner	0.00	0.31	0.30	0.30	0.00	0.00%
Building Serviceperson	0.00	0.75	0.75	1.00	0.25	33.33%
Building Serviceperson-Lead	0.00	1.40	1.40	1.40	0.00	0.00%
Cement Finisher-Lead	0.74	0.74	0.74	0.74	0.00	0.00%
Chief Transportation Official	0.52	0.36	0.30	0.30	0.00	0.00%
Contracts Administrator	0.60	0.60	0.60	0.60	0.00	0.00%
Coordinator Public Works Projects	1.30	1.30	1.30	1.30	0.00	0.00%
Coordinator Transportation Systems Management	0.62	0.76	0.75	0.75	0.00	0.00%
Engineer	2.80	2.80	3.10	2.10	-1.00	(32.26)%
Engineer (Freeze)	0.00	0.00	0.00	1.00	1.00	0.00%
Engineering Technician III	0.50	0.50	0.50	0.50	0.00	0.00%
Facilities Technician	1.50	1.50	1.50	1.50	0.00	0.00%
Inspector, Field Services	1.21	1.21	1.21	1.21	0.00	0.00%
Landscape Architect Park Planner	0.90	0.90	0.90	0.90	0.00	0.00%
Management Analyst	0.79	0.82	0.94	0.95	0.01	1.06%
Manager Facilities	0.10	0.10	0.10	0.10	0.00	0.00%
Manager Maintenance Operations	0.65	0.65	0.65	0.65	0.00	0.00%

## TABLE OF ORGANIZATION

### Table of Organization<sup>a</sup>

	FY 2018 Actuals	FY 2019 Actuals	FY 2020 Adopted Budget	FY 2021 Adopted Budget	FY 2021 Change FTE	FY 2021 Change %
Parking Operations-Lead	1.00	0.35	0.40	0.40	0.00	0.00%
Program Assistant II	0.40	0.00	0.00	0.00	0.00	0.00%
Project Engineer	7.14	6.84	7.59	7.62	0.03	0.40%
Project Manager	1.15	1.15	1.15	0.80	-0.35	(30.43)%
Project Manager (Freeze)	0.00	0.00	0.00	0.35	0.35	0.00%
Senior Engineer	1.99	1.99	2.99	4.04	1.05	35.12%
Senior Management Analyst	0.60	0.72	0.60	0.60	0.00	0.00%
Senior Planner	0.85	0.72	0.50	0.50	0.00	0.00%
Senior Project Manager	0.90	0.90	1.00	0.00	-1.00	(100.00)%
Supervisor Inspection and Surveying	0.63	0.63	0.63	0.65	0.02	3.17%
Surveyor, Public Works	0.55	0.55	0.55	0.55	0.00	0.00%
Traffic Engineering-Lead	0.62	0.35	0.55	0.55	0.00	0.00%
Transportation Planning Manager	0.50	0.35	0.35	0.35	0.00	0.00%
<b>Total Capital Project Fund</b>	<b>33.79</b>	<b>34.76</b>	<b>36.40</b>	<b>36.77</b>	<b>0.37</b>	<b>1.02%</b>

#### Printing and Mailing Services

Manager Revenue Collections	0.10	0.10	0.10	0.10	0.00	0.00%
Offset Equipment Operator	1.52	1.52	1.52	1.52	0.00	0.00%
<b>Total Printing and Mailing Services</b>	<b>1.62</b>	<b>1.62</b>	<b>1.62</b>	<b>1.62</b>	<b>0.00</b>	<b>0.00%</b>

#### Special Revenue Funds

Account Specialist	1.62	1.87	1.87	1.37	-0.50	(26.74)%
Account Specialist (Freeze)	0.00	0.00	0.00	0.50	0.50	0.00%
Account Specialist-Lead	0.95	0.55	0.55	0.55	0.00	0.00%
Administrative Assistant	0.00	0.00	0.35	0.35	0.00	0.00%
Administrative Associate II	0.20	0.20	0.20	0.20	0.00	0.00%
Administrative Associate III	0.00	0.21	0.00	0.00	0.00	0.00%
Associate Planner	0.00	0.42	0.25	0.25	0.00	0.00%
Chief Transportation Official	0.05	0.00	0.00	0.00	0.00	0.00%
Community Service Officer	0.50	0.50	0.50	0.37	-0.13	(26.00)%
Community Service Officer (Freeze)	0.00	0.00	0.00	0.13	0.13	0.00%
Coordinator Public Works Projects	0.20	0.20	0.20	0.20	0.00	0.00%
Electrician	0.20	0.20	0.20	0.20	0.00	0.00%
Facilities Maintenance-Lead	0.15	0.15	0.15	0.15	0.00	0.00%
Facilities Painter	0.25	0.25	0.25	0.25	0.00	0.00%
Facilities Technician	0.45	0.45	0.45	0.45	0.00	0.00%
Management Analyst	0.02	0.17	0.35	0.35	0.00	0.00%
Manager Community Services Senior Program	1.00	1.00	1.00	1.00	0.00	0.00%
Manager Maintenance Operations	0.19	0.19	0.19	0.19	0.00	0.00%

## Table of Organization<sup>a</sup>

	FY 2018 Actuals	FY 2019 Actuals	FY 2020 Adopted Budget	FY 2021 Adopted Budget	FY 2021 Change FTE	FY 2021 Change %
Manager Revenue Collections	0.28	0.28	0.28	0.28	0.00	0.00%
Parking Operations-Lead	0.00	0.55	0.60	0.60	0.00	0.00%
Senior Planner	0.40	0.40	0.40	0.40	0.00	0.00%
Street Maintenance Assistant	2.00	2.00	2.00	2.00	0.00	0.00%
Street Sweeper Operator	0.37	0.37	0.37	0.37	0.00	0.00%
Transportation Planning Manager	0.30	0.24	0.50	0.50	0.00	0.00%
<b>Total Special Revenue Funds</b>	<b>9.13</b>	<b>10.20</b>	<b>10.66</b>	<b>10.66</b>	<b>0.00</b>	<b>0.00%</b>

### Technology Fund

Administrative Assistant	1.00	1.00	1.00	1.00	0.00	0.00%
Assistant Director Administrative Services	0.10	0.10	0.10	0.10	0.00	0.00%
Business Analyst	1.00	1.00	1.00	1.00	0.00	0.00%
Desktop Technician	6.00	6.00	6.00	6.00	0.00	0.00%
Director Information Technology/CIO	1.00	1.00	1.00	0.00	-1.00	(100.00)%
Director Information Technology/CIO (Freeze)	0.00	0.00	0.00	1.00	1.00	0.00%
Manager Information Technology	4.00	3.00	3.00	3.00	0.00	0.00%
Manager Information Technology Security	1.00	1.00	1.00	1.00	0.00	0.00%
Principal Business Analyst	1.00	1.00	1.00	1.00	0.00	0.00%
Senior Business Analyst	2.00	2.00	2.00	2.00	0.00	0.00%
Senior Management Analyst	1.00	1.00	1.00	1.00	0.00	0.00%
Senior Technologist	17.00	18.00	18.00	16.00	-2.00	(11.11)%
Senior Technologist (Freeze)	0.00	0.00	0.00	2.00	2.00	0.00%
Technologist	1.00	1.00	1.00	0.00	-1.00	(100.00)%
Technologist (Freeze)	0.00	0.00	0.00	1.00	1.00	0.00%
<b>Total Technology Fund</b>	<b>36.10</b>	<b>36.10</b>	<b>36.10</b>	<b>36.10</b>	<b>0.00</b>	<b>0.00%</b>

### Vehicle Replacement and Maintenance Fund

Administrative Associate III	1.00	1.00	0.00	0.00	0.00	0.00%
Assistant Director Public Works	0.25	0.25	0.25	0.25	0.00	0.00%
Assistant Fleet Manager	1.00	1.00	1.00	1.00	0.00	0.00%
Equipment Maintenance Service Person	2.00	2.00	2.00	2.00	0.00	0.00%
Fleet Services Coordinator	2.00	2.00	1.00	1.00	0.00	0.00%
Management Analyst	0.20	0.20	0.20	0.20	0.00	0.00%
Management Assistant	0.00	0.00	1.00	1.00	0.00	0.00%
Manager Fleet	1.00	1.00	1.00	1.00	0.00	0.00%
Motor Equipment Mechanic II	6.00	6.00	6.00	5.00	-1.00	(16.67)%
Motor Equipment Mechanic II (Freeze)	0.00	0.00	0.00	1.00	1.00	0.00%

## TABLE OF ORGANIZATION

### Table of Organization<sup>a</sup>

	FY 2018 Actuals	FY 2019 Actuals	FY 2020 Adopted Budget	FY 2021 Adopted Budget	FY 2021 Change FTE	FY 2021 Change %
Motor Equipment Mechanic-Lead	2.00	2.00	2.00	2.00	0.00	0.00%
Project Manager	1.00	1.00	1.00	1.00	0.00	0.00%
Senior Management Analyst	0.08	0.08	0.08	0.08	0.00	0.00%
<b>Total Vehicle Replacement and Maintenance Fund</b>	<b>16.53</b>	<b>16.53</b>	<b>15.53</b>	<b>15.53</b>	<b>0.00</b>	<b>0.00%</b>
<b>Workers' Compensation Program Fund</b>						
Senior Human Resources Administrator	1.00	1.00	1.00	1.00	0.00	0.00%
<b>Total Workers' Compensation Program Fund</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>0.00</b>	<b>0.00%</b>
<b>Total Other Funds</b>	<b>98.17</b>	<b>100.21</b>	<b>101.31</b>	<b>101.68</b>	<b>0.37</b>	<b>0.37%</b>
<b>Total Citywide Positions</b>	<b>1,058.95</b>	<b>1,040.35</b>	<b>1,034.85</b>	<b>1,034.85</b>	<b>0.00</b>	<b>0.00%</b>

a. The Table of Organization includes position freezes recommended in the FY 2021 Adopted Operating Budget memo (CMR 11330). These positions have been de-funded in FY 2021 and are identified in the Table of Organization with "(Freeze)" following the job classification title. Job classifications impacted by freezes are summarized in two rows, one to reflect the total FTE authorized (less freezes), and one to reflect the total FTE freezes.

b. The Office of Transportation was created within the City Manager's Office in FY 2020 through the reallocation of staff and resources from the Planning and Development Services Department (previously the Planning and Community Environment Department). For demonstrative purposes, prior years in the Office of Transportation have been restated to include Transportation staff.

c. The Planning and Development Services Department was established in FY 2020 through the merging of the Development Services Department and the Planning and Community Environment Department and the reallocation of resources to create a dedicated Office of Transportation within the City Manager's Office. For demonstrative purposes, prior years have been restated to include staffing of the prior Development Services Department and the Planning and Community Environment Department.

## Attachment A, Exhibit 6 Municipal Fee Changes for FY 2021 New Fees

### New Fees

Department	Fee Title	Justification	Cost Recovery Level
Community Services	Deworming	\$20.00 per pet	High
Community Services	Rescue Group (Non-Profit) - Dog Spay/Neuter (under 50 lbs)	\$75.00 per pet	High
Community Services	Rescue Group (Non-Profit) - Dog Spay/Neuter (over 50 lbs)	\$100.00 per pet	High
Community Services	Ticketed Admission Fee	\$2.00 - \$24.00 per person	High
Community Services	Family Membership	\$150.00 - \$430.00 each	High
Community Services	Teen Center Membership Fee	\$10.00 per month	Low
Community Services	Dawn Redwood Courtyard	Resident Fee: \$250.00 per hour; Non-Resident Fee: \$325.00 per hour	High
Community Services	Multi-use Room	Resident Fee: \$120.00 per hour; Non-Resident Fee: \$180.00 per hour	High
Community Services	Indoor Classroom	Resident Fee: \$96.00 per hour; Non-Resident Fee: \$105.00 per hour	High
Community Services	Outdoor Classroom	Resident Fee: \$120.00 per hour; Non-Resident Fee: \$180.00 per hour	High
Community Services	Art Studio Short Term	Resident Fee: \$89.00 per week; Non-Resident Fee: \$99.00 per week	High
Community Services	Package Rental - Adobe North Tech Lab and South Meeting Room	Resident Fee: \$209.00 per hour; Non-Resident Fee: \$312.00 per hour	High
Library	Mitchell Park Library Community Room - Full Day Rental	Resident Fee: \$324.00 per day; Non-Resident Fee: \$485.00 per day	High
Library	Rinconada Library Community Room - Full Day Rental	Resident Fee: \$469.00 per day; Non-Resident Fee: \$702.00 per day	High
Library	Room Cleaning & Damage Deposit	\$300.00 - \$3,000.00 per deposit	High
Library	Room Cleaning Fee - Add on	\$80.00 - \$500.00 per event	High
Library	Room Rental Furniture damage	Cost of repair or replacement per item	High
Library	Photography/Filming -Space rental fee	\$100.00 - \$2,000.00 per session	High
Public Works	Home Improvement Exception - Trees	\$737.00 per application	High

## Attachment A, Exhibit 6 Municipal Fee Changes for FY 2021 Deleted Fees

### Deleted Fees

Department	Fee Title	Justification
Community Services	Rescue Group (Non-Profit) - Dog Spay/Neuter	This service is no longer provided.
Community Services	Dance Parties	This service is no longer provided.
Community Services	Card Replacement Fee	This service is no longer provided.
Community Services	Open Space & Parks Special Use Permit	This service is no longer provided.
Community Services	Science Lab 2	This service is no longer provided.
Community Services	Science Lab Rental	This service is no longer provided.
Community Services	Other Rooms	This service is no longer provided.
Community Services	Zoo	This service is no longer provided.
Community Services	Package Rental - Weddings (Saturday & Sunday)	This service is no longer provided.
Community Services	Upright Piano	This service is no longer provided .
Community Services	A. Art Studio Short Term, Quarter Studio	This service is no longer provided.
Community Services	B. Art Studio Short Term, Half Studio	This service is no longer provided.
Community Services	C. Art Studio Short Term, Whole Studio	This service is no longer provided.
Community Services	Teen Center	This service is no longer provided.
Community Services	Cleaning Package - Add On (Mitchell Park Only)	This service is no longer provided.
Library	Overdue Materials - Adult	Fines for adult overdue materials will no longer be collected.
Planning and Development Services	Construction/Maintenance Vehicles Parking Space Permit	Duplicate fee; Loss of Parking Space fee is available for the same purpose.
Public Works	Grease Waste Disposal	This service is no longer provided.

## Attachment A, Exhibit 6 Municipal Fee Changes for FY 2021 Changed Fees

### Administrative Services Department

Fee Title	FY 2020 Adopted	FY 2021 Proposed	% Change	Justification
Revenue Collection-Documents and Photocopies: Mailing (Certified)	\$3.50 each	\$3.55 each	1.43%	Changed to align with postal rate

### Community Services Department

Fee Title	FY 2020 Adopted	FY 2021 Proposed	% Change	Justification
Rabbits	\$10.00 per pet	\$40.00 per pet	300.00%	Shelter operator recommendation
Rescue Group (Non-Profit) - Cat Spay/Neuter	\$55.00 per pet	\$50.00 per pet	-9.09%	
JMZ - Science School and Group Programs	Resident Fee: \$132.00 - \$349.00 per program; Non-Resident Fee: Fee plus up to 50%	Resident Fee: \$147.00 - \$390.00 per program; Non-Resident Fee: Fee plus up to 50%	11.50%	Department recommendation to align with the proposal to reopen the JMZ in Fiscal Year 2021
JMZ - Science Child and Family Programs	Resident Fee: \$28.00 - \$389.00 per program; Non-Resident Fee: Fee plus up to 50%	Resident Fee: \$28.00 - \$660.00 per program; Non-Resident Fee: Fee plus up to 50%	34.83%	
JMZ - Group Admission	\$5.00 per child	\$2.00 - \$10.00 per person	Range	
Package Rental - All Available Space	Resident Fee: \$582.00 per hour; Non-Resident Fee: \$873.00 per hour	Resident Fee: \$750.00 per hour; Non-Resident Fee: \$1,125.00 per hour	28.87%	
Exhibit Hall Rental	Resident Fee: \$233.00 per hour; Non-Resident Fee: \$350.00 per hour	Resident Fee: \$295.00 per hour; Non-Resident Fee: \$442.00 per hour	26.45%	
Administration Fee Per Registration	\$0.00 - \$29.00 each	\$0.00 - \$50.00 each	72.40%	Council-approved May 26, 2020 (CMR 11376)

### Library Department

Fee Title	FY 2020 Adopted	FY 2021 Proposed	% Change	Justification
Mitchell Park Library Community Room	Resident Fee: \$94.00 per hour; Non-Resident Fee: \$140.00 per hour	Resident Fee: \$65.00 per hour; Non-Resident Fee: \$97.00 per hour	-30.78%	Aligned with CSD's El Palo Alto room per sq foot cost, General Rate of Increase also applied
Rinconada Library Community Room	Resident Fee: \$140.00 per hour; Non-Resident Fee: \$210.00 per hour	Resident Fee: \$94.00 per hour; Non-Resident Fee: \$140.00 per hour	-33.10%	

### Office of Transportation

Fee Title	FY 2020 Adopted	FY 2021 Proposed	% Change	Justification
Downtown RPP - Annual Resident Parking Permit	\$50.00 each, first permit free	\$50.00 each	0.00%	Council-approved change in policy on May 13, 2020 *This was part of a pilot program at the time the FY20 Adopted book was printed
Evergreen Park - Mayfield RPP - Annual Resident Parking Permit	\$50.00 each, first permit free	\$50.00 each	0.00%	
Southgate RPP - Annual Residential Parking Permit	\$50.00 each, first permit free*	\$50.00 each	0.00%	
Evergreen Park - Mayfield RPP Reduced-Price Employee Parking Permit	\$25.00 each	\$50.00 each	100.00%	Standardizing prices of all employee permits offered by the City
Evergreen Park - Mayfield RPP Full Price Employee Parking Permit	\$201.00 each	\$310.00 each	54.23%	
Southgate RPP - Full Price Employee Parking Permit	\$201.00 each	\$310.00 each	54.23%	
California Avenue Area All Garages and Lots Annual Parking Permit	\$403.00 per year	\$620.00 per year	53.85%	

## Attachment A, Exhibit 6 Municipal Fee Changes for FY 2021 Changed Fees

### Planning and Development Services

Fee Title	FY 2020 Adopted	FY 2021 Proposed	% Change	Justification
A. 101 - 1,000 cubic yards	\$213.00 for the first 100 cubic yards, plus \$213.00 for each additional 100 cubic yards or fraction thereof	\$218.00 for the first 100 cubic yards, plus \$218.00 for each additional 100 cubic yards or fraction thereof	2.35%	Public Works fees were analyzed, and proposed fees reflect the maintenance of cost-recovery levels.
B. 1,001 - 10,000 cubic yards	\$2,130.00 for the first 1,000 cubic yards plus \$199.00 for each additional 1,000 cubic yards or fraction thereof	\$2,180.00 for the first 1,000 cubic yards plus \$205.00 for each additional 1,000 cubic yards or fraction thereof	2.35%	
C. 10,001 or more cubic yards	\$4,120.00 for the first 10,000 cubic yards plus \$771.00 for each additional 10,000 cubic yard or fraction thereof	\$4,230.00 for the first 10,000 cubic yards plus \$798.00 for each additional 10,000 cubic yard or fraction thereof	2.67%	
Tree Inspection for Private Development	\$162.00 per inspection	\$161.00 per inspection	-0.62%	
A. Dumpster, Container	\$331.00 each	\$344.00 each	3.93%	
B. Non-Residential - Single Day	\$1,339.00 each	\$1,385.00 each	3.44%	
C. Non-Residential Short-Term (Less than 5 days)	\$1,570.00 each	\$1,619.00 each	3.12%	
D. Non-Residential Long-Term (More than 5 days)	\$2,177.00 each	\$2,226.00 each	2.25%	
Wet Season Construction Site Stormwater Inspection	\$308.00 per inspection plus \$101.00 per hour thereafter, charged monthly October thru April.	\$309.00 per inspection plus \$101.00 per hour thereafter, charged monthly October thru April.	0.32%	
Architectural Review - Minor Project Trees (ARB Review)	\$1,223.00 per application	\$1,189.00 per application	-2.78%	
Architectural Review - Minor Project Trees (Staff Review)	\$244.00 per hour	\$229.00 per hour	-6.15%	
1. Temporary Discharge to Storm Drain from Non-Exclusionary Construction Site Dewatering	\$15,593.00 each	\$15,710.00 each	0.75%	
2. Additional Temporary Discharge to Storm Drain from Non-Exclusionary Construction Site Dewatering	\$341.00 per week for the duration of dewatering activities	\$345.00 per week for the duration of dewatering activities	1.17%	
A. Construction in Public Right-of-Way (\$1.00 - \$5,999)	\$751.00 per occurrence	\$721.00 per occurrence	-3.99%	
B. Construction in Public Right-of-Way (\$6,000 - \$25,999)	\$751.00 + 9.4% of value greater than \$6,000.00	\$741.00 + 9.3% of value greater than \$6,000.00	-1.33%	
C. Construction in Public Right-of-Way (\$26,000 - \$100,999)	\$2,631.00 + 11.5% of value greater than \$26,000.00	\$2,581.00 + 11.8% of value greater than \$26,000.00	-1.90%	
D. Construction in Public Right-of-Way (\$101,000 +)	\$11,265.00 + 9.6% of value greater than \$100,000.00	\$11,431.00 + 9.3% of value greater than \$100,000.00	1.47%	
Right of Way Closure Management	\$87.00 each	\$89.00 each	2.30%	
Storm Drain Plan Check Fee	\$1,017.00 each	\$1,043.00 each	2.56%	



**BARTEL**  
ASSOCIATES, LLC

**CITY OF PALO ALTO  
RETIREE HEALTHCARE PLAN**

June 30, 2019 Actuarial Valuation  
Contributions for 2020/21 & 2021/22

Final Results

*Prepared by* Mary Beth Redding, Vice President & Actuary  
Deanna Van Valer, Assistant Vice President & Actuary  
Joseph Herm, Actuarial Analyst  
Michelle Shen, Actuarial Analyst  
**Bartel Associates, LLC**

June 12, 2020

**CONTENTS**

<b>Topic</b>	<b>Page</b>
Benefit Summary	1
Implied Subsidy	7
Participant Statistics	9
Actuarial Assumptions Highlights	15
Actuarial Methods	19
Assets	21
Results	23
Results - Details	37
Sensitivity Analysis	46
Actuarial Certification	51
Exhibits	53



## BENEFIT SUMMARY

<p>■ Eligibility</p>	<p>■ Retire directly from the City under CalPERS (age 50<sup>1</sup> and 5 years of CalPERS service or disability)</p>
<p>■ Medical Provider</p>	<p>■ CalPERS health plans (PEMHCA)                  ■ CalPERS administrative fees paid by City</p>
<p>■ Retiree Medical Benefit for Current Retirees:</p> <p>Hired &lt; 1/1/04 (1/1/05 SEIU, 1/1/06 PAPOA)</p> <p>&amp;</p> <p>Did Not Elect into Group 4</p>	<p>■ <u>GROUP 1</u>: Retired &lt; 1/1/07 (3/1/09 for PAPOA)</p> <ul style="list-style-type: none"> <li>Benefit = Full premium up to family coverage</li> </ul> <p>■ <u>GROUP 2</u>: Retired after GROUP 1 and before 5/1/11 (12/1/11 IAFF/FCA, 6/1/12 PMA, 4/1/15 POA)</p> <ul style="list-style-type: none"> <li>Benefit = Same as above but premium limited to 2<sup>nd</sup> most expensive Basic (non-Medicare) medical plan in the Bay Area Region/Region 1 (Anthem Traditional in 2019, PERSCare in 2020)</li> </ul> <p>■ <u>GROUP 3</u>: Retired after GROUP 2</p> <ul style="list-style-type: none"> <li>Benefit = same amount as active employees, which may change from time to time and in the future as bargaining agreements change (valuation assumes no future changes to active benefits)</li> </ul>

<sup>1</sup> Age 52 for Miscellaneous New Hires under PEPR



## BENEFIT SUMMARY

<p>■ Retiree Medical Benefit for Current Actives:</p> <p>Hired &lt; 1/1/04 (1/1/05 SEIU, 1/1/06 PAPOA)</p> <p>&amp;</p> <p>Did Not Elect into Group 4</p>	<p>■ <u>GROUP 3</u>: Currently active and did not elect into Group 4</p> <ul style="list-style-type: none"> <li>No active Group 3 POA, PMA, IAFF or FCA</li> <li>Only remaining Group 3 actives in MGMT, SEIU, UMPAPA</li> <li>Benefit = up to full premium, but limited to flat dollar caps same as active contribution</li> </ul> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th style="text-align: center;"><b>Mgmt/Conf</b></th> <th style="text-align: center;"><b>UMPAPA</b></th> <th style="text-align: center;"><b>SEIU</b></th> <th style="text-align: center;"><b>All Groups</b></th> </tr> <tr> <th></th> <th style="text-align: center;"><u>2019</u></th> <th style="text-align: center;"><u>2019</u></th> <th style="text-align: center;"><u>2019</u></th> <th style="text-align: center;"><u>2020</u></th> </tr> </thead> <tbody> <tr> <td>Single</td> <td style="text-align: right;">\$ 837</td> <td style="text-align: right;">\$ 840</td> <td style="text-align: right;">\$ 804</td> <td style="text-align: right;">\$ 840</td> </tr> <tr> <td>2-Party</td> <td style="text-align: right;">1,671</td> <td style="text-align: right;">1,680</td> <td style="text-align: right;">1,606</td> <td style="text-align: right;">1,680</td> </tr> <tr> <td>Family</td> <td style="text-align: right;">2,172</td> <td style="text-align: right;">2,180</td> <td style="text-align: right;">2,088</td> <td style="text-align: right;">2,180</td> </tr> </tbody> </table> <p>For SEIU only, the 2021 cap will be increased at 50% of the average of increase to Kaiser and PERS Choice</p>		<b>Mgmt/Conf</b>	<b>UMPAPA</b>	<b>SEIU</b>	<b>All Groups</b>		<u>2019</u>	<u>2019</u>	<u>2019</u>	<u>2020</u>	Single	\$ 837	\$ 840	\$ 804	\$ 840	2-Party	1,671	1,680	1,606	1,680	Family	2,172	2,180	2,088	2,180
	<b>Mgmt/Conf</b>	<b>UMPAPA</b>	<b>SEIU</b>	<b>All Groups</b>																						
	<u>2019</u>	<u>2019</u>	<u>2019</u>	<u>2020</u>																						
Single	\$ 837	\$ 840	\$ 804	\$ 840																						
2-Party	1,671	1,680	1,606	1,680																						
Family	2,172	2,180	2,088	2,180																						



## BENEFIT SUMMARY

<p>■ Retiree Medical Benefit for those:</p> <p>Hired ≥ 1/1/04 (1/1/05 SEIU, 1/1/06 PAPOA)</p> <p>&amp;</p> <p>Employees Hired Before These Dates Electing into Group 4<sup>2</sup></p>	<p>■ <b>GROUP 4:</b> Government Code §22893 “Vesting Schedule” (based on all CalPERS Service)<sup>3</sup>:</p> <table border="1"> <thead> <tr> <th><u>Years of Service</u></th> <th><u>%</u></th> <th><u>Years of Service</u></th> <th><u>%</u></th> </tr> </thead> <tbody> <tr> <td>&lt; 10</td> <td>0%</td> <td>13</td> <td>65%</td> </tr> <tr> <td>10</td> <td>50%</td> <td>14</td> <td>70%</td> </tr> <tr> <td>11</td> <td>55%</td> <td>↓</td> <td>↓</td> </tr> <tr> <td>12</td> <td>60%</td> <td>≥ 20</td> <td>100%</td> </tr> </tbody> </table>	<u>Years of Service</u>	<u>%</u>	<u>Years of Service</u>	<u>%</u>	< 10	0%	13	65%	10	50%	14	70%	11	55%	↓	↓	12	60%	≥ 20	100%
	<u>Years of Service</u>	<u>%</u>	<u>Years of Service</u>	<u>%</u>																	
< 10	0%	13	65%																		
10	50%	14	70%																		
11	55%	↓	↓																		
12	60%	≥ 20	100%																		
<p>■ 100% vesting for disability retirements</p> <p>■ Vesting applies to 100/90 formula amounts, which are the maximum amounts payable by the City (retirees pay any difference between these amounts and actual premiums):</p> <table border="1"> <thead> <tr> <th></th> <th><u>2018</u></th> <th><u>2019</u></th> <th><u>2020</u></th> </tr> </thead> <tbody> <tr> <td>Single</td> <td>\$ 725</td> <td>\$ 734</td> <td>\$ 767</td> </tr> <tr> <td>2-Party</td> <td>1,377</td> <td>1,398</td> <td>1,461</td> </tr> <tr> <td>Family</td> <td>1,766</td> <td>1,788</td> <td>1,868</td> </tr> </tbody> </table> <p>■ If have 20 years City service do not need to retire directly from City</p>		<u>2018</u>	<u>2019</u>	<u>2020</u>	Single	\$ 725	\$ 734	\$ 767	2-Party	1,377	1,398	1,461	Family	1,766	1,788	1,868					
	<u>2018</u>	<u>2019</u>	<u>2020</u>																		
Single	\$ 725	\$ 734	\$ 767																		
2-Party	1,377	1,398	1,461																		
Family	1,766	1,788	1,868																		

<sup>2</sup> All currently active POA/PMA, IAFF/FCA are Group 4. Some Mgmt/Conf and some SEIU remained in Group 3, and some elected into Group 4.

<sup>3</sup> Minimum 5 years City Service.



## BENEFIT SUMMARY

<p>■ Dental, Vision &amp; Medicare Part B</p>	<p>■ None</p>
<p>■ Surviving Spouse Benefit</p>	<p>■ 100% of retiree benefit continues to surviving spouse if retiree elects CalPERS pension survivor allowance</p>
<p>■ Waived Re-election</p>	<p>■ Waived retirees/beneficiaries may re-elect coverage at a future date</p>
<p>■ Summary of Changes Since the Prior Valuation</p>	<p>■ Updates for 2019 and 2020 to the active contribution amounts, which affect the GROUP 3 benefits (current actives and current retirees).</p> <ul style="list-style-type: none"> <li>• Changes to flat dollar amounts, amounts for 2019 differ slightly by bargaining unit</li> <li>• Prior UMPAPA benefit: 90% of premium up to 90% of Group 2 cap</li> <li>• Updated UMPAPA benefit: flat dollar caps similar to SEIU and Mgmt/Conf</li> </ul>



**BENEFIT SUMMARY**

■ Pay-As-You-Go (\$000s)	Fiscal	Cash	Implied	Total
	Year		Subsidy	
	2018/19	\$ 9,960	\$ 2,197	\$ 12,157
	2017/18	9,660	2,444	12,104
	2016/17	9,713	2,203	11,916
	2015/16	9,681	1,960	11,641
	2014/15	8,995	1,916	10,911
	2013/14	7,317	-	7,317
	2012/13	8,766	-	8,766
	2011/12	8,165	-	8,165
	2010/11	6,216	-	6,216
	2009/10	5,519	-	5,519



**BENEFIT SUMMARY**

**Monthly Benefit Cap Amounts**

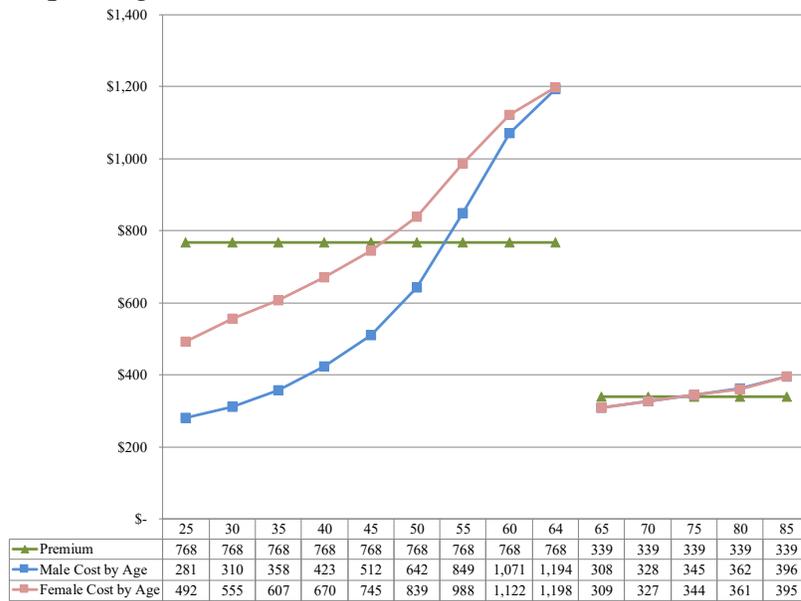
Group	2019			2020		
	Single	2-Party	Family	Single	2-Party	Family
Group 1 <sup>4</sup>	\$1,131.68	\$2,263.36	\$2,942.37	\$1,184.84	\$2,369.68	\$3,080.58
Group 2	1,111.13	2,222.26	2,888.94	1,133.14	2,266.28	2,946.16
Group 3 SEIU	804.00	1,606.00	2,088.00	804.00	1,680.00	2,180.00
Group 3 MGMT	837.00	1,671.00	2,172.00	804.00	1,680.00	2,180.00
Group 3 UMPAPA	840.00	1,680.00	2,180.00	804.00	1,680.00	2,180.00
Group 4 (100% vest)	734.00	1,398.00	1,788.00	767.00	1,461.00	1,868.00
<b>% Decrease from Group 1 (assumes Group 1 is in most expensive plan)</b>						
Group 2	2%	2%	2%	4%	4%	4%
Group 3 SEIU	29%	29%	29%	32%	29%	29%
Group 3 MGMT	26%	26%	26%	32%	29%	29%
Group 3 UMPAPA	26%	26%	26%	32%	29%	29%
Group 4	35%	38%	39%	35%	38%	39%

<sup>4</sup> No cap for Group 1. Amount shown is most expensive Non-Medicare Bay Area/Region 1 premium.



## IMPLIED SUBSIDY

- For PEMHCA, employer cost for allowing retirees to participate at active rates.
  - Kaiser 2020 Region 1 plan:



- The City included the implied subsidy beginning with the June 30, 2013 valuation.



## IMPLIED SUBSIDY

**This page intentionally blank**



## PARTICIPANT STATISTICS

### Participant Statistics

	6/30/11	6/30/13	6/30/15	6/30/17	6/30/19
■ Actives					
• Count	923	948	955	967	930
• Average Age	44.7	45.2	45.3	45.6	44.8
• Average City Service	10.8	10.8	10.8	10.9	10.8
• Average PERS Service	13.7	11.7	11.9	11.9	11.7
• Average Salary	\$86,007	\$86,271	\$91,714	\$90,739	\$110,969
• Total Salary (000's)	\$79,384	\$81,785	\$87,586	\$87,745	\$103,201
■ Retirees:					
• Count	860	968	1,007 <sup>5</sup>	959 <sup>6</sup>	974 <sup>7</sup>
• Average Age	67.0	68.2	68.9	68.9	70.0
• Average Retirement Age					
○ Service	55.5 <sup>8</sup>	57.8	57.7	57.7	58.0
○ Disability	n/a	45.3	45.6	45.9	46.1

<sup>5</sup> Includes 68 waived retirees over 65.

<sup>6</sup> Excludes all waived retirees over 65; includes 38 waived under 65 retirees.

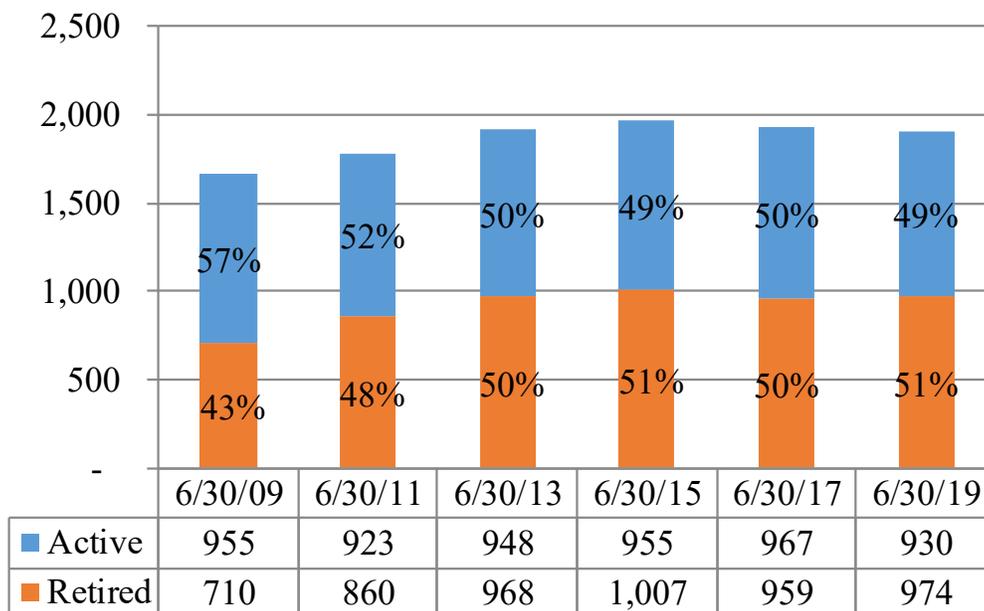
<sup>7</sup> Excludes all waived retirees, regardless of age.

<sup>8</sup> All retirements included. Disability retirement data unreliable.



## PARTICIPANT STATISTICS

### Historical Active and Retiree Counts<sup>9</sup>



<sup>9</sup> Retiree count is subscribers: retirees and surviving spouses



**PARTICIPANT STATISTICS**

**Participant Statistics**

**June 30, 2019**

	<b>Group 1</b>	<b>Group 2</b>	<b>Group 3</b>	<b>Group 4</b>	<b>Total</b>
<b>■ Actives</b>					
• Count	n/a	n/a	92	838	930
• Average Age	n/a	n/a	54.2	43.8	44.8
• Average Entry Age	n/a	n/a	32.7	35.9	34.5
• Average City Service	n/a	n/a	21.4	9.7	10.8
• Average PERS Service	n/a	n/a	21.9	10.6	11.7
• Average Salary	n/a	n/a	\$108,291	\$111,263	\$110,969
• Total Salary (000's) <sup>10</sup>	n/a	n/a	\$9,963	\$93,238	\$103,201
<b>■ Benefitting Retirees<sup>11</sup>:</b>					
• Count	458	292	128	96	974
• Average Age	76.3	66.7	62.4	60.3	70.0
• Avg Service Ret Age	57.6	57.8	58.8	59.2	58.0
• Avg Disability Ret Age	45.5	47.0	51.2	47.1	46.1

<sup>10</sup> Actual 2018/19 PERSable compensation.

<sup>11</sup> Excludes retirees who have waived coverage, regardless of age.



June 12, 2020



**PARTICIPANT STATISTICS**

**Participant Statistics**

**June 30, 2017**

	<b>Group 1</b>	<b>Group 2</b>	<b>Group 3</b>	<b>Group 4</b>	<b>Total</b>
<b>■ Actives</b>					
• Count	n/a	n/a	133	834	967
• Average Age	n/a	n/a	53.1	44.4	45.6
• Average Entry Age	n/a	n/a	32.8	33.9	33.7
• Average City Service	n/a	n/a	20.0	9.4	10.9
• Average PERS Service	n/a	n/a	20.3	10.6	11.9
• Average Salary	n/a	n/a	\$90,623	\$90,757	\$90,739
• Total Salary (000's)	n/a	n/a	\$12,053	\$75,692	\$87,745
<b>■ Retirees<sup>12</sup>:</b>					
• Count	500	302	117	40	959
• Average Age	74.5	64.6	60.3	57.1	68.9
• Avg Service Ret Age	57.6	57.8	58.2	56.9	57.7
• Avg Disability Ret Age	45.6	46.4	49.1	44.3	45.9

<sup>12</sup> Includes 38 retirees who have waived coverage and are under age 65. Excludes waived retirees over age 65.



June 12, 2020



**PARTICIPANT STATISTICS**

**Data Reconciliation**  
**6/30/2017 to 6/30/2019**

	<b>Actives</b>	<b>Retirees</b>	<b>Disabled</b>	<b>Benefic.</b>	<b>Total</b>
■ June 30, 2017	967	716	171	72	1,926
• New Hires/Rehires	157	-	-	-	157
• Disabled	(1)	-	1	-	-
• Terminated <sup>13</sup>	(93)	-	-	-	(93)
• Died with Benefic. <sup>14</sup>	-	(5)	(1)	6	-
• Died, no Beneficiary	-	(18)	(11)	(7)	(36)
• Retired/covered	(90)	90	-	-	-
• Retired/waived	(10)	-	-	-	(10)
• Waived Retiree <sup>15</sup>	-	(31)	(10)	(4)	(45)
• Adjustment/Other	-	<u>2</u>	<u>1</u>	<u>2</u>	<u>5</u>
■ June 30, 2019	930	754	151	69	1,904

<sup>13</sup> All actives in June 30, 2017 valuation and not in June 30, 2019 valuation assumed terminated.

<sup>14</sup> Retirees in the June 30, 2017 valuation not in the June 30, 2019 valuation assumed deceased.

<sup>15</sup> Retiree count as of June 30, 2017 valuation included waived retirees <65.



**PARTICIPANT STATISTICS**

**This page intentionally blank**



**ACTUARIAL ASSUMPTIONS HIGHLIGHTS**

	<b>June 30, 2017 Valuation</b>	<b>June 30, 2019 Valuation</b>
■ Valuation Date	<ul style="list-style-type: none"> <li>■ June 30, 2017</li> <li>■ ADC for Fiscal Years 2018/19 &amp; 2019/20 (end of year)</li> <li>■ 1 year lag</li> </ul>	<ul style="list-style-type: none"> <li>■ June 30, 2019</li> <li>■ ADC for Fiscal Years 2020/21 &amp; 2021/22 (end of year)</li> <li>■ 1 year lag</li> </ul>
■ Funding Policy	<ul style="list-style-type: none"> <li>■ Full Pre-funding through CalPERS trust (CERBT) Strategy #1</li> </ul>	<ul style="list-style-type: none"> <li>■ Same</li> </ul>
■ Discount Rate	<ul style="list-style-type: none"> <li>■ 6.75%, net of expenses based on CERBT Strategy #1</li> </ul>	<ul style="list-style-type: none"> <li>■ Same</li> </ul>
■ Medical Trend	<ul style="list-style-type: none"> <li>■ Non-Medicare: 7.5% for 2019, decreasing to an ultimate rate of 4.0% in 2076</li> <li>■ Medicare: 6.5% for 2019, decreasing to an ultimate rate of 4.0% in 2076</li> </ul>	<ul style="list-style-type: none"> <li>■ Non-Medicare: 7.25% for 2021, decreasing to an ultimate rate of 4.0% in 2076</li> <li>■ Medicare: 6.3% for 2021, decreasing to an ultimate rate of 4.0% in 2076</li> </ul>



**ACTUARIAL ASSUMPTIONS HIGHLIGHTS**

	<b>June 30, 2017 Valuation</b>	<b>June 30, 2019 Valuation</b>
■ Increase to Group 3 Flat Dollar Caps	<ul style="list-style-type: none"> <li>■ ½ of Medical Trend, not less than assumed inflation (2.75%)<sup>16</sup></li> </ul>	<ul style="list-style-type: none"> <li>■ Same</li> </ul>
■ Participation at Retirement	<ul style="list-style-type: none"> <li>■ Groups 3 &amp; 4: 90%</li> <li>■ Based on Plan experience</li> </ul>	<ul style="list-style-type: none"> <li>■ Group 3: 98%</li> <li>■ Group 4: if eligible for City contribution: 95%; if not: 0%</li> <li>■ Based on Plan experience<sup>17</sup></li> </ul>

<sup>16</sup> Increase is for purposes of financial projection only and does not imply any obligation to increase the cap in the future.

<sup>17</sup> Actual participation percentage for Group 3 since 6/30/17 is 100% Miscellaneous. Note there are no active Safety members in Group 3. Actual participation percentages for Group 4 since 6/30/17 are 83% Miscellaneous and 92% Safety, or 84% overall. Actual participation for Group 3 and Group 4 since 6/30/17 is 88% overall. Group 4 still has limited actual experience. We recommend continued monitoring for Group 4.



## ACTUARIAL ASSUMPTIONS HIGHLIGHTS

	June 30, 2017 Valuation	June 30, 2019 Valuation
<ul style="list-style-type: none"> <li>■ Retirement, Mortality, Termination, Disability</li> </ul>	<ul style="list-style-type: none"> <li>■ CalPERS 1997-2015 Experience Study for all but Mortality</li> <li>■ Mortality – CalPERS 1997-2011 Experience Study, and Society of Actuaries mortality improvement scale MP-17</li> </ul>	<ul style="list-style-type: none"> <li>■ CalPERS 1997-2015 Experience Study</li> <li>■ Update to most recent Society of Actuaries mortality improvement scale MP-19</li> </ul>
<ul style="list-style-type: none"> <li>■ ACA Excise Tax</li> </ul>	<ul style="list-style-type: none"> <li>■ Estimate by 2% load on cash subsidy</li> </ul>	<ul style="list-style-type: none"> <li>■ Remove load due to December 2019 repeal of Excise Tax<sup>18</sup></li> </ul>

<sup>18</sup> Note for GASBS 75 purposes, the Total OPEB Liability as of Measurement Date (MD) 6/30/19 will include a 2% load, as legislation passed after the MD may not be taken into account.



## ACTUARIAL ASSUMPTIONS HIGHLIGHTS

	June 30, 2017 Valuation	June 30, 2019 Valuation
<ul style="list-style-type: none"> <li>■ Basis for Assumptions (6/30/19 Valuation)</li> </ul>	<ul style="list-style-type: none"> <li>■ No experience study performed for this Plan</li> <li>■ CalPERS December 2017 experience study covering 1997 to 2015 experience was used</li> <li>■ Mortality improvement: most recent Society of Actuaries scale</li> <li>■ Inflation based on the Plan's very long time horizon</li> <li>■ Short-term medical trend developed in consultation with Axene Health Partners' healthcare actuaries. Long-term medical trend developed using Society of Actuaries' Getzen Model of Long-Run Medical Cost Trends</li> <li>■ Age-based claims are based on factors developed by Axene Health Partners' healthcare actuaries and demographic data from CalPERS.</li> <li>■ Participation and coverage based in part on Plan experience</li> <li>■ Capital market assumptions for the recommended discount rate are based on our study of investment advisor 10-year 2017 capital market assumptions adjusted in some cases to reflect anticipated long-term trends</li> </ul>	



**ACTUARIAL METHODS**

<b>Method</b>	<b>June 30, 2017 Valuation</b>	<b>June 30, 2019 Valuation</b>
■ Cost Method	■ Entry Age Normal Level % of Pay	■ Same
■ Unfunded Liability Amortization	<ul style="list-style-type: none"> <li>■ 26 years closed period</li> <li>■ Level % of pay (3% annual escalation)</li> <li>■ Sensitivity analysis: 24 &amp; 20 years</li> </ul>	<ul style="list-style-type: none"> <li>■ 24 years closed period</li> <li>■ Level % of pay (3% annual escalation)</li> <li>■ Sensitivity analysis: 22 &amp; 20 years</li> </ul>
■ Actuarial Asset Value	■ Market Value of Assets <sup>19</sup>	■ Same
■ Future New Entrants	■ Closed group – no new participants	
■ Implied Subsidy	■ Implied subsidy valued	
■ Plan Continuance	■ For purposes of financial projections, the plan and benefits are assumed to continue unchanged. The calculation of this obligation does not imply that there is any legal liability to provide or continue providing the benefits valued.	

<sup>19</sup> Using Market Value of Assets to determine the ADC will result in more volatile future ADCs than if a smoothed Market Value were used.



**ACTUARIAL METHODS**

**This page intentionally blank**



## ASSETS

### Market Value of Plan Assets – CERBT #1

(Amounts in 000's)

	Audited 2015/16	Audited 2016/17	2017/18 <sup>20</sup>	2018/19	Proj 2019/20 <sup>21</sup>
■ MVA (Beg. of Year)	\$ 78,578	\$ 79,843	\$ 91,170	\$ 107,846	\$ 118,497
• Audit Adjustment <sup>22</sup>	(1,972)		-	-	-
• Contributions	2,351	2,823	9,212	5,723	16,482
• Benefit Payments <sup>23</sup>	-	-	-	(1,883)	(12,642)
• Admin. Expenses	(37)	(44)	(50)	(53)	(62)
• Investment Return <sup>24</sup>	<u>924</u>	<u>8,628</u>	<u>7,513</u>	<u>6,864</u>	<u>12,535</u>
■ MVA (End of Year)	79,843	91,250	107,846	118,497	134,810
■ Approx. Annual Return	1.1%	10.4%	7.8%	6.3%	10.5%

<sup>20</sup> Taken from CERBT quarterly statements. Audited asset balances at 6/30/18 and 6/30/19 are \$107,809,741 and \$118,478,415 respectively.

<sup>21</sup> Projected from actual 12/31/2019 CERBT balance (unaudited) using assumed rate of return for last half of fiscal year.

<sup>22</sup> Backs out accrued contribution in July 2015 for \$2,047,517 and \$75,658 for adjustments made by CalPERS auditors.

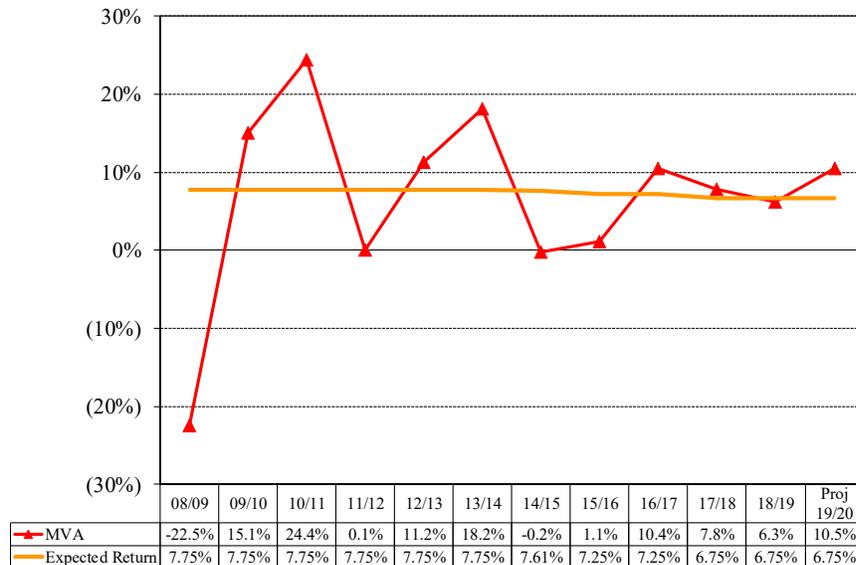
<sup>23</sup> Benefit Payments made outside of trust by City for years before 2018/19. Refer to Slide 5 for fiscal year amounts.

<sup>24</sup> Net of investment expenses.



## ASSETS

### Historical Returns<sup>25</sup>



<sup>25</sup> Projected return for 2019/20 uses actual investment return (unaudited) for first half of fiscal year and assumed rate of return for last half of fiscal year



## RESULTS

### Actuarial Obligations

(Amounts in 000's)

	6/30/17 Valuation		6/30/19 Valuation	
	6/30/17	Proj 6/30/18	6/30/19	Proj.6/30/20
■ <b>Discount Rate</b>	6.75%		6.75%	
■ <b>Present Value of Benefits</b>				
• Actives (future retirees)	\$ 141,887		\$ 141,423	
• Retirees	<u>160,927</u>		<u>159,156</u>	
• Total	302,814		300,579	
■ <b>Actuarial Accrued Liability</b>				
• Actives (future retirees)	83,832		82,313	
• Retirees	<u>160,927</u>		<u>159,156</u>	
• Total	244,759	\$ 255,795	241,469	\$ 251,389
■ <b>Actuarial Value of Assets(MV)</b>	<u>91,250</u>	<u>111,869</u>	<u>118,497</u>	<u>134,810</u>
■ <b>Unfunded AAL</b>	<b>153,509</b>	<b>143,926</b>	<b>122,972</b>	<b>116,579</b>
■ <b>Funded Ratio</b>	37%	44%	49%	54%
■ <b>Normal Cost<sup>26</sup></b>		7,081		6,978
■ <b>Pay-As-You-Go Cost (Cash)</b>		10,274		10,859
■ <b>Pay-As-You-Go Cost (IS)</b>		2,197		2,346

<sup>26</sup> Includes Administration fees.



June 12, 2020

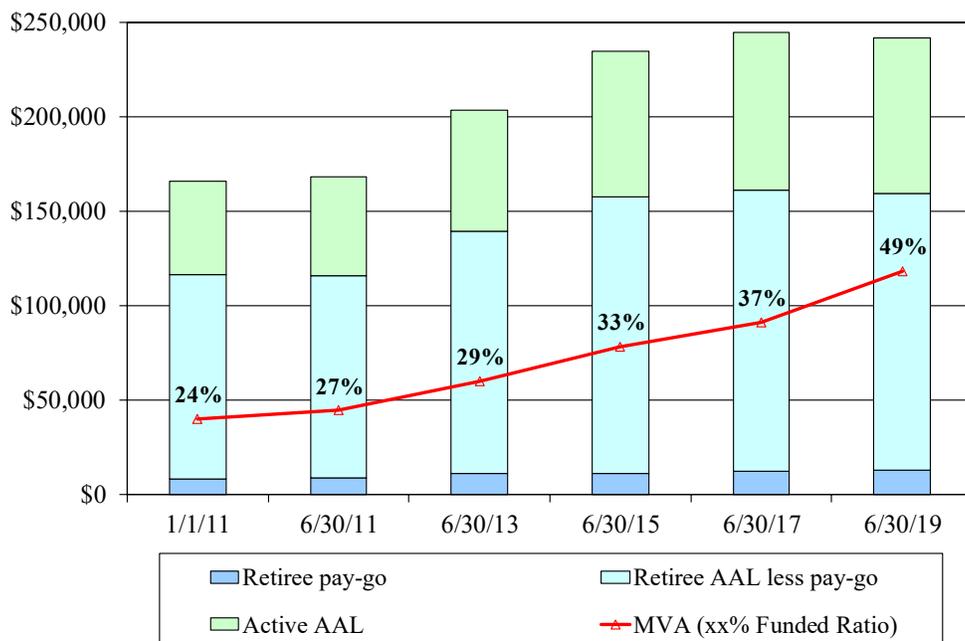
23



## RESULTS

### Historical Funded Status

(Amounts in 000's)



June 12, 2020

24



**RESULTS**

**Actuarial Gain/Loss**

(Amounts in \$000's)

	AAL	(MVA)	UAAL
■ <b>Actual 6/30/17 projected to 6/30/18</b>	\$ 255,795	\$ (111,869)	\$ 143,926
■ <b>Expected 6/30/20</b>	279,189	(133,878)	145,311
■ <b>Assumption Changes</b>			
• CalPERS 97-15 Experience Study mortality and updated mortality improvement scale to MP-19	1,241		1,241
• Medical Plan election percentages and spouse, family, and employee participation assumption changes	6,395		6,395
• Removal of ACA Excise Tax (repealed 12/2019)	(4,208)		(4,208)
■ <b>Contribution and Benefit Payment Loss</b>		4,534	4,534
■ <b>Investment (Gain)</b>		(5,466)	(5,466)
■ <b>Plan Changes (Group 3 Caps)</b>	1,050		1,050
■ <b>Experience (Gains)/Losses</b>			
• Premiums/Caps lower than expected	(23,400)		(23,400)
• Demographic (mainly Medicare eligibility)	<u>(8,877)</u>	-	<u>(8,877)</u>
■ <b>Total (Gain)/Loss</b>	<u>(27,800)</u>	<u>(932)</u>	<u>(28,732)</u>
■ <b>Projected 6/30/20</b>	251,389	(134,810)	116,579



**RESULTS**

**Actuarially Determined Contribution (ADC)**

(Amounts in 000's)

	6/30/17 Valuation		6/30/19 Valuation	
	2018/19	2019/20	2020/21	2021/22
■ <b>Discount Rate</b>	6.75%		6.75%	
■ <b>ADC - \$</b>				
• Normal Cost	\$ 7,081	\$ 7,299	\$ 6,888	\$ 7,099
• Administrative Expenses <sup>27</sup>	-	-	90	98
• UAAL Amortization	<u>8,916</u>	<u>9,183</u>	<u>7,588</u>	<u>7,816</u>
• Total	15,997	16,482	14,566	15,013
■ <b>Projected Payroll</b>	90,377	93,089	109,486	112,771
■ <b>ADC - %Pay</b>				
• Normal Cost	7.8%	7.8%	6.3%	6.3%
• Administrative Expenses	-	-	0.1%	0.1%
• UAAL Amortization	<u>9.9%</u>	<u>9.9%</u>	<u>6.9%</u>	<u>6.9%</u>
• Total	17.7%	17.7%	13.3%	13.3%

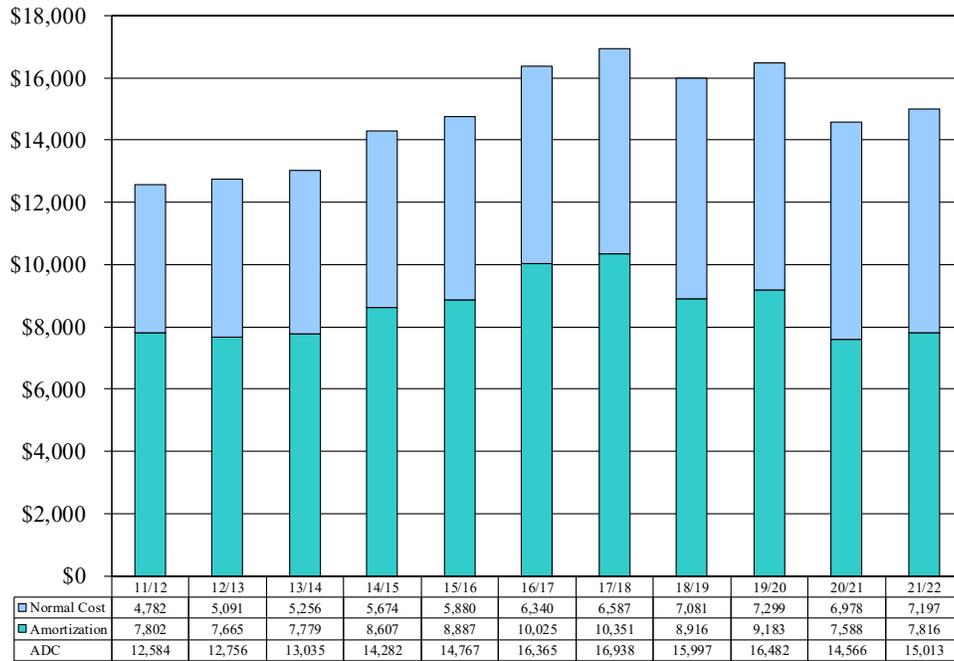
<sup>27</sup> PEMHCA and CERBT administration fees included after fiscal year 2020/21. PEMHCA admin fee included in Normal Cost for years 2018/19 and 2019/20.



## RESULTS

### Historical Recommended Funding Contributions

(Amounts in 000's)



## RESULTS

### Amortization Bases & Payments

(Amounts in 000's)

	6/30/17 Valuation		6/30/19 Valuation	
	6/30/18	6/30/19	6/30/20	6/30/21
■ UAAL Balance	\$ 143,926	\$ 144,725	\$ 116,579	\$ 116,859
■ Amortization Payment	8,916	9,183	7,588	7,816
■ Amortization Period	26	25	24	23



**RESULTS**

**Unfunded Actuarial Accrued Liability (UAAL) – % of Payroll**

(Amounts in 000's)

	6/30/11	6/30/13	6/30/15	6/30/17	6/30/19
<b>■ UAAL/Payroll for year beginning on valuation date</b>					
• Miscellaneous	147%	158%	152%	149%	99%
• Safety	168%	228%	276%	269%	171%
• Total	153%	176%	178%	175%	116%



**RESULTS**

**10 Year Contribution Projection**

(Amounts in 000's)

FYE	ADC <sup>28</sup>	Contribution				Payroll	ADC % of Pay	UAAL, Beg. Of FY	Fund %
		Cash Ben Pymt	Implied Subsidy BP	Trust Pre-Funding	Total				
2020	\$ 16,482	\$ 10,928	\$ 2,384	\$ 3,170	\$ 16,482	\$ 93,089	17.7%	\$ 144,725	46%
2021	14,566	10,859	2,347	1,360	14,566	109,486	13.3%	116,579	54%
2022	15,013	11,622	2,619	772	15,013	112,771	13.3%	116,421	56%
2023	15,486	12,327	2,826	333	15,486	116,154	13.3%	115,990	57%
2024	15,964	12,968	2,976	20	15,964	119,638	13.3%	115,266	59%
2025	16,457	13,601	3,112	(256)	16,457	123,227	13.4%	114,225	61%
2026	16,965	14,171	3,176	(382)	16,965	126,924	13.4%	112,840	63%
2027	17,486	14,740	3,252	(506)	17,486	130,732	13.4%	111,083	65%
2028	18,023	15,282	3,211	(470)	18,023	134,654	13.4%	108,923	66%
2029	18,576	15,905	3,290	(619)	18,576	138,694	13.4%	106,329	68%
2030	19,146	16,569	3,433	(856)	19,146	142,854	13.4%	103,256	70%

<sup>28</sup> Actuarially Determined Contribution



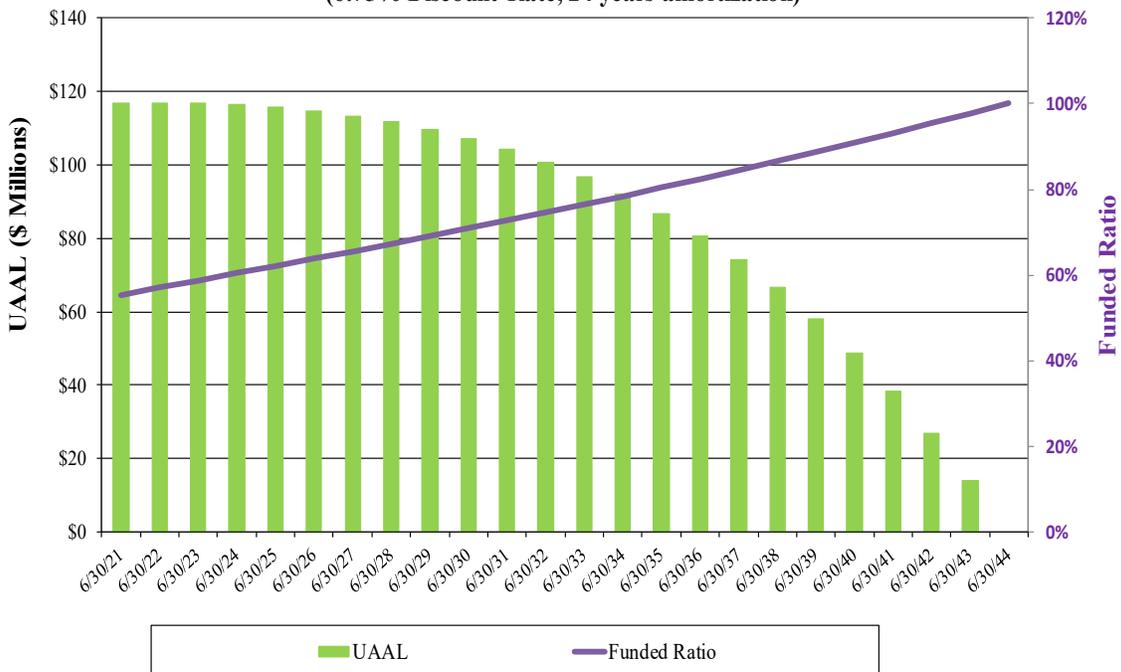
## RESULTS

**ADC, Benefit and Trust Payment/Reimbursement Projection**  
(6.75% Discount Rate, 24 years level % of pay amortization)



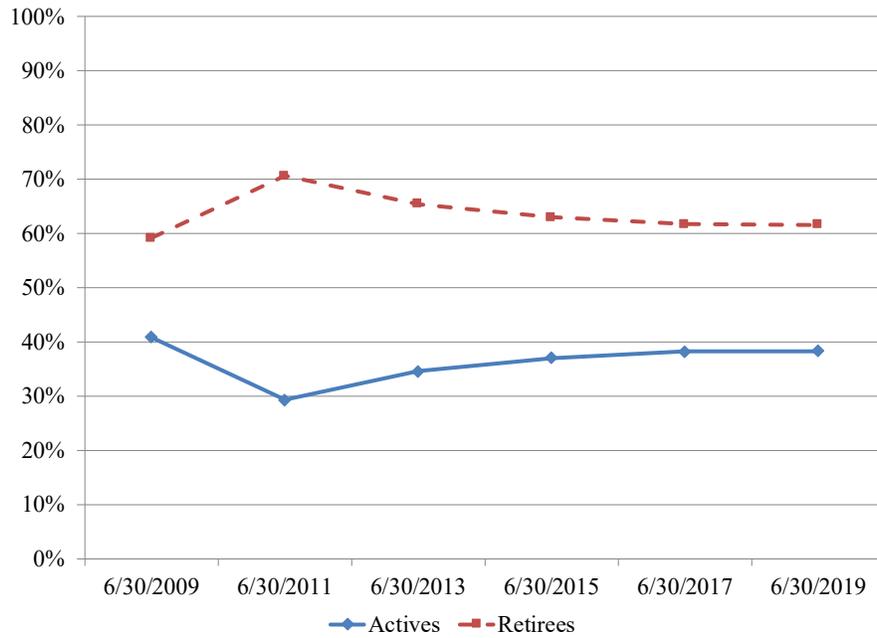
## RESULTS

**UAAL and Funded Ratio Projection**  
(6.75% Discount Rate, 24 years amortization)



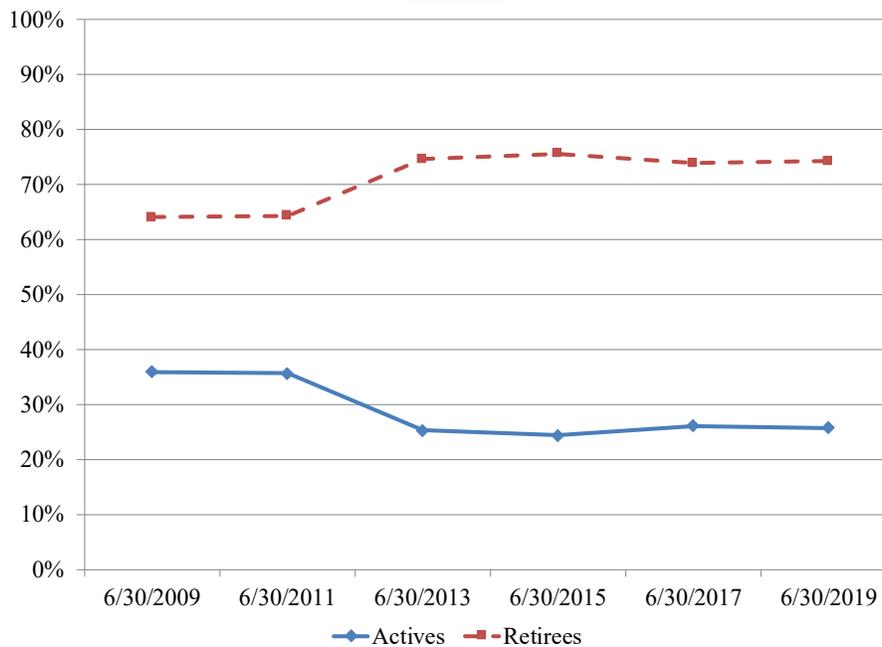
RESULTS

**% of Total Actuarial Accrued Liability for Actives and Retirees**  
**Miscellaneous**



RESULTS

**% of Total Actuarial Accrued Liability for Actives and Retirees**  
**Safety**



RESULTS

**This chart excludes the Implied Subsidy  
and is provided for informational purposes only**

(Amounts in 000's)

	Cash Benefit
■ Present Value of Benefits	\$ 250,941
■ Funded Status 6/30/19	
• Actuarial Accrued Liability	201,521
• Actuarial Value of Assets	<u>118,497</u>
• Unfunded AAL	83,024
■ Funded Ratio	58.8%
■ ADC 2020/21	
• Normal Cost	5,765
• Administrative Expenses	90
• UAAL Amortization	<u>4,885</u>
• Total	10,740
• ADC % of Payroll	9.8%



RESULTS

**This page intentionally blank**



RESULTS - DETAILS

**Actuarial Obligations**

**June 30, 2019**

(Amounts in 000's)

	Benefits < Age 65	Benefits ≥ Age 65	Total
<b>■ Present Value of Benefits</b>			
• Actives (future retirees)	\$ 75,855	\$ 65,568	\$ 141,423
• Retirees	<u>47,969</u>	<u>111,187</u>	<u>159,156</u>
• Total	123,824	176,756	300,579
<b>■ Actuarial Accrued Liability</b>			
• Actives (future retirees)	42,395	39,918	82,313
• Retirees	<u>47,969</u>	<u>111,187</u>	<u>159,156</u>
• Total	90,364	151,106	241,469
<b>■ Normal Cost 2020/21<sup>29</sup></b>	3,806	3,172	6,978

<sup>29</sup> Includes Administration fees.



RESULTS - DETAILS

**Actuarial Obligations**

**June 30, 2019**

(Amounts in 000's)

	Group 1	Group 2	Group 3	Group 4	Total
<b>■ Present Value of Benefits</b>					
• Actives (future retirees)	\$ -	\$ -	\$ 17,310	\$ 124,113	\$ 141,423
• Retirees	<u>49,303</u>	<u>56,784</u>	<u>30,652</u>	<u>22,417</u>	<u>159,156</u>
• Total	49,303	56,784	47,962	146,530	300,579
<b>■ Actuarial Accrued Liability</b>					
• Actives (future retirees)	-	-	14,375	67,938	82,313
• Retirees	<u>49,303</u>	<u>56,784</u>	<u>30,652</u>	<u>22,417</u>	<u>159,156</u>
• Total	49,303	56,784	45,027	90,355	241,469
<b>■ Normal Cost 2020/21<sup>30</sup></b>	-	-	515	6,463	6,978
<b>■ NC as % of Payroll</b>	n/a	n/a	5.5%	6.5%	6.4%
<b>■ Active Count</b>	n/a	n/a	92	838	930
<b>■ Projected Payroll (000's)</b>	n/a	n/a	9,417	100,069	109,486

<sup>30</sup> Includes Administration fees.



**RESULTS - DETAILS**

**Cash/Implied Subsidy – Actuarial Obligations – June 30, 2019**

(Amounts in 000's)

	<b>Cash Subsidy</b>	<b>Implied Subsidy</b>	<b>Total</b>
■ <b>Present Value of Benefits</b>			
• Actives (future retirees)	\$ 117,228	\$ 24,195	\$ 141,423
• Retirees	<u>133,713</u>	<u>25,443</u>	<u>159,156</u>
• Total	250,941	49,638	300,579
■ <b>Actuarial Accrued Liability</b>			
• Actives (future retirees)	67,808	14,506	82,313
• Retirees	<u>133,713</u>	<u>25,443</u>	<u>159,156</u>
• Total	201,521	39,949	241,469
■ <b>Market Value of Assets<sup>31</sup></b>	<u>98,893</u>	<u>19,604</u>	<u>118,497</u>
■ <b>Unfunded AAL</b>	102,628	20,345	122,972
■ <b>Normal Cost 2020/21<sup>32</sup></b>	5,855	1,122	6,978
■ <b>Pay-As-You-Go Cost 2020/21</b>	10,859	2,346	13,206

<sup>31</sup> Allocated in proportion to AAL for illustrative purposes.

<sup>32</sup> Includes Administration fees.



**RESULTS - DETAILS**

**Cash/Implied Subsidy – Actuarially Determined Contribution – 2020/21 FY**

(Amounts in 000's)

	<b>Cash Subsidy</b>	<b>Implied Subsidy</b>	<b>Total</b>
■ <b>ADC - \$</b>			
• Normal Cost	\$ 5,765	\$ 1,122	\$ 6,888
• Administrative Expenses	90	-	90
• UAAL Amortization	<u>6,335</u>	<u>1,254</u>	<u>7,588</u>
• ADC	12,190	2,376	14,566
■ <b>Projected Payroll</b>	109,486	109,486	109,486
■ <b>ADC - %</b>			
• Normal Cost	5.3%	1.0%	6.3%
• Administrative Expenses	0.1%	0.0%	0.1%
• UAAL Amortization	<u>5.8%</u>	<u>1.1%</u>	<u>6.9%</u>
• ADC	11.1%	2.2%	13.3%



**RESULTS - DETAILS**

**Actuarial Obligations**

**June 30, 2019**

(Amounts in 000's)

	Misc	Safety	Total
<b>■ Present Value of Benefits</b>			
• Actives (future retirees)	\$101,340	\$ 40,083	\$141,423
• Retirees	<u>98,746</u>	<u>60,410</u>	<u>159,156</u>
• Total	200,086	100,493	300,579
<b>■ Actuarial Accrued Liability</b>			
• Actives (future retirees)	61,391	20,922	82,313
• Retirees	<u>98,746</u>	<u>60,410</u>	<u>159,156</u>
• Total	160,137	81,332	241,469
<b>■ Market Value of Assets<sup>33</sup></b>	<u>78,585</u>	<u>39,912</u>	<u>118,497</u>
<b>■ Unfunded AAL</b>	81,552	41,420	122,972
<b>■ Normal Cost 2020/21<sup>34</sup></b>	4,929	2,048	6,978
<b>■ Pay-As-You-Go Cost 2020/21</b>	8,569	4,637	13,206

<sup>33</sup> Allocated in proportion to the Actuarial Accrued Liability.

<sup>34</sup> Includes Administration fees.



**RESULTS - DETAILS**

**Actuarially Determined Contribution (ADC)**

**2020/21 Fiscal Year**

(Amounts in 000's)

	Misc	Safety	Total
<b>■ ADC - \$</b>			
• Normal Cost	\$ 4,865	\$ 2,022	\$ 6,888
• Administrative Expenses	64	26	90
• UAAL Amortization <sup>35</sup>	<u>5,048</u>	<u>2,541</u>	<u>7,588</u>
• ADC	9,977	4,589	14,566
<b>■ Projected Payroll</b>	84,490	24,996	109,486
<b>■ ADC - %</b>			
• Normal Cost	5.8%	8.1%	6.3%
• Administrative Expenses	0.1%	0.1%	0.1%
• UAAL Amortization	<u>6.0%</u>	<u>10.2%</u>	<u>6.9%</u>
• ADC	11.8%	18.4%	13.3%

<sup>35</sup> Allocated in proportion to the Actuarial Accrued Liability.



**RESULTS - DETAILS**

**Actuarial Obligations – By Bargaining Unit**

**June 30, 2019**

(Amounts in 000's)

	FCA	IAFF	M/C	PAPOA	PMA	SEIU	UMPAPA	Total
■ <b>PVB</b>								
• Actives	\$ 1,328	\$ 19,563	\$ 29,005	\$ 16,122	\$ 1,958	\$ 64,581	\$ 8,867	\$ 141,423
• Retirees	<u>1,983</u>	<u>29,741</u>	<u>46,519</u>	<u>19,507</u>	<u>3,093</u>	<u>54,527</u>	<u>3,787</u>	<u>159,156</u>
• Total	3,311	49,304	75,524	35,629	5,051	119,108	12,654	300,579
■ <b>AAL</b>								
• Actives	895	10,647	17,085	7,268	1,307	38,325	6,786	82,313
• Retirees	<u>1,983</u>	<u>29,741</u>	<u>46,519</u>	<u>19,507</u>	<u>3,093</u>	<u>54,527</u>	<u>3,787</u>	<u>159,156</u>
• Total	2,878	40,388	63,604	26,775	4,400	92,852	10,573	241,469
■ <b>MVA<sup>36</sup></b>	<u>1,412</u>	<u>19,820</u>	<u>31,213</u>	<u>13,139</u>	<u>2,159</u>	<u>45,566</u>	<u>5,189</u>	<u>118,497</u>
■ <b>UAAL</b>	1,466	20,568	32,391	13,636	2,241	47,286	5,384	122,972
■ <b>NC 20/21</b>	51	887	1,514	987	85	3,131	323	6,978
■ <b>Pay-Go</b>	158	2,398	3,789	1,443	176	4,811	429	13,206

<sup>36</sup> Allocated in proportion to the Actuarial Accrued Liability.



June 12, 2020

43



**RESULTS - DETAILS**

**Actuarially Determined Contribution (ADC) – By Bargaining Unit**

**2020/21 Fiscal Year**

(Amounts in 000's)

	FCA	IAFF	M/C	PAPOA	PMA	SEIU	UMPAPA	Total
■ <b>ADC - \$</b>								
• Normal Cost	\$ 50	\$ 876	\$ 1,494	\$ 974	\$ 84	\$ 3,090	\$ 319	\$ 6,888
• Admin. Exp.	1	11	20	13	1	41	4	90
• UAAL Amort <sup>37</sup>	<u>90</u>	<u>1,256</u>	<u>1,978</u>	<u>846</u>	<u>139</u>	<u>2,940</u>	<u>338</u>	<u>7,588</u>
• ADC	140	2,143	3,491	1,833	224	6,072	661	14,566
■ <b>Proj. Payroll</b>	935	10,993	29,899	10,481	1,584	46,935	8,660	109,486
■ <b>ADC - %</b>								
• Normal Cost	5.3%	8.0%	5.0%	9.3%	5.3%	6.6%	3.7%	6.3%
• Admin. Exp.	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.0%	0.1%
• UAAL Amort	<u>9.6%</u>	<u>11.4%</u>	<u>6.6%</u>	<u>8.1%</u>	<u>8.8%</u>	<u>6.3%</u>	<u>3.9%</u>	<u>6.9%</u>
• ADC	19.5%	11.7%	17.5%	14.1%	12.9%	7.6%	7.6%	13.3%

<sup>37</sup> Allocated in proportion to the Actuarial Accrued Liability.



June 12, 2020

44



**RESULTS - DETAILS**

**Actuarially Determined Contribution (ADC) – By Bargaining Unit**  
**2021/22 Fiscal Year**  
 (Amounts in 000's)

	FCA	IAFF	M/C	PAPOA	PMA	SEIU	UMPAPA	Total
■ <b>ADC - \$</b>								
• Normal Cost	\$ 51	\$ 890	\$ 1,550	\$ 991	\$ 85	\$ 3,201	\$ 331	\$ 7,099
• Admin. Exp.	1	12	21	14	1	44	4	98
• UAAL Amort <sup>38</sup>	<u>92</u>	<u>1,293</u>	<u>2,038</u>	<u>872</u>	<u>143</u>	<u>3,029</u>	<u>349</u>	<u>7,816</u>
• ADC	144	2,196	3,609	1,876	230	6,273	684	15,013
■ <b>Proj. Payroll</b>	963	11,323	30,796	10,795	1,631	48,343	8,920	112,771
■ <b>ADC - %</b>								
• Normal Cost	5.3%	7.9%	5.0%	9.2%	5.2%	6.6%	3.7%	6.3%
• Admin. Exp.	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.0%	0.1%
• UAAL Amort	<u>9.6%</u>	<u>11.4%</u>	<u>6.6%</u>	<u>8.1%</u>	<u>8.8%</u>	<u>6.3%</u>	<u>3.9%</u>	<u>6.9%</u>
• ADC	15.0%	19.4%	11.7%	17.4%	14.1%	13.0%	7.7%	13.3%

<sup>38</sup> Allocated in proportion to the Actuarial Accrued Liability.



**SENSITIVITY ANALYSIS**

**Asset Projection Sensitivity – 6.75% Discount Rate**  
 (Amounts in 000's)

	“Current” 12/31/19 Balance projected @ 6.75%	“Option 1” 6/30/19 Balance projected @ 6.75%	“Option 2” 3/23/20 Balance projected @ 6.75%
■ <b>Asset Projection to 6/30/20 Methodology</b>			
■ <b>Funded Status Projected to 6/30/20</b>			
• Actuarial Accrued Liability	\$ 251,389	\$ 251,389	\$ 251,389
• Actuarial Value of Assets	<u>134,810</u>	<u>130,335</u>	<u>104,473</u>
• Unfunded AAL	116,579	121,054	146,916
• Projected Funded Ratio at 6/30/20	54%	52%	42%
■ <b>Total Projected Payroll 2020/21</b>	109,486	109,486	109,486
■ <b>ADC 2020/21</b>			
• Normal Cost	\$ 6,888	\$ 6,888	\$ 6,888
• Administrative Expenses	90	87	83
• UAAL Amortization (24 year)	<u>7,588</u>	<u>7,880</u>	<u>9,563</u>
• Total	14,566	14,855	16,534
• ADC % of Payroll	13.3%	13.6%	15.1%



## SENSITIVITY ANALYSIS

### CERBT Investment Options

- Updated Target asset allocations (approved by CalPERS Board October 2018)

Asset Classifications	Option 1	Option 2	Option 3
Global Equity	59%	40%	22%
Fixed Income	25%	43%	49%
REIT's	8%	8%	8%
TIPS	5%	5%	16%
Commodities	<u>3%</u>	<u>4%</u>	<u>5%</u>
Total	100%	100%	100%

- Bartel Associates expected returns, 50<sup>th</sup> percentile:

	Option 1	Option 2	Option 3
Expected Real Rate of Return <sup>39</sup>	4.14%	3.54%	2.83%
Inflation Assumption	2.75%	2.75%	2.75%
Expenses (Admin. & Invest.)	<u>(0.05%)</u>	<u>(0.05%)</u>	<u>(0.05%)</u>
Nominal Rate of Return	6.84%	6.24%	5.53%
Rounded to nearest 0.25%	6.75%	6.25%	5.50%

<sup>39</sup> Includes investment expenses



## SENSITIVITY ANALYSIS

### Discount Rate Sensitivity

(Amounts in 000's)

	CERBT Strategy		
	#1 (Current)	#2	#3
■ <b>Discount Rate</b>	<b>6.75%</b>	<b>6.25%</b>	<b>5.50%</b>
■ <b>Present Value of Benefits</b>	\$ 300,579	\$ 325,064	\$ 368,416
■ <b>Funded Status 6/30/19</b>			
• Actuarial Accrued Liability	241,469	256,328	281,591
• Actuarial Value of Assets	<u>118,497</u>	<u>118,497</u>	<u>118,497</u>
• Unfunded AAL	122,972	137,831	163,094
■ <b>Funded Ratio</b>	49.1%	46.2%	42.1%
■ <b>ADC 2020/21</b>			
• Normal Cost	\$ 6,888	\$ 7,674	\$ 9,054
• Administrative Expenses	90	90	90
• UAAL Amortization <sup>40</sup>	<u>7,588</u>	<u>8,160</u>	<u>9,030</u>
• Total	14,566	15,924	18,173
• ADC % of Payroll	13.3%	14.5%	16.6%

<sup>40</sup> UAAL projected using the same "Current" projected assets for all scenarios. UAAL amortized over 24 years for all scenarios.



SENSITIVITY ANALYSIS

**Amortization Period Sensitivity**

**Discount Rate – 6.75%**

(Amounts in 000's)

■ Amortization Period	Current 24 Years	22 <sup>41</sup> Years	20 Years
<b>■ Funded Status Projected to 6/30/20</b>			
• Actuarial Accrued Liability	\$ 251,389	\$ 251,389	\$ 251,389
• Actuarial Value of Assets <sup>42</sup>	<u>134,810</u>	<u>134,810</u>	<u>134,810</u>
• Unfunded AAL	116,579	116,579	116,579
<b>■ Total Projected Payroll 2020/21</b>	109,486	109,486	109,486
<b>■ ADC 2020/21</b>			
• Normal Cost	\$ 6,888	\$ 6,888	\$ 6,888
• Administrative Expenses	90	90	90
• UAAL Amortization	<u>7,588</u>	<u>8,026</u>	<u>8,557</u>
• Total	14,566	15,004	15,535
• ADC % of Payroll	13.3%	13.7%	14.2%

<sup>41</sup> The longest amortization period where the payment is large enough to cover all the interest (6.75%) on the UAAL balance.

<sup>42</sup> “Current” asset projection basis, from 12/31/2019.



SENSITIVITY ANALYSIS

**Amortization Period Sensitivity**

**Discount Rate – 6.25%**

(Amounts in 000's)

■ Amortization Period	Current 24 Years	22 <sup>43</sup> Years	20 Years
<b>■ Funded Status Projected to 6/30/20</b>			
• Actuarial Accrued Liability	\$ 266,756	\$ 266,756	\$ 266,756
• Actuarial Value of Assets <sup>44</sup>	<u>134,810</u>	<u>134,810</u>	<u>134,810</u>
• Unfunded AAL	131,946	131,946	131,946
<b>■ Total Projected Payroll 2020/21</b>	109,486	109,486	109,486
<b>■ ADC 2020/21</b>			
• Normal Cost	\$ 7,674	\$ 7,674	\$ 7,674
• Administrative Expenses	90	90	90
• UAAL Amortization	<u>8,160</u>	<u>8,661</u>	<u>9,267</u>
• Total	15,924	16,425	17,031
• ADC % of Payroll	14.5%	15.0%	15.6%

<sup>43</sup> The longest amortization period where the payment is large enough to cover all the interest (6.75%) on the UAAL balance.

<sup>44</sup> “Current” asset projection basis, from 12/31/2019.



## ACTUARIAL CERTIFICATION

This report presents the City of Palo Alto Retiree Healthcare Plan (“Plan”) June 30, 2019 actuarial valuation. The purpose of this valuation is to:

- Determine the June 30, 2019 Benefit Obligations,
- Determine the Plan’s June 30, 2019 Funded Status, and
- Calculate the 2020/21 and 2021/22 Actuarially Determined Contributions.

The report provides information intended for plan funding, but may not be appropriate for other purposes. Information provided in this report may be useful to the City for the Plan’s financial management. Future valuations may differ significantly if the Plan’s experience differs from our assumptions or if there are changes in Plan design, actuarial methods or actuarial assumptions. The project scope did not include an analysis of this potential variation.

The valuation is based on Plan provisions, participant data, and asset information provided by the City as summarized in this report, which we relied on and did not audit. We reviewed the participant data for reasonableness.

To the best of our knowledge, this report is complete and accurate and has been conducted using generally accepted actuarial principles and practices. As members of the American Academy of Actuaries meeting the Academy Qualification Standards, we certify the actuarial results and opinions herein.

Respectfully submitted,



Mary Elizabeth Redding, FSA, MAAA, EA  
Vice President  
Bartel Associates, LLC  
June 12, 2020



Deanna Van Valer, ASA, MAAA, EA, FCA  
Assistant Vice President  
Bartel Associates, LLC  
June 12, 2020



## ACTUARIAL CERTIFICATION

**This page intentionally blank**



**EXHIBITS**

<b>Topic</b>	<b>Page</b>
Premiums	E- 1
Data Summary	E- 4
Actuarial Assumptions	E-26
Results by Fund	E-37
Results by GF Department	E-39
Definitions	E-41



**PREMIUMS**

**2019 PEMHCA Monthly Premiums**

**Bay Area**

<b>Medical Plan</b>	<b>Non-Medicare Eligible</b>			<b>Medicare Eligible</b>		
	<b>Single</b>	<b>2-Party</b>	<b>Family</b>	<b>Single</b>	<b>2-Party</b>	<b>Family</b>
Anthem Select	\$831.44	\$1,662.88	\$2,161.74	n/a	n/a	n/a
Anthem Traditional	1,111.13	2,222.26	2,888.94	\$357.44	\$714.88	\$1,072.32
Blue Shield Access+	970.90	1,941.80	2,524.34	n/a	n/a	n/a
Health Net SmartCare	901.55	1,803.10	2,344.03	n/a	n/a	n/a
Kaiser	768.25	1,536.50	1,997.45	323.74	647.48	971.22
UnitedHealthcare	n/a	n/a	n/a	299.37	598.74	898.11
Western Health Advantage	767.01	1,534.02	1,994.23	n/a	n/a	n/a
PERS Choice	866.27	1,732.54	2,252.30	360.41	720.82	1,081.23
PERS Select	543.19	1,086.38	1,412.29	360.41	720.82	1,081.23
PERSCare	1,131.68	2,263.36	2,942.37	394.83	789.66	1,184.49
PORAC	774.00	1,623.00	2,076.00	513.00	1,022.00	1,635.00



**PREMIUMS**

**2020 PEMHCA Monthly Premiums**

**Region 1**

Medical Plan	Non-Medicare Eligible			Medicare Eligible		
	Single	2-Party	Family	Single	2-Party	Family
Anthem Select	\$868.98	\$1,737.96	\$2,259.35	\$388.15	\$776.30	\$1,164.45
Anthem Traditional	1,184.84	2,369.68	3,080.58	388.15	776.30	1,164.45
Blue Shield Access+	1,127.77	2,255.54	2,932.20	n/a	n/a	n/a
Health Net SmartCare	1,000.52	2,001.04	2,601.35	n/a	n/a	n/a
Kaiser	768.49	1,536.98	1,998.07	339.43	678.86	1,018.29
UnitedHealthcare	899.94	1,799.88	2,339.84	327.03	654.06	981.09
Western Health Advantage	731.96	1,463.92	1,903.10	n/a	n/a	n/a
PERS Choice	861.18	1,722.36	2,239.07	351.39	702.78	1,054.17
PERS Select	520.29	1,040.58	1,352.75	351.39	702.78	1,054.17
PERSCare	1,133.14	2,266.28	2,946.16	384.78	769.56	1,154.34
PORAC	774.00	1,699.00	2,199.00	513.00	1,022.00	1,635.00



**PREMIUMS**

**PEMHCA Monthly Premium Increases/(Decreases)**

**Bay Area/Region 1**

Medical Plan	Non-Medicare Eligible			Medicare Eligible		
	2018	2019	2020	2018	2019	2020
Anthem Select	9.3%	(2.9%)	4.5%	n/a	n/a	n/a
Anthem Traditional	(6.5%)	20.1%	6.6%	n/a	(3.5%)	8.6%
Blue Shield	(13.3%)	9.2%	16.2%	n/a	n/a	n/a
Blue Shield NetValue	17.8%	n/a	n/a	n/a	n/a	n/a
Health Net SmartCare	6.3%	4.4%	11.0%	n/a	n/a	n/a
Kaiser	29.1%	(1.5%)	0.0%	5.3%	2.3%	4.8%
UnitedHealthCare	9.3%	n/a	n/a	2.0%	(9.5%)	9.2%
PERS Choice	(3.6%)	8.2%	(0.6%)	(2.2%)	4.2%	(2.5%)
PERS Select	(2.5%)	(24.3%)	(4.2%)	(2.2%)	4.2%	(2.5%)
PERSCare	(5.4%)	28.2%	0.1%	(1.9%)	3.3%	(2.5%)
PORAC	5.0%	5.4%	0.0%	5.0%	5.3%	0.0%



**DATA SUMMARY**

**Participant Statistics by Bargaining Unit**  
**June 30, 2019**

	FCA	IAFF	M/C	PAPOA	PMA	SEIU	UMPAPA	Total
<b>■ Actives</b>								
• Count	5	85	207	69	7	508	49	930
• Avg Age	43.9	42.3	47.2	40.2	44.7	44.4	50.4	44.8
• Avg City Svc	17.9	12.4	10.2	9.7	17.8	10.1	18.3	10.8
• Avg PERS Svc	17.9	12.9	11.7	11.0	18.6	10.7	19.2	11.7
• Avg Salary	\$176,198	\$121,901	\$136,149	\$143,180	\$213,236	\$87,088	\$166,590	\$110,969
• Total Salary <sup>45</sup>	\$881	\$10,362	\$28,183	\$9,879	\$1,493	\$44,241	\$8,163	\$103,201
<b>■ Retirees<sup>46</sup>:</b>								
• Count	6	143	298	90	6	418	13	974
• Avg Age	63.1	70.6	70.7	66.3	55.0	70.8	60.2	70.0
• Avg Service Ret Age	56.8	54.6	58.2	52.0	50.5	59.5	57.1	58.0
• Avg Disab Ret Age	50.1	48.4	50.5	41.4	n/a	48.2	n/a	46.1

<sup>45</sup> Amount in 000's. Actual 2018/19 PERSable compensations.

<sup>46</sup> Excludes retirees who have waived coverage.



**DATA SUMMARY**

**Participant Statistics by Bargaining Unit**  
**June 30, 2017**

	FCA	IAFF	M/C	PAPOA	PMA	SEIU	UMPAPA	Total
<b>■ Actives</b>								
• Count	5	83	210	75	8	540	46	967
• Avg Age	46.6	43.5	48.1	38.8	44.8	45.5	51.1	45.6
• Avg City Svc	17.9	13.6	9.8	8.8	17.9	10.4	18.3	10.9
• Avg PERS Svc	18.0	14.5	11.7	9.9	18.9	11.1	18.8	11.9
• Avg Salary	\$151,335	\$97,392	\$115,469	\$106,732	\$178,663	\$73,049	\$125,547	\$90,739
• Total Salary <sup>47</sup>	\$757	\$8,084	\$24,248	\$8,005	\$1,429	\$39,447	\$5,775	\$87,745
<b>■ Retirees<sup>48</sup>:</b>								
• Count	5	139	290	103	5	408	9	959
• Avg Age	61.8	69.7	69.6	65.1	53.5	69.7	59.1	68.9
• Avg Service Ret Age	56.4	54.5	57.9	52.4	50.4	59.0	56.3	57.7
• Avg Disab Ret Age	50.1	48.6	50.4	40.9	n/a	48.0	n/a	45.9

<sup>47</sup> Pay is annualized. Amount in 000's.

<sup>48</sup> Includes retirees under age 65 who have waived coverage.



**DATA SUMMARY**

**Participant Statistics by CalPERS Pension Category**  
**June 30, 2019**

	Miscellaneous	Police	Fire	Total
■ Actives				
• Count	761	76	93	930
• Average Age	45.5	41.2	42.5	44.8
• Average City Service	10.6	10.8	12.8	10.8
• Average PERS Service	11.5	12.1	13.3	11.7
• Average Salary	\$104,652	\$153,105	\$128,224	\$110,969
• Total Salary (000's) <sup>49</sup>	\$79,640	\$11,636	\$11,925	\$103,201
■ Retirees <sup>50</sup> :				
• Count	707	107	160	974
• Average Age	70.7	65.8	70.1	70.0
• Avg Service Ret Age	59.1	51.8	54.5	58.0
• Avg Disability Ret Age	48.2	41.5	48.5	46.1

<sup>49</sup> Actual 2018/19 PERSable compensations.

<sup>50</sup> Excludes retirees who have waived coverage.



**DATA SUMMARY**

**Participant Statistics by CalPERS Pension Category**  
**June 30, 2017**

	Miscellaneous	Police	Fire	Total
■ Actives				
• Count	795	80	92	967
• Average Age	46.4	39.8	43.9	45.6
• Average City Service	10.6	10.0	13.9	10.9
• Average PERS Service	11.6	11.2	14.7	11.9
• Average Salary	\$86,643	\$116,012	\$104,155	\$90,739
• Total Salary (000's) <sup>51</sup>	\$68,881	\$9,281	\$9,582	\$87,745
■ Retirees <sup>52</sup> :				
• Count	686	118	155	959
• Average Age	69.6	64.4	69.5	68.9
• Avg Service Ret Age	58.7	51.9	54.4	57.7
• Avg Disability Ret Age	48.0	41.0	48.7	45.9

<sup>51</sup> Pay is annualized.

<sup>52</sup> Includes retirees under age 65 who have waived coverage.



**DATA SUMMARY**

**Medical Plan Participation – June 30, 2019**

Medical Plan	Actives		All Retirees					
			< 65		≥ 65		Total	
<i>Miscellaneous/Safety</i>	M	S	M	S	M	S	M	S
Anthem Select	6%	4%	5%	1%	1%	1%	2%	1%
Anthem Traditional	9%	1%	16%	13%	3%	2%	7%	7%
Blue Shield	1%	1%	3%	6%	0%	0%	1%	3%
Health Net SmartCare	2%	1%	1%	0%	0%	0%	1%	0%
Kaiser	62%	50%	33%	20%	29%	25%	30%	23%
UnitedHealthcare	0%	0%	0%	2%	20%	12%	14%	7%
Western Health Advantage	0%	1%	0%	0%	0%	0%	0%	0%
PERS Choice	17%	2%	31%	5%	19%	15%	23%	11%
PERS Select	2%	0%	1%	0%	0%	0%	1%	0%
PERSCare	1%	1%	7%	12%	26%	36%	21%	25%
PORAC	0%	40%	1%	42%	1%	8%	1%	23%
Total	100%	100%	100%	100%	100%	100%	100%	100%



**DATA SUMMARY**

**Medical Plan Participation – June 30, 2019**

Medical Plan	Actives		Recent Retirees <sup>53</sup>					
			< 65		≥ 65		Total	
<i>Miscellaneous/Safety</i>	M	S	M	S	M	S	M	S
Anthem Select	6%	4%	5%	3%	2%	2%	3%	2%
Anthem Traditional	9%	1%	13%	13%	6%	4%	8%	8%
Blue Shield	1%	1%	2%	5%	1%	0%	1%	2%
Health Net SmartCare	2%	1%	2%	0%	0%	0%	1%	0%
Kaiser	62%	50%	37%	33%	33%	22%	34%	27%
UnitedHealthcare	0%	0%	0%	0%	16%	4%	10%	2%
Western Health Advantage	0%	1%	0%	0%	0%	0%	0%	0%
PERS Choice	17%	2%	30%	0%	24%	7%	26%	3%
PERS Select	2%	0%	2%	0%	1%	0%	1%	0%
PERSCare	1%	1%	8%	3%	18%	43%	14%	24%
PORAC	0%	40%	1%	45%	1%	17%	1%	30%
Total	100%	100%	100%	100%	100%	100%	100%	100%

<sup>53</sup> Under 65 only includes employees who retired on or after June 30, 2012; over 65 only includes retirees up to age 72. See page E-8 for participation percentages for all retirees.



**DATA SUMMARY**

**Medical Plan Participation – June 30, 2017**

Medical Plan <sup>55</sup>	Actives		Recent Retirees <sup>54</sup>					
			< 65		≥ 65		Total	
<i>Miscellaneous/Safety</i>	M	S	M	S	M	S	M	S
Anthem Select	7%	3%	1%	0%	0%	0%	0%	0%
Anthem Traditional	14%	4%	12%	12%	0%	0%	6%	7%
Anthem EPO	0%	0%	1%	0%	0%	0%	0%	0%
Blue Shield	4%	2%	14%	8%	1%	0%	0%	5%
Health Net SmartCare	2%	0%	0%	0%	0%	0%	0%	0%
Kaiser	56%	44%	26%	23%	35%	25%	31%	24%
UnitedHealthcare	1%	3%	7%	4%	28%	12%	18%	7%
PERS Choice	13%	1%	29%	1%	22%	5%	26%	3%
PERS Select	1%	0%	2%	0%	0%	0%	1%	0%
PERSCare	2%	1%	7%	3%	13%	39%	10%	16%
PORAC	0%	42%	1%	49%	1%	19%	1%	38%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

<sup>54</sup> Under 65 only includes employees who retired on or after June 30, 2008; over 65 only includes retirees up to age 72.

<sup>55</sup> All Blue Shield pre-Medicare retirees are assumed to switch to UnitedHealthcare when they are eligible for Medicare.



**DATA SUMMARY**

**Active Medical Coverage – Miscellaneous**

Medical Plan	Single	2-Party	Family	Waived	Total
Anthem Select	14	6	19	-	39
Anthem Traditional	25	12	24	-	61
Blue Shield	1	2	2	-	5
Health Net SmartCare	3	3	4	-	10
Kaiser	140	103	171	-	414
UnitedHealthcare	-	-	-	-	-
Western Health Advantage	-	-	1	-	1
PERS Choice	25	33	58	-	116
PERS Select	4	4	2	-	10
PERSCare	1	2	3	-	6
PORAC	-	1	-	-	1
Waived	-	-	-	98	98
<b>Total</b>	<b>213</b>	<b>166</b>	<b>284</b>	<b>98</b>	<b>761</b>
% as of June 30, 2019	28%	22%	37%	13%	100%
% as of June 30, 2017	27%	22%	39%	12%	100%



**DATA SUMMARY**

**Active Medical Coverage – Safety**

Medical Plan	Single	2-Party	Family	Waived	Total
Anthem Select	1	2	3	-	6
Anthem Traditional	1	1	-	-	2
Blue Shield	-	-	1	-	1
Health Net SmartCare	-	-	2	-	2
Kaiser	21	11	48	-	80
UnitedHealthCare	-	-	-	-	-
Western Health Advantage	-	-	1	-	1
PERS Choice	1	1	1	-	3
PERS Select	-	-	-	-	-
PERSCare	-	-	1	-	1
PORAC	10	8	45	-	63
Waived	-	-	-	10	10
<b>Total</b>	<b>34</b>	<b>23</b>	<b>102</b>	<b>10</b>	<b>169</b>
% as of June 30, 2019	20%	14%	60%	6%	100%
% as of June 30, 2017	21%	13%	60%	6%	100%



**DATA SUMMARY**

**Retiree Medical Coverage<sup>56</sup> - Miscellaneous**

Medical Plan	Single		2-Party		Family		Total
	<65	65+	<65	65+	<65	65+	
Anthem Select	4	3	3	2	3	-	15
Anthem Traditional	14	3	14	8	5	5	49
Blue Shield	3	-	3	1	1	-	8
Health Net SmartCare	1	2	2	-	-	-	5
Kaiser	25	80	31	61	12	6	215
UnitedHealthcare	-	64	-	34	-	-	98
PERS Choice	30	51	23	42	11	3	160
PERS Select	3	-	-	1	-	-	4
PERSCare	8	74	6	58	1	1	148
PORAC	1	1	1	2	-	-	5
<b>Total</b>	<b>89</b>	<b>278</b>	<b>83</b>	<b>209</b>	<b>33</b>	<b>15</b>	<b>707</b>
% as of June 30, 2019	13%	39%	12%	30%	5%	2%	100%
% as of June 30, 2017	13%	37%	12%	27%	4%	2%	100%

<sup>56</sup> Approximately 68% of retirees have coverage in a Bay Area region plan. The rest are in other state regions or out of state.



**DATA SUMMARY**

**Retiree Medical Coverage<sup>57</sup> - Safety**

Medical Plan	Single		2-Party		Family		Total
	<65	65+	<65	65+	<65	65+	
Anthem Select	-	1	-	1	1	-	3
Anthem Traditional	2	-	6	2	7	1	18
Blue Shield	1	-	2	-	4	-	7
Health Net SmartCare	-	-	-	-	-	-	0
Kaiser	2	15	7	21	15	1	61
UnitedHealthcare	-	12	1	6	1	-	20
PERS Choice	2	8	2	15	2	-	29
PERS Select	-	-	-	-	-	-	0
PERSCare	7	29	2	23	5	2	68
PORAC	7	3	17	9	25	-	61
<b>Total</b>	<b>21</b>	<b>68</b>	<b>37</b>	<b>77</b>	<b>60</b>	<b>4</b>	<b>267</b>

% as of June 30, 2019	8%	25%	14%	29%	22%	1%	100%
% as of June 30, 2017	11%	25%	13%	26%	21%	2%	100%

<sup>57</sup> Approximately 69% of retirees have coverage in a Bay Area region plan. The rest are in other state regions or out of state.



**DATA SUMMARY**

**Retirees Medical Coverage by Age – Miscellaneous**

Age	Single	2-Party	Family	Total
Under 50	-	-	1	1
50-54	5	4	1	10
55-59	33	25	13	71
60-64	51	54	18	123
65-69	76	61	7	144
70-74	67	65	7	139
75-79	70	38	1	109
80-84	38	24	-	62
85 & Over	27	21	-	48
<b>Total</b>	<b>367</b>	<b>292</b>	<b>48</b>	<b>707</b>
<b>Average Age</b>	<b>71.7</b>	<b>70.6</b>	<b>62.8</b>	<b>70.7</b>



**DATA SUMMARY**

**Retirees Medical Coverage by Age – Police**

Age	Single	2-Party	Family	Total
Under 50	2	1	3	6
50-54	1	1	7	9
55-59	4	5	9	18
60-64	7	9	7	23
65-69	9	8	1	18
70-74	4	8	-	12
75-79	5	4	-	9
80-84	4	1	-	5
85 & Over	5	2	-	7
Total	41	39	27	107
Average Age	70.0	67.7	56.8	65.8



**DATA SUMMARY**

**Retirees Medical Coverage by Age – Fire**

Age	Single	2-Party	Family	Total
Under 50	-	1	2	3
50-54	2	2	6	10
55-59	2	8	15	25
60-64	3	10	11	24
65-69	4	9	1	14
70-74	5	13	-	18
75-79	12	15	2	29
80-84	13	11	-	24
85 & Over	7	6	-	13
Total	48	75	37	160
Average Age	76.1	71.8	58.6	70.1



**DATA SUMMARY**

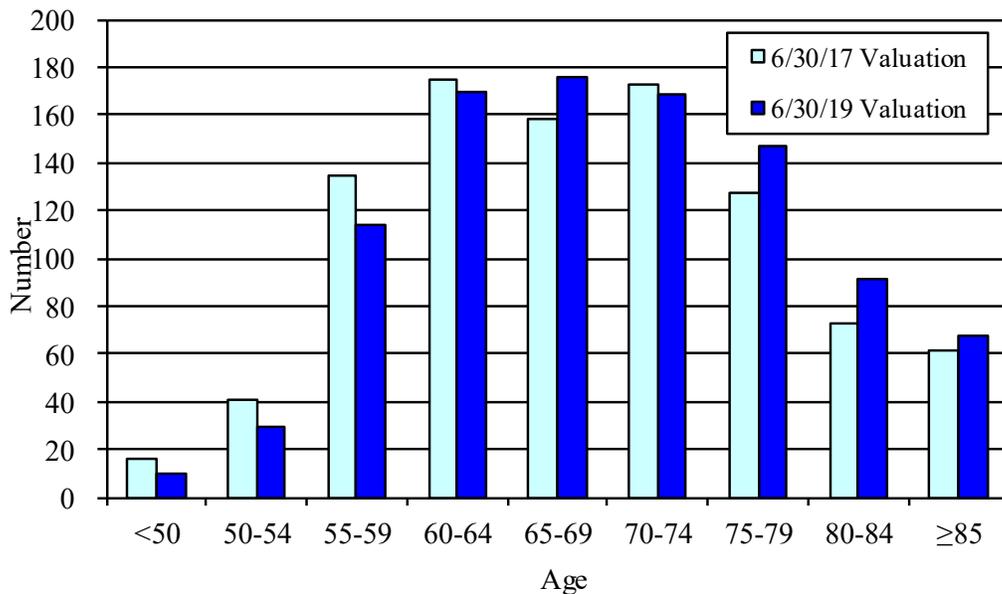
**Retirees Medical Coverage by Age – Total**

Age	Single	2-Party	Family	Total
Under 50	2	2	6	10
50-54	8	7	14	29
55-59	39	38	37	114
60-64	61	73	36	170
65-69	89	78	9	176
70-74	76	86	7	169
75-79	87	57	3	147
80-84	55	36	-	91
85 & Over	39	29	-	68
Total	456	406	112	974
Average Age	72.0	70.5	60.0	70.0



**DATA SUMMARY**

**Retiree Age Distribution**  
**Total**



**DATA SUMMARY**

**Actives by Age and Service – Miscellaneous**

Age	City Service							Total
	< 1	1-4	5-9	10-14	15-19	20-24	≥ 25	
< 25	4	3	-	-	-	-	-	7
25-29	23	42	6	-	-	-	-	71
30-34	19	50	22	1	-	-	-	92
35-39	10	31	27	23	5	1	-	97
40-44	1	31	21	19	27	5	-	104
45-49	1	20	18	17	23	13	3	95
50-54	2	14	21	15	26	19	12	109
55-59	3	15	11	25	19	20	23	116
60-64	1	5	8	17	4	8	7	50
≥ 65	-	1	2	2	4	3	8	20
Total	64	212	136	119	108	69	53	761



**DATA SUMMARY**

**Actives by Age and Service – Police**

Age	City Service							Total
	< 1	1-4	5-9	10-14	15-19	20-24	≥ 25	
< 25	-	-	-	-	-	-	-	-
25-29	-	7	-	-	-	-	-	7
30-34	-	6	1	1	-	-	-	8
35-39	1	2	7	11	-	-	-	21
40-44	-	2	5	4	4	3	-	18
45-49	-	-	1	3	2	2	1	9
50-54	-	1	1	-	2	1	2	7
55-59	-	2	-	-	1	1	-	4
60-64	-	-	-	1	1	-	-	2
≥ 65	-	-	-	-	-	-	-	-
Total	1	20	15	20	10	7	3	76



**DATA SUMMARY**

**Actives by Age and Service – Fire**

Age	City Service							Total
	< 1	1-4	5-9	10-14	15-19	20-24	≥ 25	
< 25	3	-	-	-	-	-	-	3
25-29	2	2	2	-	-	-	-	6
30-34	3	6	7	1	-	-	-	17
35-39	-	1	5	5	-	-	-	11
40-44	-	2	3	4	2	-	-	11
45-49	-	1	2	4	6	8	-	21
50-54	-	-	-	1	6	8	3	18
55-59	-	-	-	-	3	2	-	5
60-64	-	-	-	-	-	-	-	-
≥ 65	-	-	-	-	-	-	1	1
<b>Total</b>	<b>8</b>	<b>12</b>	<b>19</b>	<b>15</b>	<b>17</b>	<b>18</b>	<b>4</b>	<b>93</b>



**DATA SUMMARY**

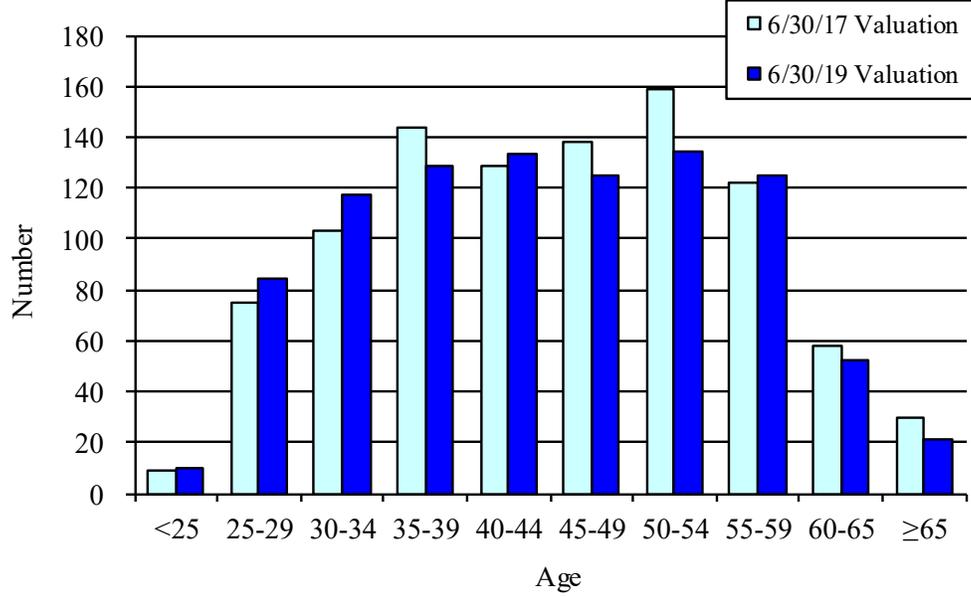
**Actives by Age and Service – Total**

Age	City Service							Total
	< 1	1-4	5-9	10-14	15-19	20-24	≥ 25	
< 25	7	3	-	-	-	-	-	10
25-29	25	51	8	-	-	-	-	84
30-34	22	62	30	3	-	-	-	117
35-39	11	34	39	39	5	1	-	129
40-44	1	35	29	27	33	8	-	133
45-49	1	21	21	24	31	23	4	125
50-54	2	15	22	16	34	28	17	134
55-59	3	17	11	25	23	23	23	125
60-64	1	5	8	18	5	8	7	52
≥ 65	-	1	2	2	4	3	9	21
<b>Total</b>	<b>73</b>	<b>244</b>	<b>170</b>	<b>154</b>	<b>135</b>	<b>94</b>	<b>60</b>	<b>930</b>



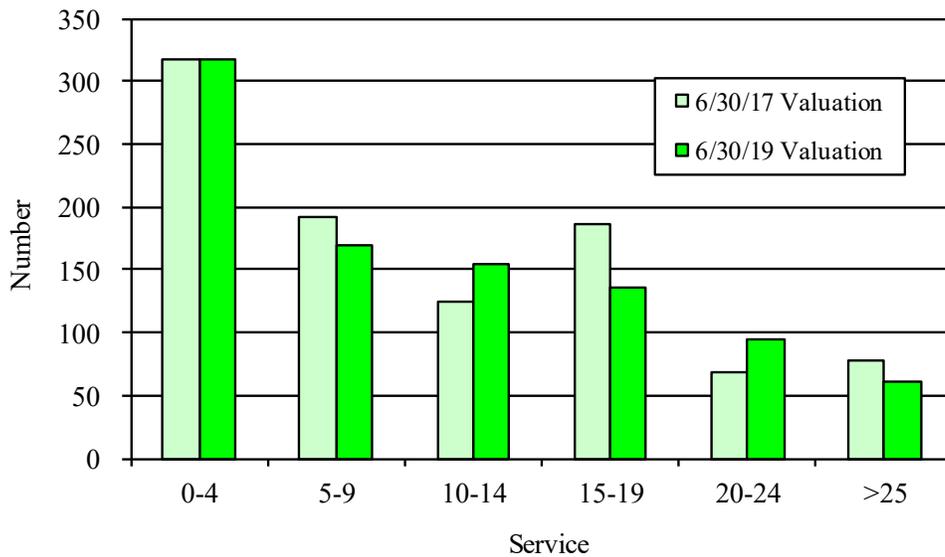
DATA SUMMARY

**Active Age Distribution  
Total**



DATA SUMMARY

**Active Service Distribution  
Total**



## ACTUARIAL ASSUMPTIONS

	June 30, 2017 Valuation	June 30, 2019 Valuation
■ Valuation Date	<ul style="list-style-type: none"> <li>■ June 30, 2017</li> <li>■ ADC<sup>58</sup> for Fiscal Years 2018/19 &amp; 2019/20. (end of year)</li> <li>■ 1 year lag</li> </ul>	<ul style="list-style-type: none"> <li>■ June 30, 2019</li> <li>■ ADC for Fiscal Years 2020/21 &amp; 2021/22. (end of year)</li> <li>■ 1 year lag</li> </ul>
■ Funding Policy	■ Full Pre-funding through CalPERS trust (CERBT) Strategy #1	■ Same
■ General Inflation	■ 2.75%	■ Same
■ Discount Rate	■ 6.75%, net of expenses, based on CERBT Strategy #1	■ Same
■ Payroll Increases	<ul style="list-style-type: none"> <li>■ Aggregate Increases – 3.00%</li> <li>■ Merit Increases – CalPERS 1997-2015 Experience Study</li> </ul>	■ Same

<sup>58</sup> Actuarially Determined Contribution



## ACTUARIAL ASSUMPTIONS

	June 30, 2017 Valuation	June 30, 2019 Valuation
■ Increase to Group 3 Flat Dollar Caps	■ ½ of Medical Trend, not less than assumed inflation (2.75%) <sup>59</sup>	■ Same
■ ACA Excise Tax	■ Estimate by 2% load on cash subsidy	■ Remove load due to December 2019 repeal of Excise Tax <sup>60</sup>
■ Mortality, Termination, Disability	<ul style="list-style-type: none"> <li>■ CalPERS 1997-2015 Experience Study</li> <li>■ Mortality: CalPERS 1997-2011 Experience Study</li> <li>■ Mortality improvement Society of Actuaries Scale MP-17</li> </ul>	<ul style="list-style-type: none"> <li>■ Same</li> <li>■ Mortality: CalPERS 1997-2015 Experience Study</li> <li>■ Mortality improvement Society of Actuaries Scale MP-19</li> </ul>

<sup>59</sup> Increase is for purposes of financial projection only and does not imply any obligation to increase the cap in the future.

<sup>60</sup> Note for GASBS 75 purposes, the Total OPEB Liability as of Measurement Date (MD) 6/30/19 will include a 2% load, as legislation passed after the MD may not be taken into account.



**ACTUARIAL ASSUMPTIONS**

	June 30, 2017 Valuation			June 30, 2019 Valuation		
■ Retirement	■ CalPERS 1997-2015 Experience Study			■ CalPERS 1997-2015 Experience Study		
		<u>Misc</u>	<u>Fire &amp; Police</u>		<u>Misc</u>	<u>Fire &amp; Police</u>
	Tier 1	2.7%@55	3%@50	Tier 1	2.7%@55	3%@50
	Exp. RA	60.4	54.4 & 56.3	Exp. RA	60.3	56.4 & 55.2
	Tier 2	2%@60	3%@55	Tier 2	2%@60	3%@55
	Exp. RA	60.8	56.0 & 57.3	Exp. RA	60.7	57.4 & 56.6
	PEPRA	2.5%@67	2.7%@57	PEPRA	2.5%@67	2.7%@57
Exp. RA	62.6	56.8 & 57.1	Exp. RA	62.4	57.3 & 57.0	



**ACTUARIAL ASSUMPTIONS**

	June 30, 2017 Valuation			June 30, 2019 Valuation		
■ Medical Trend		Increase from Prior Year			Increase from Prior Year	
	<u>Year</u>	<u>Non-Medicare</u>	<u>Medicare</u>	<u>Year</u>	<u>Non-Medicare</u>	<u>Medicare</u>
		Actual Premiums/Claims			Actual Premiums/Claims	
	2017-18			2019-20		
	2019	7.50%	6.50%	2021	7.25%	6.30%
	2020	7.50%	6.50%	2022	7.00%	6.10%
	2021	7.25%	6.30%	2023	6.75%	5.90%
	2022	7.00%	6.10%	2024	6.50%	5.70%
	2023	6.75%	5.90%	2025	6.25%	5.50%
	2024	6.50%	5.70%	2026	6.00%	5.30%
	2025	6.25%	5.50%	2027	5.80%	5.15%
	2026	6.00%	5.30%	2028	5.60%	5.00%
	2027	5.80%	5.15%	2029	5.40%	4.85%
	2028	5.60%	5.00%	2030	5.20%	4.70%
	2029	5.40%	4.85%	2031-35	5.05%	4.60%
	2030	5.20%	4.70%	2036-45	4.90%	4.50%
	2031-35	5.05%	4.60%	2046-55	4.75%	4.45%
	2036-45	4.90%	4.50%	2056-65	4.60%	4.40%
	2046-55	4.75%	4.45%	2066-75	4.30%	4.20%
	2056-65	4.60%	4.40%	2076+	4.00%	4.00%
2066-75	4.30%	4.20%				
2076+	4.00%	4.00%				



**ACTUARIAL ASSUMPTIONS**

	<b>June 30, 2017 Valuation</b>	<b>June 30, 2019 Valuation</b>
<b>■ Medical Plan at Retirement &amp; Retirees Attaining age 65</b>	<b>■ Miscellaneous:</b> <65    65+ Anthem Tradition    10%    0% Blue Shield            15%    0% Kaiser                    30%    35% PERS Choice            30%    20% PERSCare                5%    15% United HC                10%    30%	<b>■ Miscellaneous:</b> <65    65+ Anthem Tradition    20%    10% Blue Shield            0%    0% Kaiser                    40%    35% PERS Choice            30%    25% PERSCare                10%    15% United HC                0%    15%
	<b>■ Safety:</b> <65    65+ Anthem Tradition    15%    0% Blue Shield            10%    0% Kaiser                    20%    25% PERS Choice            0%    5% PERSCare                0%    40% PORAC                    50%    20% United HC                5%    10%	<b>■ Safety:</b> <65    65+ Anthem Tradition    15%    5% Blue Shield            5%    0% Kaiser                    35%    25% PERS Choice            0%    5% PERSCare                0%    45% PORAC                    45%    15% United HC                0%    5%
	<b>■ Based on Plan experience</b>	<b>■ Based on Plan experience</b>



**ACTUARIAL ASSUMPTIONS**

	<b>June 30, 2017 Valuation</b>	<b>June 30, 2019 Valuation</b>
<b>■ Participation at Retirement</b>	<b>■ Groups 3 &amp; 4: 90%</b> <b>■ Based on Plan experience</b>	<b>■ Group 3: 98%</b> <b>■ Group 4: if eligible for City contribution: 95%; if not: 0%</b> <b>■ Based on Plan experience<sup>61</sup></b>
<b>■ Spousal Coverage at Retirement</b>	<b>■ Currently covered: based on current elections</b> <b>■ Currently waived: 80%</b>	<b>■ 70% assumed to cover spouses</b> <b>■ Based on Plan experience</b>

<sup>61</sup> Actual participation percentage for Group 3 since 6/30/17 is 100% Miscellaneous. Note there are no active Safety members in Group 3. Actual participation percentages for Group 4 since 6/30/17 are 83% Miscellaneous and 92% Safety, or 84% overall. Actual participation for Group 3 and Group 4 since 6/30/17 is 88% overall. Group 4 still has limited actual experience. We recommend continued monitoring for Group 4.



**ACTUARIAL ASSUMPTIONS**

	<b>June 30, 2017 Valuation</b>	<b>June 30, 2019 Valuation</b>
<ul style="list-style-type: none"> <li>■ Family Coverage at Retirement</li> </ul>	<ul style="list-style-type: none"> <li>■ Actives                             <ul style="list-style-type: none"> <li>• Misc : 15% until age 65</li> <li>• Safety : 40% until age 65</li> </ul> </li> <li>■ Retirees: based on current elections until age 65</li> </ul>	<ul style="list-style-type: none"> <li>■ Actives                             <ul style="list-style-type: none"> <li>• Misc: 15% until age 65 5% age 65-75</li> <li>• Safety: 50% until age 65 5% age 65-80</li> </ul> </li> <li>■ Based on Plan experience</li> </ul>
<ul style="list-style-type: none"> <li>■ Waived Retiree Re-election</li> </ul>	<ul style="list-style-type: none"> <li>■ 0%</li> </ul>	<ul style="list-style-type: none"> <li>■ Same</li> </ul>
<ul style="list-style-type: none"> <li>■ Surviving Spouse Participation</li> </ul>	<ul style="list-style-type: none"> <li>■ 100%</li> </ul>	<ul style="list-style-type: none"> <li>■ Same</li> </ul>
<ul style="list-style-type: none"> <li>■ CalPERS Service</li> </ul>	<ul style="list-style-type: none"> <li>■ Actual data</li> </ul>	<ul style="list-style-type: none"> <li>■ Same</li> </ul>
<ul style="list-style-type: none"> <li>■ Spouse Age</li> </ul>	<ul style="list-style-type: none"> <li>■ Actives – Males 3 years older than females</li> <li>■ Retirees – Males 3 years older than females if spouse birth date not available</li> </ul>	<ul style="list-style-type: none"> <li>■ Same</li> </ul>



**ACTUARIAL ASSUMPTIONS**

	<b>June 30, 2017 Valuation</b>	<b>June 30, 2019 Valuation</b>
<ul style="list-style-type: none"> <li>■ Medicare Eligible Rate</li> </ul>	<ul style="list-style-type: none"> <li>■ Actives and retirees hired &lt; 4/1/86:                             <ul style="list-style-type: none"> <li>• Miscellaneous – 80%</li> <li>• Safety – 90%</li> </ul> </li> <li>■ Actives and retirees hired ≥ 4/1/86: 100%</li> <li>■ Retirees &lt; 65 with unknown hire date: 90%</li> <li>■ Everyone eligible for Medicare will elect Part B coverage</li> </ul>	<ul style="list-style-type: none"> <li>■ Same</li> </ul>



**ACTUARIAL ASSUMPTIONS**

	<b>June 30, 2017 Valuation</b>	<b>June 30, 2019 Valuation</b>
<ul style="list-style-type: none"> <li>■ Retirees Missing Fund</li> </ul>	<ul style="list-style-type: none"> <li>■ Assumed to have the same fund as the prior valuation</li> <li>■ In the prior valuation, assumed to be based on (then) current active percentages: 75% GF, 15% Elec, and 10% UTL<sup>62</sup></li> </ul>	<ul style="list-style-type: none"> <li>■ Same</li> </ul>
<ul style="list-style-type: none"> <li>■ Retirees Missing Bargaining Unit</li> </ul>	<ul style="list-style-type: none"> <li>■ Assumed to have the same BU as in the prior valuation if available; otherwise, assumed to be SEIU unless fund designates Police or Fire<sup>62</sup></li> </ul>	<ul style="list-style-type: none"> <li>■ Actual bargaining units provided by the City for all covered retirees</li> </ul>

<sup>62</sup> Fewer than 10% of retirees have missing Bargaining Unit, Fund or Department. Does not affect results, but does affect internal cost allocations used by the City.



**ACTUARIAL ASSUMPTIONS**

	<b>June 30, 2017 Valuation</b>	<b>June 30, 2019 Valuation</b>
<ul style="list-style-type: none"> <li>■ Retirees Missing Department</li> </ul>	<ul style="list-style-type: none"> <li>■ Assumed to have the same department as the prior valuation</li> <li>■ In prior valuation, liability for retirees assumed to be 75% GF allocated proportionately across all Departments</li> </ul>	<ul style="list-style-type: none"> <li>■ Same</li> </ul>
<ul style="list-style-type: none"> <li>■ Future New Participants</li> </ul>	<ul style="list-style-type: none"> <li>■ None – Closed Group</li> </ul>	<ul style="list-style-type: none"> <li>■ Same</li> </ul>



**ACTUARIAL ASSUMPTIONS**

	<b>June 30, 2017 Valuation</b>				<b>June 30, 2019 Valuation</b>		
<b>■ Sample Medical Claims Costs 2020</b>	<b>■ Sample estimated monthly claims costs:</b>						
	<u>Bay Area – Non-Medicare Eligible</u>						
		<u>Kaiser (HMO)</u>		<u>PERS Choice (PPO)</u>		<u>PORAC</u>	
	<u>Age</u>	<u>M</u>	<u>F</u>	<u>M</u>	<u>F</u>	<u>M</u>	<u>F</u>
	55	\$849	\$988	\$861	\$1,001	\$987	\$1,154
	60	1,071	1,122	1,105	1,149	1,256	1,317
	65	1,214	1,215	1,264	1,254	1,429	1,431
	70	1,292	1,287	1,351	1,334	1,525	1,519
	75	1,358	1,353	1,423	1,405	1,605	1,599
	80	1,427	1,422	1,499	1,480	1,689	1,682
	85	1,560	1,554	1,645	1,624	1,851	1,843
	<u>Bay Area – Medicare Eligible</u>						
		<u>Kaiser (HMO)</u>		<u>PERS Choice (PPO)</u>		<u>PORAC</u>	
	<u>Age</u>	<u>M</u>	<u>F</u>	<u>M</u>	<u>F</u>	<u>M</u>	<u>F</u>
	65	\$308	\$309	\$282	\$344	\$404	\$489
70	328	327	307	376	439	533	
75	345	344	322	394	461	560	
80	362	361	337	413	483	588	
85	396	395	368	451	527	642	



**RESULTS BY FUND**

**Actuarial Obligations – June 30, 2019**

(Amounts in 000's)

<b>FUND</b>	<b>AAL</b>	<b>Assets<sup>63</sup></b>	<b>UAAL</b>
■ Airport	\$ 565	\$ 277	\$ 288
■ CIP	3,686	1,809	1,877
■ Elec <sup>64</sup>	27,327	13,411	13,916
■ Gas <sup>64</sup>	10,274	5,042	5,232
■ GF	162,240	79,616	82,624
■ ISF – Technology	4,231	2,076	2,155
■ ISF – Vehicle	1,900	932	968
■ ISF – Printing & Mailing	90	44	46
■ ISF – Workers Comp	110	54	56
■ PARKING	433	212	221
■ Refuse	4,591	2,253	2,338
■ Storm Drain	1,992	978	1,014
■ Water <sup>64</sup>	8,279	4,063	4,216
■ WWC <sup>64</sup>	3,629	1,781	1,848
■ WWT	<u>12,122</u>	<u>5,949</u>	<u>6,173</u>
■ Total	241,469	118,497	122,972

<sup>63</sup> Assets allocated in proportion to AAL.

<sup>64</sup> AAL for UTL employees allocated to Elec, Gas, Water, and WWC in proportion to each Fund's AAL



**RESULTS BY FUND**

**Actuarially Determined Contribution (ADC)**

(Amounts in 000's)

<b>FUND</b>	<b>2020/21</b>	<b>2021/22</b>
■ Airport	\$ 46	\$ 48
■ CIP	292	302
■ Elec <sup>64</sup>	1,549	1,593
■ Gas <sup>64</sup>	662	700
■ GF	9,621	9,902
■ ISF – Technology	360	368
■ ISF – Vehicle	160	165
■ ISF – Printing & Mailing	3	3
■ ISF – Workers Comp	15	15
■ PARKING	59	60
■ Refuse	217	223
■ Storm Drain	124	132
■ Water <sup>64</sup>	493	508
■ WWC <sup>64</sup>	269	277
■ WWT	696	717
■ Total	14,566	15,013



**RESULTS BY GF DEPARTMENT**

**Actuarial Obligations – June 30, 2019**

(Amounts in 000's)

<b>GF Department</b>	<b>AAL</b>	<b>Assets<sup>65</sup></b>	<b>UAAL</b>
■ ASD	\$ 8,892	\$ 4,363	\$ 4,529
■ ATT	2,429	1,192	1,237
■ AUD	422	207	215
■ CLK	774	380	394
■ COU	1,208	593	615
■ CSD	16,209	7,955	8,254
■ DSD	2,431	1,193	1,238
■ FIR	48,185	23,647	24,538
■ HRD	2,803	1,375	1,428
■ LIB	6,224	3,054	3,170
■ MGR	2,431	1,193	1,238
■ PLA	6,537	3,208	3,329
■ POL	46,778	22,955	23,823
■ PWD	16,917	8,301	8,616
■ Total	162,240	79,616	82,624

<sup>65</sup> Assets allocated in proportion to AAL.



## RESULTS BY GF DEPARTMENT

### Actuarially Determined Contribution (ADC)

(Amounts in 000's)

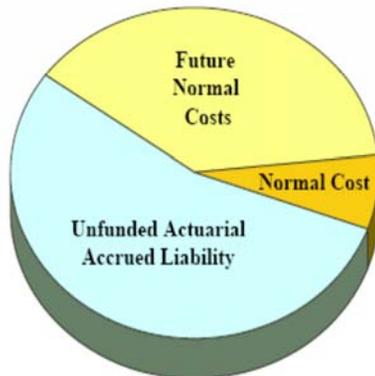
GF Department	2020/21	2021/22
■ ASD	\$ 572	\$ 589
■ ATT	147	152
■ AUD	35	36
■ CLK	45	46
■ COU	67	69
■ CSD	967	995
■ DSD	218	224
■ FIR	2,505	2,580
■ HRD	186	192
■ LIB	498	513
■ MGR	166	170
■ PLA	373	384
■ POL	2,881	2,964
■ PWD	<u>961</u>	<u>988</u>
■ Total	9,621	9,902



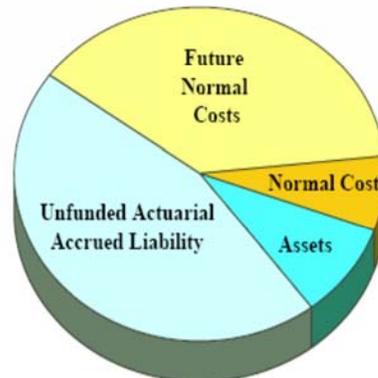
## DEFINITIONS

### Present Value of Benefits

Present Value of Benefits  
(Without Plan Assets)



Present Value of Benefits  
(With Plan Assets)



## DEFINITIONS

<p>■ Actuarially Determined Contribution (ADC)</p>	<p>■ Contribution for the current period including:</p> <ul style="list-style-type: none"><li>• Normal Cost</li><li>• Administrative expenses</li><li>• Amortization of:<ul style="list-style-type: none"><li>□ Initial Unfunded AAL</li><li>□ AAL for plan, assumption, and method changes</li><li>□ Experience gains/losses (difference between expected and actual)</li><li>□ Contribution gains/losses (difference between ADC and actual)</li></ul></li></ul>
--	--



**CITY OF PALO ALTO**  
**DETAILS FOR REAPPROPRIATED FUNDS IN THE FY 2021 ADOPTED CAPITAL IMPROVEMENT PROGRAM**

Project Number	Project Title	FY 2021 Funding	
		Revenue Reappropriated from FY20	Expense Reappropriated from FY20
<b>CAPITAL IMPROVEMENT FUND</b>			
AC-18000	Performing Arts Venues Seat Replacement	\$ -	\$ 400,000
AC-18001	JMZ Renovation	\$ -	\$ 1,905,753
AC-86017	Art In Public Spaces	\$ -	\$ 400,445
FD-14002	Fire Ringdown System Replacement	\$ 5,000	\$ 16,000
FD-20000	Cardiac Monitor Replacement	\$ 7,000	\$ 42,000
FD-20001	Self-Contained Breathing Apparatus (SCBA) Air Compressor Replacement	\$ 16,300	\$ 86,000
OS-00002	Open Space Lakes And Pond Maintenance	\$ -	\$ 62,650
OS-09001	Off-Road Pathway Resurfacing And Repair	\$ -	\$ 10,000
PD-20000	Police Video Recording Systems Replacement	\$ -	\$ 102,000
PE-08001	Rinconada Park Improvements	\$ 1,999,529	\$ 1,944,629
PE-09003	City Facility Parking Lot Maintenance	\$ -	\$ 378,741
PE-12011	Newell Road/San Francisquito Creek Bridge Replacement	\$ 500,000	\$ 887,911
PE-13011	Charleston/Arastradero Corridor Project	\$ 1,303,710	\$ 5,600,000
PE-14018	Baylands Boardwalk Improvements	\$ -	\$ 100,619
PE-15020	Civic Center Waterproofing Study and Repairs	\$ -	\$ 561,855
PE-17005	Boulevard Park Improvements	\$ -	\$ 402,799
PE-17010	Civic Center Electrical Upgrade & EV Charger Installation	\$ -	\$ 618,800
PE-18002	High and Bryant Street Garages Waterproofing and Repairs	\$ -	\$ 116,546
PE-18004	Fire Station 4 Replacement	\$ -	\$ 500,000
PE-18006	Byxbee Park Completion	\$ -	\$ 221,146
PE-18016	Civic Center Fire Life Safety Upgrades	\$ -	\$ 324,956
PE-19000	City Hall Space Planning	\$ -	\$ 75,000
PE-19001	Water, Gas, Wastewater Office Remodel	\$ -	\$ 629,935
PE-19002	Animal Shelter Renovation	\$ -	\$ 530,357
PE-20001	City Bridge Improvements	\$ -	\$ 15,000

**CITY OF PALO ALTO**  
**DETAILS FOR REAPPROPRIATED FUNDS IN THE FY 2021 ADOPTED CAPITAL IMPROVEMENT PROGRAM**

Project Number	Project Title	FY 2021 Funding	
		Revenue Reappropriated from FY20	Expense Reappropriated from FY20
PE-20002	City Facilities Assessment and Record Plan Management System	\$ -	\$ 150,000
PE-86070	Street Maintenance	\$ -	\$ 1,491,843
PF-01003	Building Systems Improvements	\$ -	\$ 69,983
PF-02022	Facility Interior Finishes Replacement	\$ -	\$ 213,886
PF-07011	Roth Building Maintenance	\$ -	\$ 29,073
PF-14003	University Avenue Parking Improvements	\$ -	\$ 345,100
PF-16006	Municipal Service Center Lighting, Mechanical, and Electrical Improvements	\$ 1,539,000	\$ 5,496,632
PF-17000	Municipal Service Center A, B, & C Roof Replacement	\$ 541,500	\$ 1,900,000
PF-93009	Americans With Disabilities Act Compliance	\$ -	\$ 186,626
PG-06001	Athletic Courts Resurfacing	\$ -	\$ 138,775
PG-06003	Benches, Signage, Walkways, Perimeter Landscaping, and Site Amenities	\$ -	\$ 77,719
PG-09002	Park and Open Space Emergency Repairs	\$ -	\$ 89,255
PG-13003	Golf Reconfiguration & Baylands Athletic Center Improvements	\$ -	\$ 200,000
PG-14000	Ramos Park Improvements	\$ -	\$ 209,000
PG-14002	Cameron Park Improvements	\$ -	\$ 200,000
PG-17000	Baylands Comprehensive Conservation Plan	\$ -	\$ 6,500
PG-18001	Dog Park Installation and Renovation	\$ 150,000	\$ 150,000
PG-19000	Park Restroom Installation	\$ 350,000	\$ 350,000
PL-00026	Safe Routes To School	\$ -	\$ 35,000
PL-04010	Bicycle and Pedestrian Transportation Plan Implementation	\$ -	\$ 1,273,595
PL-05030	Traffic Signal and Intelligent Transportation Systems	\$ -	\$ 868,455
PL-12000	Transportation and Parking Improvements	\$ -	\$ 53,842
PL-14000	Churchill Avenue Enhanced Bikeway	\$ -	\$ 2,875,866
PL-15002	Downtown Automated Parking Guidance Systems, Access Controls & Revenue Collection Equip.	\$ -	\$ 1,289,860

**CITY OF PALO ALTO**  
**DETAILS FOR REAPPROPRIATED FUNDS IN THE FY 2021 ADOPTED CAPITAL IMPROVEMENT PROGRAM**

Project Number	Project Title	FY 2021 Funding	
		Revenue Reappropriated from FY20	Expense Reappropriated from FY20
PL-15003	Parking District Implementation	\$ -	\$ 2,974
PL-16000	Quarry Road Improvements and Transit Center Access	\$ -	\$ 494,000
PL-16002	Parking Management and System Implementation	\$ -	\$ 513,000
PL-17001	Railroad Grade Separation and Safety Improvements	\$ -	\$ 3,065,425
PL-18000	El Camino Real Pedestrian Safety and Streetscape Project	\$ -	\$ 760,281
PL-20000	Churchill Avenue/Alma Street Railroad Crossing Safety Improvements	\$ -	\$ 100,000
PO-05054	Street Lights Improvements	\$ -	\$ 135,887
PO-11000	Sign Reflectivity Upgrade	\$ -	\$ 75,000
PO-11001	Thermoplastic Lane Marking and Striping	\$ -	\$ 50,000
PO-12001	Curb and Gutter Repairs	\$ -	\$ 13,753
PO-89003	Sidewalk Repairs	\$ -	\$ 59,163
<b>TOTAL CAPITAL IMPROVEMENT FUND REAPPROPRIATED AMOUNTS</b>		<b>\$ 6,412,039</b>	<b>\$ 38,903,635</b>

**CUBBERLEY PROPERTY FUND**

CB-16002	Cubberley Roof Replacements	\$ -	\$ 143,042
CB-17001	Cubberley Repairs	\$ -	\$ 725,178
CB-17002	Cubberley Field Restroom	\$ -	\$ 79,684
CB-19001	Cubberley Building Management Systems	\$ -	\$ 30,000
<b>TOTAL CUBBERLEY PROPERTY FUND REAPPROPRIATED AMOUNTS</b>		<b>\$ -</b>	<b>\$ 977,904</b>

**ELECTRIC FUND**

EL-02011	Electric Utility Geographic Information System	\$ -	\$ 220,000
EL-06001	230 kV Electric Intertie	\$ -	\$ 177,481
EL-11003	Rebuild Underground District 15	\$ -	\$ 50,000
EL-11010	Underground District 47-Middlefield, Homer, Webster, Addison	\$ -	\$ 120,000

**CITY OF PALO ALTO**  
**DETAILS FOR REAPPROPRIATED FUNDS IN THE FY 2021 ADOPTED CAPITAL IMPROVEMENT PROGRAM**

Project Number	Project Title	FY 2021 Funding	
		Revenue Reappropriated from FY20	Expense Reappropriated from FY20
EL-12001	Underground District 46 - Charleston/El Camino Real	\$ -	\$ 1,021,531
EL-14000	Coleridge/Cowper/Tennyson 4/12kV Conversion	\$ -	\$ 50,000
EL-14005	Reconfigure Quarry Feeders	\$ -	\$ 50,000
EL-16002	Capacitor Bank Installation	\$ -	\$ 300,000
EL-16003	Substation Physical Security	\$ -	\$ 415,852
EL-17005	Inter-substation Line Protection Relay	\$ -	\$ 190,429
EL-17007	Facility Relocation for Caltrain Modernization Project	\$ -	\$ 2,723,631
EL-19002	Colorado Substation Site Improvements	\$ -	\$ 330,000
EL-19004	Wood Pole Replacement	\$ -	\$ 1,475,000
<b>TOTAL ELECTRIC FUND REAPPROPRIATED AMOUNTS</b>		<b>\$ -</b>	<b>\$ 7,123,924</b>
<b>FIBER FUND</b>			
FO-16000	Fiber Optics Network - System Rebuild	\$ -	\$ 775,000
<b>TOTAL FIBER FUND REAPPROPRIATED AMOUNTS</b>		<b>\$ -</b>	<b>\$ 775,000</b>
<b>GAS FUND</b>			
GS-13001	Gas Main Replacement - Project 23	\$ -	\$ 620,046
<b>TOTAL GAS FUND REAPPROPRIATED AMOUNTS</b>		<b>\$ -</b>	<b>\$ 620,046</b>
<b>STORMWATER MANAGEMENT FUND</b>			
SD-06101	Storm Drainage System Replacement And Rehabilitation	\$ -	\$ 1,822,475
SD-23000	West Bayshore Road Trunk Line Improvements	\$ -	\$ 5,000
<b>TOTAL STORMWATER MANAGEMENT FUND REAPPROPRIATED AMOUNTS</b>		<b>\$ -</b>	<b>\$ 1,827,475</b>

**CITY OF PALO ALTO**  
**DETAILS FOR REAPPROPRIATED FUNDS IN THE FY 2021 ADOPTED CAPITAL IMPROVEMENT PROGRAM**

Project Number	Project Title	FY 2021 Funding	
		Revenue Reappropriated from FY20	Expense Reappropriated from FY20
<b>TECHNOLOGY FUND</b>			
TE-05000	Radio Infrastructure Replacement	\$ -	\$ 199,137
TE-12001	Development Center Blueprint Technology Enhancements	\$ -	\$ 452,600
TE-13004	Infrastructure Management System	\$ -	\$ 46,800
TE-19000	Enterprise Resource Planning Upgrade	\$ -	\$ 2,029,000
<b>TOTAL TECHNOLOGY FUND REAPPROPRIATED AMOUNTS</b>		<b>\$ -</b>	<b>\$ 2,727,537</b>

<b>VEHICLE REPLACEMENT FUND</b>			
VR-18000	Scheduled Vehicle and Equipment Replacement - Fiscal Year 2018	\$ -	\$ 630,000
VR-19000	Scheduled Vehicle and Equipment Replacement - Fiscal Year 2019	\$ -	\$ 1,338,000
VR-20000	Scheduled Vehicle and Equipment Replacement - Fiscal Year 2020	\$ -	\$ 2,268,000
<b>TOTAL VEHICLE REPLACEMENT FUND REAPPROPRIATED AMOUNTS</b>		<b>\$ -</b>	<b>\$ 4,236,000</b>

<b>WASTEWATER COLLECTION FUND</b>			
WC-15001	Wastewater Collection System Rehabilitation/Augmentation Project 28	\$ -	\$ 500,000
WC-16001	Wastewater Collection System Rehabilitation/Augmentation Project 29	\$ -	\$ 2,126,424
WC-17001	Wastewater Collection System Rehabilitation/Augmentation Project 30	\$ -	\$ 221,000
<b>TOTAL WASTEWATER COLLECTION FUND REAPPROPRIATED AMOUNTS</b>		<b>\$ -</b>	<b>\$ 2,847,424</b>

**CITY OF PALO ALTO**  
**DETAILS FOR REAPPROPRIATED FUNDS IN THE FY 2021 ADOPTED CAPITAL IMPROVEMENT PROGRAM**

Project Number	Project Title	FY 2021 Funding	
		Revenue Reappropriated from FY20	Expense Reappropriated from FY20
<b>WASTEWATER TREATMENT FUND</b>			
WQ-14002	New Laboratory And Environmental Services Building	\$ 1,910,000	\$ 1,333,460
WQ-14003	Primary Sedimentation Tank Rehabilitation	\$ 8,302,000	\$ 8,148,800
WQ-19000	Outfall Line Construction	\$ 3,850,000	\$ 3,850,000
WQ-19001	Secondary Treatment Upgrades	\$ 2,300,000	\$ 838,300
WQ-19002	Plant Repair, Retrofit, and Equipment Replacement	\$ -	\$ 3,937,834
WQ-19003	Advanced Water Purification Facility	\$ 3,000,000	\$ 448,000
<b>TOTAL WASTEWATER TREATMENT FUND REAPPROPRIATED AMOUNTS</b>		<b>\$ 19,362,000</b>	<b>\$ 18,556,394</b>
<b>WATER FUND</b>			
WS-02014	Water, Gas, Wastewater Utility GIS Data	\$ -	\$ 436,000
WS-07000	Water Regulation Station Improvements	\$ -	\$ 209,000
WS-07001	Water Recycling Facilities	\$ -	\$ 391,020
WS-09000	Water Tank Seismic Upgrade and Rehabilitation	\$ -	\$ 5,093,000
WS-13001	Water Main Replacement - Project 27	\$ -	\$ 2,500,000
WS-14001	Water Main Replacement - Project 28	\$ -	\$ 585,107
WS-19000	Mayfield Reservoir Subgrade and Venting Repair	\$ -	\$ 184,879
<b>TOTAL WATER FUND REAPPROPRIATED AMOUNTS</b>		<b>\$ -</b>	<b>\$ 9,399,006</b>
<b>TOTAL ALL FUNDS</b>		<b>\$ 25,774,039</b>	<b>\$ 87,994,345</b>

June 11, 2020

Honorable City Council  
C/O City of Palo Alto  
250 Hamilton Avenue  
Palo Alto, CA 94301

**RE: Review of 2021-2025 Proposed Capital Improvement Projects (CIPs)**

The Planning and Transportation Commission (PTC) reviewed the 2021-2025 proposed Capital Improvement Plan on Wednesday, June 10, 2020 and determined that, all of the five new Capital Improvement Projects included in the 2021-2025 Capital Budget are consistent with the adopted Comprehensive Plan and recommended forwarding this finding to the City Council and Finance Committee. The motion was made by Commissioner Bart Hechtman and seconded by Commissioner William Riggs. The motion was approved by a vote of 7-0.

Respectfully submitted

DocuSigned by:



81B67A6B2BC6470...

Carolyn Templeton, Chair  
Planning and Transportation Commission

Ordinance No. \_\_\_\_  
Ordinance of the Council of the City of Palo Alto Amending  
Section 2.04.360 (Salary of council members) of the Palo Alto Municipal  
Code to Provide Optional Salary Waiver

The Council of the City of Palo Alto ORDAINS as follows:

SECTION 1. Findings and Declarations. The City Council finds and declares as follows:

- A. Article III, Section 17 of the Charter of the City of Palo Alto provides that compensation may be paid to council members in amounts not to exceed those provided by general law.
- B. Council member salaries were last set in 2015 by Ordinance No. 5304, mandating a salary of one thousand dollars (\$1,000) per month.
- C. General law permits council members to voluntarily waive part or all of their permitted compensation. Palo Alto does not currently provide a salary waiver option for council members.
- D. The proposed amendment would clarify that council members may voluntarily waive part or all of their salary, with no change to the amount of salary authorized for council members.

SECTION 2. Section 2.04.360 (Salary of council members) of Chapter 2.04 (Council Organization and Procedure) of Title 2 (Administrative Code) of the Palo Alto Municipal Code is hereby amended to read as follows:

“Section 2.04.360 Salary of council members

- (a) The salary of the council members shall be \$600.00 per month. Effective January 1, 2017, the salary of the council members shall be \$1,000 per month.
- (b) A city council member may waive any or all of the compensation permitted by this section.”

SECTION 3. If any section, subsection, clause or phrase of this Ordinance is for any reason held to be invalid, such decision shall not affect the validity of the remaining portion or sections of the Ordinance. The Council hereby declares that it should have adopted the Ordinance and each section, subsection, sentence, clause or phrase thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared invalid.

SECTION 4. This ordinance shall be effective on the thirty-first day after the date of its adoption.

SECTION 5. The Council of the City of Palo Alto hereby finds that this is not a Project under the California Environmental Quality Act pursuant to Section 15378 of the CEQA Guidelines because it can be seen with certainty that there is no possibility that the Ordinance will have a significant effect on the environment.

INTRODUCED:

PASSED:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

ATTEST:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Mayor

APPROVED AS TO FORM:

\_\_\_\_\_  
Deputy City Attorney

\_\_\_\_\_  
City Manager

\_\_\_\_\_  
Director of Administrative Services