

From: [Heather Bell](#)
To: [Roxane Stone](#)
Subject: Fwd: Update on the FY 2022/23 General Fund baseline budget and preliminary proposed budget
Date: Monday, May 2, 2022 6:31:50 PM
Attachments: [FY 2022-23 Prelim Prop Budget Summary 5-2-22.pdf](#)

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Sent: Monday, May 2, 2022 4:51:51 PM

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Subject: Update on the FY 2022/23 General Fund baseline budget and preliminary proposed budget

Mayor and Council Members,

This message is to provide you with some additional information on the FY 2022/23 General Fund (GF) baseline budget and preliminary proposed budget.

The GF baseline budget for FY 2022/23 includes all of the ongoing revenues and expenditures from the current year budget, which are expected to continue next fiscal year, adjusted for inflation, contractual obligations, etc. The GF baseline budget was presented to the Finance Subcommittee on April 14, 2022 and the City Council on April 26, 2022 and showed a deficit of \$164,324.

Throughout the budget development process, staff updates revenue and expenditure assumptions. This has resulted in a revised GF baseline budget, which assumes status quo staffing and service levels, with a deficit of \$767,415. This is primarily attributable to higher-than-originally forecasted personnel costs and new forecasts for workers comp and general liability insurance premiums provided by the Municipal Pooling Authority (MPA).

The preliminary proposed GF budget includes the baseline budget as well as new staffing and service levels that amount to an additional \$715,000 use of GF fund balance.

Attached find a summary of the revised GF baseline budget and preliminary proposed budget.

Staff recognizes that the preliminary proposed GF budget is not balanced. Staff nonetheless believes that the preliminary proposed GF budget is prudent as it includes staffing and service level increases that are directly responsive to key community priorities and organizational needs, and staff has forecasted significant GF revenue increases in FY 2023/24.

We will discuss this in detail during Item 12A of tomorrow's Council meeting.

Please let me know if you have any questions in advance.

Thanks

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General Fund Preliminary Proposed Budget	
Item	Amount
Revised Baseline (Updated with Revised Revenue and Expenditure Estimates for Baseline Items)	
Baseline Revenues	23,469,426.00
Baseline Expenditures (General)	23,453,266.00
Refined personnel costs related to labor agreements higher than projected in original baseline projection	(392,406.00)
Workers comp and general liability premiums (MPA projections higher than original baseline projection)	(391,169.00)
Revised Baseline Surplus/Deficit	(767,415.00)
Additional Proposed Expenditures (Ongoing)	
HR Technician	(108,136.00)
Administrative Assistant to full time	(69,447.00)
Police Officers (2)	(292,834.00)
Public Works Specialist (25% allocated to General Fund)	(27,302.25)
Associate Civil Engineer (25% allocated to General Fund)	(40,411.00)
Fire - increase allocation for weed abatement and fire fuel mitigation	(50,000.00)
HR - increase funding for various personnel-related activities, including several mandated regulations	(29,225.00)
Police - new Axon body worn cameras	(42,412.00)
Police - LEXIPOL daily training bulletins	(4,244.00)
Code Enforcement - weed abatement during fire season	(27,000.00)
Code Enforcement - increase funding for code activities involving abatement of properties	(24,000.00)
Additional Proposed Expenditures (Ongoing) Surplus/Deficit	(715,011.25)
Total Preliminary Proposed Budget (Ongoing) Surplus/Deficit	(1,482,426.25)
Additional Proposed Expenditures (One Time)	
<i>Carry forward of Council-directed initiatives...</i>	(4,946,796.00)
Active transportation plan	
Beautification Ad Hoc Subcommittee recommendations	
Brandt Street improvements	
Business development/community help reserve	
City Hall planting/landscaping	
Citywide roof repairs and replacement	
Emergency power for critical failures	
Municipal broadband feasibility	
On-call consultants for capital projects	
Recycled water feasibility	
Revitalization reserve	
Weatherization/ energy efficiency program	
<i>Carry forward of capital projects...</i>	
Adobe Road repair and drainage improvements	
Asphalt grinder tractor	
City Hall modernization	
Electric vehicle parking stations	
Energy audit	
Energy upgrades	
Parks master plan	
Pedestrian Bridge inspection	
Pocket park - Galbreth Ave.	
Replacement of rubber matting at various parks	
Safety improvements at Appian Way and Marlesta	
Senior Center auxiliary parking	
Storm drain master plan	
Storm drainage rehabilitation	
Traffic sign replacement	
Turf mower	
Vehicle replacement	
<i>Newly added one-time items...</i>	
Public engagement consultant	
Legislative advocacy consultant	
DEI consultants	
New hardware for Police telephone recording system (Stancil)	
Station 74 upgrades	
Fleet-wide replacement of Police in-car MDC computers	
Participation in SEI Climate Corps program to support climate action plan	
Total Proposed Use of Fund Balance	(6,429,222.25)