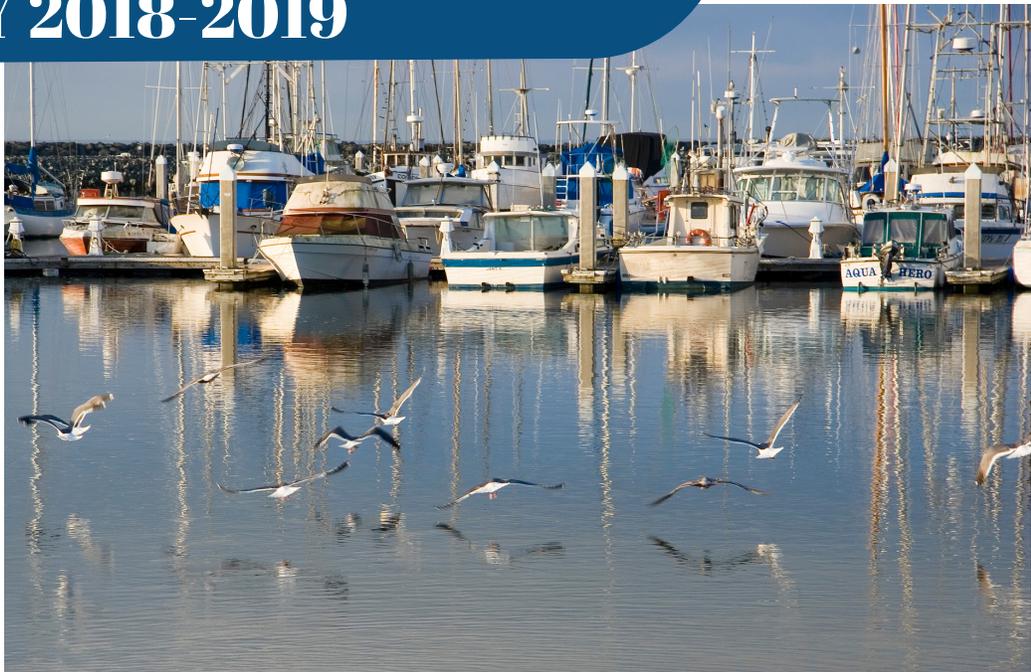




THE CITY OF
HALF MOON BAY
CALIFORNIA



**ADOPTED
OPERATING BUDGET
FY 2018-2019**



City of Half Moon Bay



501 Main Street

Half Moon Bay, CA 94019

Tel: (650) 726-8270 Fax: (650) 726-8261

<http://www.hmbcity.com>



CITY OF HALF MOON BAY

Fiscal Year 2018-19

Adopted Budget





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CITY OF HALF MOON BAY

City Council



Mayor
Deborah Penrose



Vice Mayor
Harvey Rarback

Council Members



Rick Kowalczyk



Debbie Ruddock



Adam Eisen



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CITY OF HALF MOON BAY

Executive Staff



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David Boesch**



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CITY OF HALF MOON BAY



ACKNOWLEDGMENTS:

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CITY OF HALF MOON BAY

Executive Summary







CITY OF HALF MOON BAY
501 Main Street
Half Moon Bay, CA 94019

June 5, 2018

Honorable Mayor, City Council Members and Community Members,

It is with great pleasure that I present to the City Council and the community the Fiscal Year 2018-19 Interim City Manager's Recommended Operating Budget. I am happy to report that the City continues to enjoy a healthy financial outlook.

Over the past several months, I have learned a considerable amount about the community, organization and the dedicated people who provide quality City services every day. Under the steadfast leadership of the City Council, the organization has accomplished much and is well-positioned for the future. The investment made in retooling the organization and establishing clear priorities, including critical capital projects, is remarkable and noteworthy. The City Council and community expect a lot of this organization; and the Staff consistently delivers and is recognized accordingly. This is a wonderful and exciting time for the City organization and the entire community of Half Moon Bay!



As I look back on the budget process of the last several months, and at the City Council's guidance moving forward, I can say that reinvesting in the community continues to be the goal of this year's budget. I am confident that the near future of Half Moon Bay is not only promising, it's on the path to excellence. We are a place where the community and the City organization are getting stronger and working in close partnership.

A noteworthy highlight is that the anticipated completion of the Half Moon Bay Library, which is set to open in August 2018. The City continues fostering a culture of collaboration and open communication. The City completed several community engagement initiatives, which included hosting the Half Moon Bay NET (Network – Engage - Transform) Citizens Academy sessions held in English and Spanish language, participating in National Night Out and supporting residents who hosted block parties, publishing weekly electronic newsletters and coordinating four City Council Listening Sessions for residents to express their priorities and interests.

Over the last year, staff conducted several studies to strategically plan ahead, including conducting parks and facilities master planning; developing of policies and an ordinance for a potential implementation of commercial cannabis licensing drafting a smoking ordinance;

initiating citywide ADA Transition Plan to comply with the Americans with Disabilities Act; drafting policy paper for short-term rentals and conducting an extensive coastal erosion study.

Among other accomplishments to be noted are the following:

- Completed the closure and cleanup of the Pilarcitos Creek homeless encampment and worked with service providers to transition individuals into shelter or other housing opportunities;
- Partnered with San Mateo County's Human Services Agency and nonprofit service providers to host homeless service days to offer direct access to critical services;
- Completed the Correas Street Underground Utility District project which involved reconstruction of the pavement of Correas Street from Purissima Street to Church Street with full-depth pavement section. Also included are the bulb-outs at the corner of Purissima Street and Correas Street, incorporation of green infrastructure, and crosswalk markings;
- Completed Main Street Pavement Repair and Pedestrian Safety Project which included cutting, excavation, soil stabilization, and repaving of portions of Main Street from Pilarcitos Creek to Correas Street (approximately 1,700 feet) where the trench for the storm drain system has experienced differential settling;
- Completed interim improvements at Poplar Beach including installation of new parking pay station, solar powered trash compactors, picnic tables, signage, fencing and parking lot improvements;
- Contracted with History Association to open a micro-museum at the Old Jail;
- Made improvements to the Ted Adcock Community Center and nearly doubled the number of recreation program offerings from 13 to 24 classes;
- Adopted the San Mateo County Hazard Mitigation Plan to ensure continued eligibility for assistance from the Project Grant, Pre-Disaster Mitigation, and Flood Mitigation Assistance programs;
- Updated the Coastside Emergency Action Program resource list of businesses volunteering to support emergency efforts in the event of a disaster;
- Created a disaster recovery plan that enables the City to quickly restore full IT operations at a secure, offsite facility in the event of catastrophic loss of facilities;
- Negotiated a new 10-year solid waste franchise agreement with Republic Services.
- Updated the audio-visual system at City Council meetings, implemented software and hardware to update and secure the City's network, strengthen Wi-Fi capacity in City facilities, new desktop hardware and software for individual users;



- Completed a citywide street tree assessment in preparation for development of the City's urban tree management plan and policy statement;
- Enhanced downtown community policing and outreach with the budgeted addition of new deputy positions;
- Conducted, in partnership with the Sheriff's Office C.A.R.O.N (Community Alliance to Revitalize Our Neighborhood) group, numerous events, which were attended by over 200 residents. These events aim to improve community well-being by reducing gangs, drugs, and violence in the community;
- Submitted 12 grant applications and received 5 grants awards covering EV charge stations, multi-purpose bicycle/pedestrian path extensions, Safe Routes to School/Green Infrastructures, energy efficiency, and Poplar Streets Project;
- Implemented the OpenGov financial platform to build public trust, ensure transparency and user-friendly access to the City's financial information.

In addition, considerable work continued to be done in areas that are not always visible to the community since they are process and organizational improvements. These improvements enable Staff to better carry out their core functions in serving the public. I have enjoyed working with the dedicated staff who give this community their very best.



The City continues to enjoy a healthy financial outlook. The City's revenues continue to be strong in all three primary revenue sources: Transient Occupancy Tax (TOT), Property Tax, and Sales Tax. The City's operating expenditures are less than operating revenues, which creates a structural surplus in 2018-19 and for the foreseeable future and is further described in the Budget Overview section of this document. The City also continues to maintain reserves well-above the Council's adopted policy.

One of the City Council's Strategic Elements is Fiscal Sustainability, and Staff continues to seek alternative solutions to be as efficient as possible in managing City resources while providing high-quality services to the public. Staff is enthusiastic to working with City Council and the community to discuss any potential financial challenges that may occur in the future. We will continue to find other ways to identify operational efficiencies, pursue suitable economic development opportunities, and recommend on potential revenue options to ensure a high quality of life for the community of Half Moon Bay.

At the City Council Priority Setting Workshop, City Council re-affirmed the existing strategic priorities with specific goals and work plan for the upcoming year. The Council also identified several additional items that will be implemented through existing projects and work efforts and added an additional new priority to the previously existing five priorities for the FY 2018-19 budget:

1. Affordable Housing
2. Homelessness
3. Cannabis
4. Short-Term Rentals
5. Community Park
6. Community Outreach & Engagement (New)

These priorities will continue to provide guidance and focus for the upcoming year as City staff carries out its work for the community.

Council also acknowledged the ongoing work with SAM and the shift to district-based elections, as well as the importance of effective community outreach and engagement. These priorities, along with the Council's Strategic Elements, will continue to provide guidance and focus as City Staff carries out its work for the community.



Again, this year, the Capital Improvement Program (CIP) has been updated along with Council affirming its priorities with the preparation of the operation budget. The CIP document, which is presented separately, is an important element of the City's budget as it guides the City's infrastructure and facilities work. Each project incorporates the cost of project management and is aligned with the City's Strategic Plan. The development of the CIP has also utilized an iterative process. The City Council has seen this plan several times and has offered input and feedback at each stage, consistently providing guidance to and an emphasis on investing in the community through capital improvements.

The City Council and community expect more from this organization, and the expectations and demands of 2019 are many. Staff looks forward to continuing work with the City Council and the community in the upcoming year. Please see the Budget Overview Executive Summary for additional detail outlining the budget document, financial summary, and budgetary changes.

In closing, while this document embodies my recommendations as your Interim City Manager, it is built on input from the Executive Team, whom I would like to sincerely thank for their hard work and dedication to this community. I would also like to thank the budget team for their many hours of work in developing this document, especially Yulia Carter, Dennis Jaw, Victoria Ly, Sandy Rickey, Jennifer Acuna, and Caroline Weigandt.

Respectfully submitted,


David Boesch
Interim City Manager



CITY OF HALF MOON BAY
501 Main Street
Half Moon Bay, CA 94019

5 de junio del 2018

Honorable Intendente, Miembros del Consejo, y Miembros de la Comunidad

Es un gran placer que le presento al Consejo Municipal y a la comunidad el Presupuesto Operativo recomendado por el Administrador de la Ciudad Interino, para el año fiscal 2018-19. Me complace informarles que la ciudad sigue disfrutando de una perspectiva financiera saludable.

En los últimos meses, he aprendido una cantidad considerable sobre la comunidad, la organización y las personas dedicadas que proporcionan servicios de calidad de la ciudad todos los días. Bajo el firme liderazgo del Consejo Municipal, la organización ha logrado mucho y está en buena posición para el futuro. La inversión realizada en la reestructura de la organización y el establecimiento de prioridades claras, incluyendo proyectos de capital crítico, es notable y digna de mención. El Consejo Municipal y la comunidad esperan mucho de esta organización; y el personal constantemente se empeña y en turno es reconocido. ¡Este es un momento maravilloso y emocionante para la organización de la ciudad y toda la comunidad de Half Moon Bay!

Al examinar el proceso presupuestario de los últimos meses y la orientación del Consejo para avanzar, puedo decir que la reinversión en la comunidad continúa siendo la meta del presupuesto de este año. Estoy más seguro que nunca de que el futuro cercano de Half Moon Bay no sólo es prometedor, sino que está en el camino hacia la excelencia. Somos un lugar donde la comunidad y la Ciudad se están fortaleciendo y trabajando en alianza.



Un punto muy importante es la finalización prevista de la biblioteca de Half Moon Bay, que se abrirá en agosto del 2018. La ciudad completó varias iniciativas de participación comunitarias, que incluyen la academia de residentes NET (Network, Engage, Transform) que se llevaron a cabo en español e inglés, participación en el evento comunitario de National Night Out y apoyando a los residentes a organizar fiestas en sus cuadras, publicar un boletín electrónico cada semana y coordinar cuatro sesiones donde el Consejo Municipal escuchó las prioridades e intereses de los residentes.

Durante el último año, el personal llevo a cabo varios estudios para planificar estratégicamente con anticipación, incluyendo la realización de parques e instalaciones de planificación maestra; el desarrollo de pólizas y una ordenanza para una posible implementación de licencias

comerciales de cannabis redactando una ordenanza para fumar; iniciando el plan de transición de la ciudad de ADA para cumplir con la ley de Disabilities Act; redacción de un documento de póliza para alquileres a corto plazo y realización de un extenso estudio de erosión costera.

Entre otros logros, se destacan los siguientes:

- Completamos el cierre y limpieza del campamento de personas sin hogar del Arroyo de Pilarcitos y trabajamos con proveedores de servicios para asistir a las personas a refugio u otras oportunidades de vivienda;
- Trabajamos en asociación con la Agencia de Servicios Humanos del Condado de San Mateo y proveedores de servicios para llevar a cabo días de servicios sociales para personas sin hogar de manera de ofrecer acceso directo a servicios críticos;
- Completamos el proyecto del Correas Street Underground Utility District, el cual involucró la reconstrucción del pavimento de la calle Correas desde la calle Purissima hasta la calle Church con una sección de pavimento a toda profundidad. También se incluyeron las salidas de bulbos en la esquina de la calle Purissima y Correas, la incorporación de la infraestructura verde, y las marcas de paso de peatones;
- Completamos la reparación del pavimento de Main Street y el proyecto de Seguridad Peatonal que incluyó el corte, excavación, estabilización del suelo, y repavimento de porciones de la calle principal desde el Arroyo de Pilarcitos a la calle correas (aproximadamente 1.700 pies) donde la trinchera para el sistema del drenaje de tormenta ha tenido colocación diferencial;
- Completamos mejoras provisionales en Poplar Beach incluyendo la instalación de una nueva estación de pago de estacionamiento, compactadores de basura con energía solar, mesas de picnic, señalización, esgrima y mejoras en el estacionamiento;
- Contratamos con la Asociación de Historia para abrir un micro-museo en la antigua cárcel;
- Realizamos mejoras al centro comunitario de Ted Adcock y casi duplicamos el número de ofertas de programas de recreación de 13 a 24 clases;
- Adoptamos el plan de mitigación de riesgos del Condado de San Mateo para asegurar la elegibilidad continua para la asistencia de los programas Project Grant, Pre-Disaster Mitigation, y Flood Mitigation Assistance;
- Actualizamos la lista de recursos del Programa de Acción de Emergencia de negocios voluntarios para apoyar esfuerzos de emergencia en caso de un desastre;



- Creamos un plan de recuperación de desastres que permite a la ciudad restaurar rápidamente las operaciones completas de tecnología en una instalación segura y fuera del sitio en caso de pérdida catastrófica de instalaciones;
- Negociamos un nuevo acuerdo de franquicia de residuos sólidos de 10 años con servicios de la compañía, Republic Services.
- Actualizamos el Sistema Audiovisual en las reuniones del Consejo Municipal, implementamos programa de software para actualizar y asegurar la red de la ciudad, fortalecer la capacidad de Wi-Fi en las instalaciones de la ciudad, nuevo programa hardware de escritorio y programa software para usuarios individuales;
- Completamos una evaluación de árboles en toda la ciudad en preparación para el desarrollo del plan de manejo de árboles urbanos y la declaración de póliza;
- Realizamos alcance a la comunidad a través de la adición de nuevas posiciones de alguaciles;
- En colaboración con el programa de C.A.R.O.N. (Community Alliance to Revitalize Our Neighborhood) de la oficina del Alguacil, llevamos a cabo varios eventos, a los que asistieron más de 200 residentes. Estos eventos tienen como objetivo mejorar el bienestar de la comunidad reduciendo las pandillas, las drogas y la violencia en la comunidad;
- Presentamos 12 solicitudes de becas y recibimos 5 premios de becas que cubren estaciones de carga para vehículos electrónicos, extensiones para bicicletas/senderos para peatones, Rutas Seguras a la Escuela/Infraestructuras Verdes, eficiencia de energía, y proyecto de la calle Poplar;
- Implementamos la plataforma financiera de OpenGov para crear confianza pública, asegurar la transparencia y el acceso fácil a la información financiera de la ciudad.



Gran parte del trabajo continuo es en áreas que no siempre son visibles para la comunidad, ya que son mejoras en el proceso y en la organización. Sin embargo, estas mejoras permiten al personal desempeñar mejor sus funciones básicas al servicio del público. He disfrutado trabajar con el personal dedicado que dan lo mejor de ellos a esta comunidad.

La ciudad sigue disfrutando de una perspectiva financiera saludable. Los ingresos de la ciudad continúan siendo fuertes en las tres fuentes principales de ingresos: Impuestos de Ocupación Transitorias (TOT), Impuesto a la Propiedad e Impuestos a las Ventas. Los gastos operativos de la ciudad son menores que los ingresos operacionales, lo que crea un superávit estructural en 2018-19 y en el futuro previsible y se describe aún más en la sección de resumen del presupuesto

de este documento. La ciudad también sigue manteniendo reservas muy por encima de la póliza adoptada por el Consejo.

Uno de los Elementos Estratégicos del Consejo es la Sustentabilidad Fiscal, y el personal continuará buscando soluciones alternativas para ser lo más eficiente posible y manejar los recursos de la ciudad mientras tanto proveer un alto servicio de calidad al público. El personal esta entusiasmado de trabajar con el Consejo Municipal y la comunidad para discutir cualquier desafío financiero que pueda ocurrir en el futuro. Seguiremos buscando otras formas de identificar las eficiencias operacionales, buscar oportunidades de desarrollo económico adecuadas y recomendar opciones de ingresos potenciales para asegurar una alta calidad de vida para la comunidad de Half Moon Bay.

En la Sesión de Priorización del Consejo Municipal, el Consejo reafirmó los Elementos Estratégicos existentes con objetivos específicos y un plan de trabajo para el año entrante. El Consejo también identifico varios temas adicionales que se aplicaran a través de proyectos y esfuerzos y añadió una nueva prioridad adicional a las cinco prioridades anteriormente existentes para el presupuesto del año fiscal 2018-19:

1. Vivienda Asequible
2. Personas sin Hogar
3. Cannabis (Marihuana)
4. Alquileres a corto plazo
5. Parque Comunitario
6. Alcance e involucración con la comunidad (nuevo)



Estas prioridades seguirán proporcionando orientación y enfoque para el año entrante a medida que el personal de la Ciudad realiza su trabajo para la comunidad.

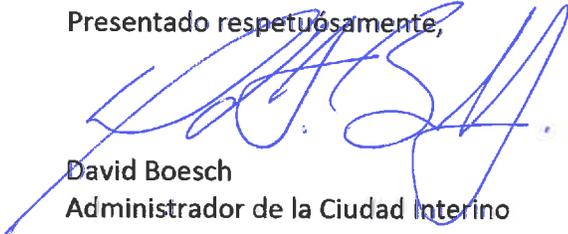
El Consejo también reconoció el trabajo continuo con SAM y el cambio a las elecciones basadas en distritos, así como la importancia de un alcance y compromiso a la comunidad efectivo. Nuevamente, este año, el programa de mejoramiento de capital (CIP) ha sido actualizado junto con el Consejo afirmando sus prioridades con la preparación del presupuesto de operación. El documento CIP, que se presenta por separado, es un elemento importante del presupuesto de la ciudad, ya que guía la infraestructura de la ciudad y las instalaciones de trabajo. Cada proyecto incorpora el costo de la gestión de proyectos y esta alineado con el plan estratégico de la ciudad. El desarrollo del CIP también ha utilizado un proceso iterativo. El Consejo Municipal ha visto este plan varias veces y ha ofrecido información y opiniones en cada etapa, proporcionando consistentemente orientación y un énfasis en invertir en la comunidad a través de mejoras de capital.

El Consejo Municipal y la comunidad esperan más de esta organización, y las expectativas y demandas para el 2019 son muchas. El personal espera continuar trabajando con el Consejo Municipal y la comunidad en el próximo año. Por favor, consulte el Resumen Ejecutivo del Presupuesto para detalles adicionales que detallan el documento del presupuesto, el resumen financiero y los cambios del presupuesto.

En conclusión, mientras que este documento demuestra mis recomendaciones como su administrador de la ciudad interino, es basado en el aporte del Equipo Ejecutivo, a quien me gustaría agradecer sinceramente por su arduo trabajo y dedicación a esta comunidad. También me gustaría dar las gracias al equipo de presupuesto por sus muchas horas de trabajo en el desarrollo de este documento, especialmente Yulia Carter, Dennis Jaw, Victoria Ly, Sandy Rickey, Jennifer Acuña, y Caroline Weigandt.



Presentado respetuosamente,


David Boesch
Administrador de la Ciudad Interino

Strategic Plan Elements/Initiatives

The Half Moon Bay City Council holds an Annual Retreat, which serves as the launching point for the annual budget preparation process. At this year’s Retreat, on May 1, 2018, the following Strategic Elements were discussed and updated:

- **Infrastructure and Environment**
- **Healthy Communities and Public Safety**
- **Fiscal Sustainability**
- **Inclusive Governance**

Based on the Strategic Elements, the City Council has adopted Strategic Initiatives. These Initiatives are intended to help guide the City’s actions and work plans, and focus efforts on addressing the City’s identified priorities.

Strategic Element: Infrastructure and Environment	Strategic Element: Healthy Communities and Public Safety
<p>Initiatives:</p> <ul style="list-style-type: none"> • Preserve, upgrade, and maintain existing City infrastructure to manage and make progress on the backlog created as a result of deferred maintenance • Maintain functional and effective usage of City facilities; Sustain efforts to maintain the City as clean, inviting, accessible and aesthetically pleasing, throughout all segments of the community • Continue to build and enhance a more sustainable and resilient community by incorporating green and sustainable infrastructure projects and environmental conservation • Utilize technology to maximize efficiency and productivity for improved City operations 	<p>Initiatives:</p> <ul style="list-style-type: none"> • Foster opportunities for affordable housing for very low, low, moderate, and above moderate income households, including entry level housing, shared housing, etc. • Enhance safety for pedestrians, bicyclist, and motorists through a “complete streets” approach • Promote the health and well-being of children, youth, families, and adults of all ages and abilities • Promote a sustainable, comprehensive, and forward looking environmentally/green conscious community • Prepare City staff and community members for inevitable natural disasters and other emergencies • Provide comprehensive and innovative law enforcement services to reduce crime and the fear of crime; Inform and educate the community around crime prevention and awareness

<p>Strategic Element: Fiscal Sustainability</p>	<p>Strategic Element: Inclusive Governance</p>
<p>Initiatives:</p> <ul style="list-style-type: none"> • Practice sound and responsible financial management, while providing fiscally sustainable government services that address the needs of the community • Support and sustain a business environment that contributes to economic prosperity and revenue generation, and improves the economic well-being of the community • Promote a balanced economic development approach that retains, attracts, and supports businesses Citywide for a strong, stable, complementary, and diverse business environment, including tourism, coastal resources, conservation, and farmland cultivation 	<p>Initiatives:</p> <ul style="list-style-type: none"> • Manage the operations of the City as an engaged, collaborative, and responsive team of professionals who provide services in an effective, accountable, and inclusive manner • Emphasize a high level of community engagement through public outreach and building mutually beneficial, innovative, collaborative community partnerships throughout the City • Provide organizational development that invests in staff leadership skills development and other human resources, to attract, develop, support, and retain a highly qualified, valued, and diverse municipal workforce • Maintain accuracy, consistency, and frequency in the City’s public communications, and increase Half Moon Bay’s efforts to build credibility and mutual trust with the community • Provide and manage a repository of City records that is easily accessible to the general public • Promote diversity by improving knowledge of and accessibility to City services among the Latino community with emphasis on bilingual access and inclusiveness and civic participation • Continue and enhance transparency and accountability with community members, providing easy access to information, helpful and informed staff, and meaningful opportunities to participate in the City’s decision-making processes and other municipal and community activities





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About Half Moon Bay

"To Live, To Work, To Play"



Location:

Half Moon Bay is located on the Pacific Coast between forested hills and some of the most beautiful coastlines of California. It is located approximately 25 miles south of San Francisco and an easy 45-minute drive from almost anywhere in the Bay Area, within the western portion of San Mateo County. Half Moon Bay's climate is usually mild throughout the year.

Featuring the best of Northern California all in one place, visitors of Half Moon Bay will enjoy miles of white sandy beaches, redwood forests, a historic downtown filled with local artisan shops, beautiful state parks, fields of wild flowers, and trails along ocean bluffs and mountain ridges as far as the eye can see.

History:

Named San Benito in the 1840's, and later Spanishtown, Half Moon Bay received its current name in 1874 and is the oldest settlement in San Mateo County.



For thousands of years, the land was inhabited by Costanoan Indians. They lived in many places around San Mateo County, including Half Moon Bay's Pilarcitos Creek. Originally used for cattle grazing, the City only began to develop during the 1840's. As the late 1800s passed, the area's character became established by the diverse representation of cultures that made the Coastside a prime example of the American melting pot.



The 1906 earthquake destroyed Mexican adobes and some early American efforts to build brick business buildings in Half Moon Bay. Wooden homes and shops survived the quake, and many of those early wooden structures still remain.

In 1907, the Ocean Shore Railway was constructed along the shoreline from San Francisco to Tunitas Glen, just south of Half Moon Bay. Due to financial problems and the increasing popularity of the horseless carriage, the railroad ceased operation in 1920.

Half Moon Bay developed a new personality during The Prohibition Era (1920 – 1933) because the hidden ocean coves and thick fog provided the ideal setting for rumrunners from Canada and for local moonshiners.

During this time, the Miramar roadhouse was raided numerous times for illegal liquor, gambling and prostitution during Prohibition.

Miramar was a notorious drop off point for illegal liquor. Smugglers bought their booze in Canada and shipped it down the coast to Half Moon Bay. Under the cover of darkness, small vessels, known as “rum runners”, met the large ships off the coast and transferred the illegal cargo to shore. Rum Runners, because of their speed, were ideal vessels to make the transfer from ship to shore. Due to their agility and speed they were often able to out run Coast Guard patrol boats.



Half Moon Bay was the ideal location for the transfer of this illegal cargo, as it was small and isolated, yet still close enough to San Francisco for transport by car.

In 1942, the California State Highway Department constructed the Half Moon Bay Airport 20 miles south of San Francisco for the U.S. Army during World War II, which was turned over to the Navy at the war’s conclusion.



In 1947, San Mateo County acquired the airport and ten years later, drag racing took it over. The Half Moon Bay Dragstrip quickly became one of the nation’s premier tracks. Half moon Bay played host to every big name the sport had to offer during the 50s and 60s, but in 1968, the strip was sold and closed down shortly after.

The City of Half Moon Bay was incorporated in 1959. It has many reminders of its early beginnings in the mid-1800s as an agricultural town. Fields of flowers, artichokes, brussel sprouts, Christmas trees, pumpkins and other crops blanket the breathtaking landscape.



The City’s location on the coast attracted fishermen, farmers & many other industries. The Town developed a rich and diverse community comprised of people with many languages and ethnicities.

The City is considered a rural coastal community and is home to approximately 12,500 people.

Government Structure:

The City of Half Moon Bay operates under a Council-Manager form of government and is governed by a five-member elected City Council. The City Council appoints a City Manager who is responsible for the oversight of daily operations and provides leadership for the City’s programs.

By means of its own employees and through other shared or contract services, the City of Half Moon Bay provides a variety of municipal services to its citizens, including law enforcement; library, disaster preparedness, recreation programs; maintenance of streets, parks and buildings; sanitary sewer utility collection and maintenance, planning, zoning and building inspection, storm drain maintenance, code and parking enforcement, engineering and general administrative services.



The members of the City Council serve as the policy-making body. City voters elect five Council members to staggered four-year terms.

The City Council meets regularly on the first and third Tuesdays of each month at 7:00 p.m and may call additional special meetings. All meetings of City Council, Planning and Recreation Commissions and any committees are open to the public except when certain personnel

matters and legal items are discussed.

City offices are open 8:30 a.m. to 5:00 p.m., Monday through Friday except holidays.

City of Half Moon Bay Main Line	(650) 726-8280	501 Main Street
City Manager’s Office	(650) 726-8280	501 Main Street
City Clerk’s Office	(650) 726-8250	501 Main Street
Administrative Services	(650) 726-8260	507-B Purissima St
Finance	(650) 750-2034	507-B Purissima St

Recreation Services	(650) 726-8297	535 Kelly Avenue
Community Development	(650) 726-8270	501 Main Street
Public Works	(650) 726-7177	880 Stone Pine Road
Code Enforcement	(650) 726-8253	501 Main Street
Public Safety (Business Line)	(650) 726-8288	537 Kelly Avenue
Non-Emergency - After Hours	(650) 726-8286	537 Kelly Avenue

Additional information about city services is available on the City of Half Moon Bay website at www.half-moon-bay.ca.us

Population:

There is a rich culture of diverse traditions and multi-generational families who have lived in Half Moon Bay for well over 100 years. In any given neighborhood you will find farmers, high-tech entrepreneurs, and artists living together. There are approximately 4,900 households, and 3,500 families (71.4% of households). About 85.8% of the City has a high school degree, and 48.3% have a Bachelor’s degree or higher.



Culture, Recreation & Local Attractions:

The City and Coastside are a thriving agricultural, fishing and tourism destination. The local and growing organic agricultural community hosts a Saturday farmers’ market and many rural roadside stands sell the bounty of the local farms and nurseries.

Roughly 3,000 tons of pumpkins are grown on the Coastside every year and the ripening ones are featured in the Art and Pumpkin Festival held in October on downtown’s historic Main Street. The annual festival draws over 300,000 visitors for the two-day event and features some of the world’s largest pumpkins.

Half Moon Bay provides a wide variety of public and private attractions. Its historic downtown is home to shopping, art galleries, fine dining and entertainment.

The Coastal Trail meanders for five miles along beaches and bluff tops, providing a scenic setting for whale watching, biking, walking and horseback riding. Golf can be enjoyed at two acclaimed golf courses graced with spectacular ocean backdrops.

The enduring natural beauty that makes up the Half Moon Bay coast is appreciated by both visitors and residents alike. Besides the sandy beaches and rugged cliffs along the beautiful ocean, Half Moon Bay is also home to residential communities where century-old architecture is enhanced by colorful yards and gardens; new construction projects often include parks and trails.

Visitors can stroll around town to discover unique wares in local galleries, markets, shops and boutiques.

Farm-fresh produce and one-of-a-kind art pieces are available side-by-side. Music, poetry readings, knitting classes and other entertainment is held at parks, shops, wineries and eateries.

First-class dining can be found at restaurants, bakeries, taquerias, delis and coffee shops. Menus include fresh fish straight off the boat and ethnic offerings from around the world.

The City also boasts truly unique lodgings with breathtaking ocean views, world-class hotels, and quaint cottages, whose more than 200,000 guests generate over \$80 million in sales for the community each year.



Fun Facts:

- Natives, Spanish explorers and Mexican cowboys have all lived or passed through this Coastside. The ocean and land provided adequately for its earliest residents. They worried about grizzly bears and mountain lions. The last grizzly was killed here in 1879. The early Mexicans named one of Half Moon Bay's creeks, "Arroyo Lion." Lion's Creek. That creek crosses the eastern edge of the town. The cougars were driven back, but are still occasionally seen.
- A Mexican soldier named Candelario Miramontes was given the land grant that became today's historic Half Moon Bay business district. The Main Street Bridge over the creek became the entrance to the Miramontes ranch. A Spaniard named Estanislao Zaballa married into the family. He and others brought a commercial flavor by opening the first businesses - saloons, rooming houses, blacksmiths - along that main road into the community.
- Earlier, the Miramontes family was one of two (along with the Briones family) to have a home outside the walls of the San Francisco Presidio. That makes the man who could be called the founder of Half Moon Bay also one of the first private residents of what would soon become the City of San Francisco.



- There is a funny kink in Half Moon Bay’s Mill Street – one block east of Main Street. That



is because that original owner of the Mexican land grant (Candelario Miramontes) built his adobe right there. When Mill Street was improved, it was deliberately misaligned from the street plan in order to go around the big home. The adobe fell to age, and the first block was aligned according to the city plan. The last block remains off line, a quiet reminder of the grand old adobe.

- Mill Street got its name because in the 1860s, there was a long-forgotten major gristmill operating at the eastern end of the street. (See walking tour books like *“Treasures of Half Moon Bay.”*)

- One of the first times that reinforced concrete (steel laced inside of concrete for great strength) was ever used in the world was to build Half Moon Bay’s Main Street Bridge. The bridge was built in 1900. The steel used in the bridge was surplus cable from San Francisco’s California Street Cable Car system. When the 1906 San Francisco Earthquake struck, the bridge stood strong. Nearby adobes and brick buildings collapsed. That bridge helped prove why reinforced concrete should be a key part of California’s modern earthquake building standards.

- A railroad connected Half Moon Bay to San Francisco for over a decade. It was called the Ocean Shore Railroad. It operated long trains pulled by the typical steam locomotives of that age. However, as it faded into disuse (1920), it took its last gasps by running single gasoline powered railway cars.



- Most Coastside and Half Moon Bay development were planned when that railroad was being built. Many large subdivisions were made, with such optimistic names as “Riviera Ocean,” and “Grandview Terrace.” Tens of thousands of individual home building lots were legally created within those subdivisions. That dream of growth was too early. The market reality was that few homes were actually built during the railroad years.

- The Coastside has its well-known broad, sandy beaches. Not so well known is that just a few miles southwest of town is a most beautiful redwood forest. There are thousands of parkland acres, complete with babbling brooks, hillsides cloaked in mountain ferns and trees, laced with hiking and biking trails. Over a century ago as San Francisco was building, those forests were cut for timber to build The City. Now those redwoods are enjoyed for their enduring natural beauty.



- Historic timing is why so many old homes, cafes, and public buildings remain in town. After the railroad departed, this early California community remained quite unchanged. California's second migration (the first being the Gold Rush) began after World War II. However, the Coastal mountains separated the Coastside from the spread of the cities. Just as those freeways were finally about to roll on over those hills, a new spirit emerged. The postwar optimism for growth gave way to – and blended – with a spirit of conservation and open space. Some say that this old community remained in frozen in time. Not entirely, of course. It is slowly changing. And quietly enjoying its surroundings.



City of Half Moon Bay Community Profile

The City welcomes those wishing to live, work and play in Half Moon Bay. You will find an inviting and diverse community atmosphere and friendly and involved people.

CITY STATISTICS

Population	12,870
Climate Range	47 to 62 °F
Land Area	6.42 Square Miles
Miles of Streets	26
Miles of Sanitary Sewers	35
City Parks	10

HOTELS, MOTELS, B&B'S

Number of Hotels, Inns and B&B's	12
RV Parks and Campgrounds	3
Hotel Rooms	624
Average Occupancy	72%
Annual Coast Side Visitors	4,132,560
Overnight Visitors	216,372
Overnight Visitor Annual Spending	\$80,897,062

EMPLOYMENT

	Number Employed	% of Total
Professional Management	3,464	49.4%
Sales Industry	1,439	20.5%
Service Category	1,128	16.1%
Construction and Maintenance	567	8.1%
Production and Transportation	416	5.9%

DEMOGRAPHICS

Median Age	47.1
Total Households	4,933
Average Household Size	2.49
Median Household Income	\$106,211
Education – High School Degree or higher	85.80%
Education – Bachelor’s Degree or higher	48.30%
Median Housing Value	\$774,000
Percent of Foreign Born Persons	25.1%



Source: US Census Bureau of Quick Facts 2010-2017, 2017 data from the Half Moon Bay Chamber of Commerce, DataUSA.com, Western Regional Climate Center, USA.com

Half Moon Bay City Limits



Unincorporated
San Mateo County

Unincorporated
San Mateo County

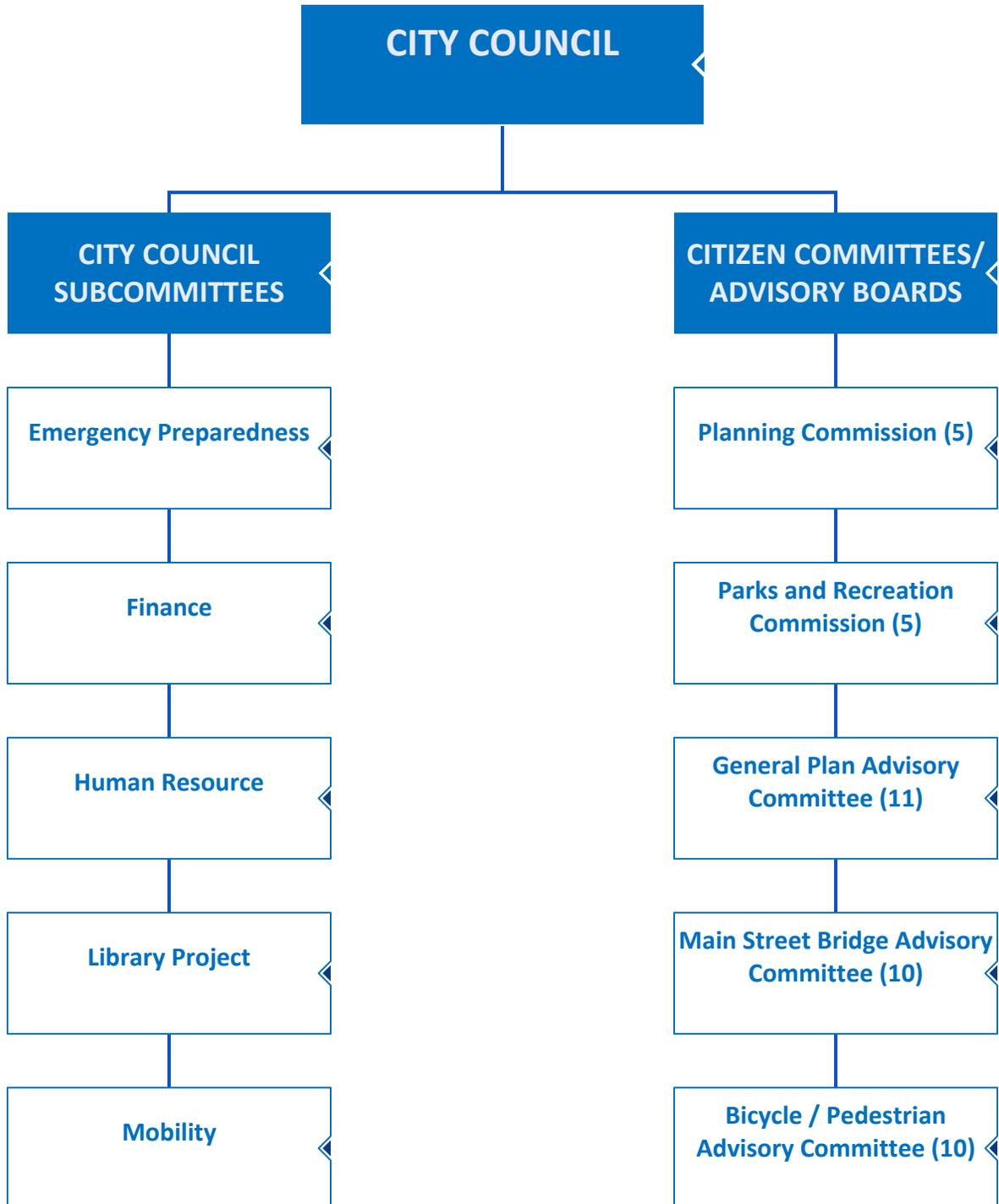
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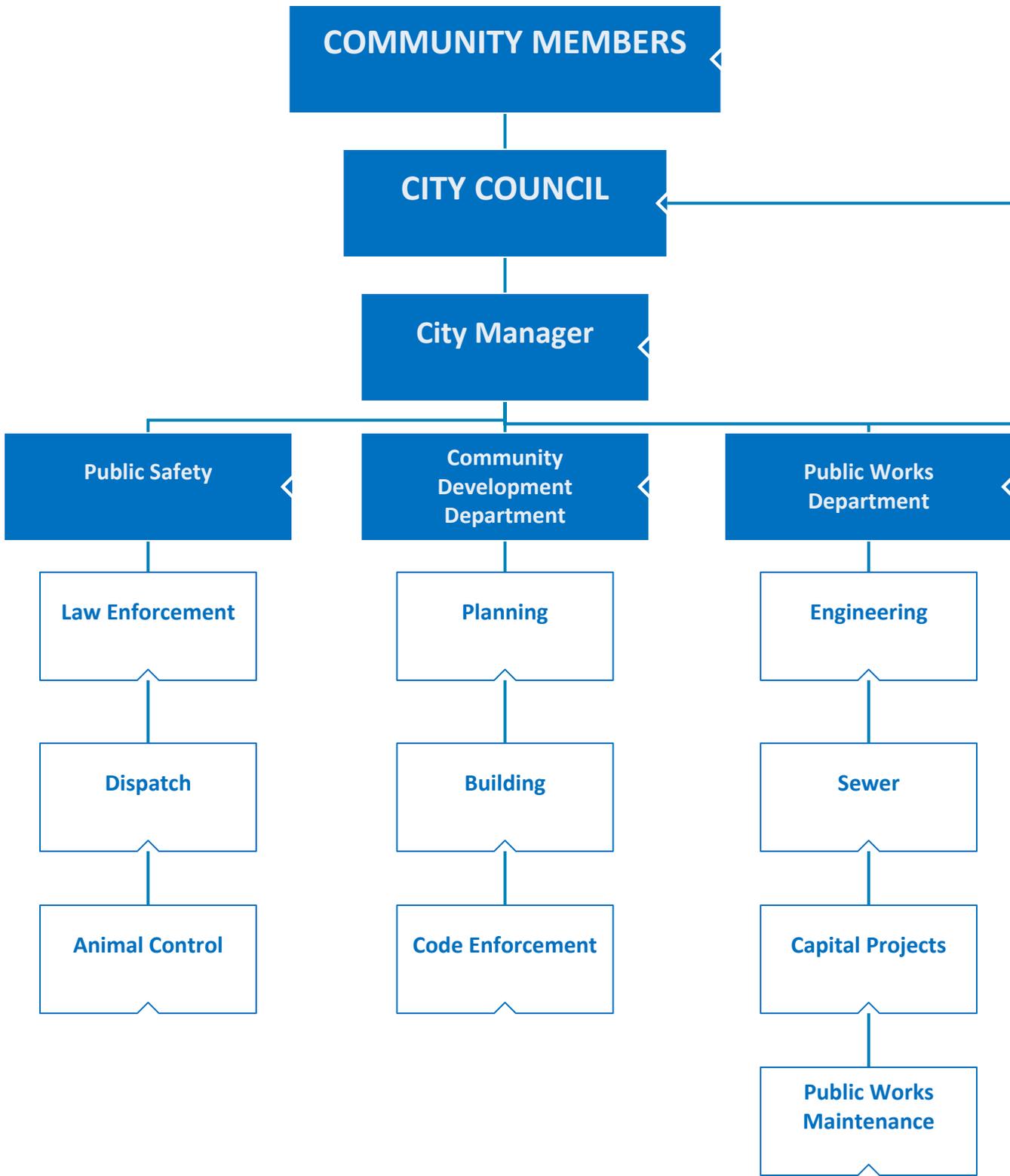
City of
Half Moon Bay



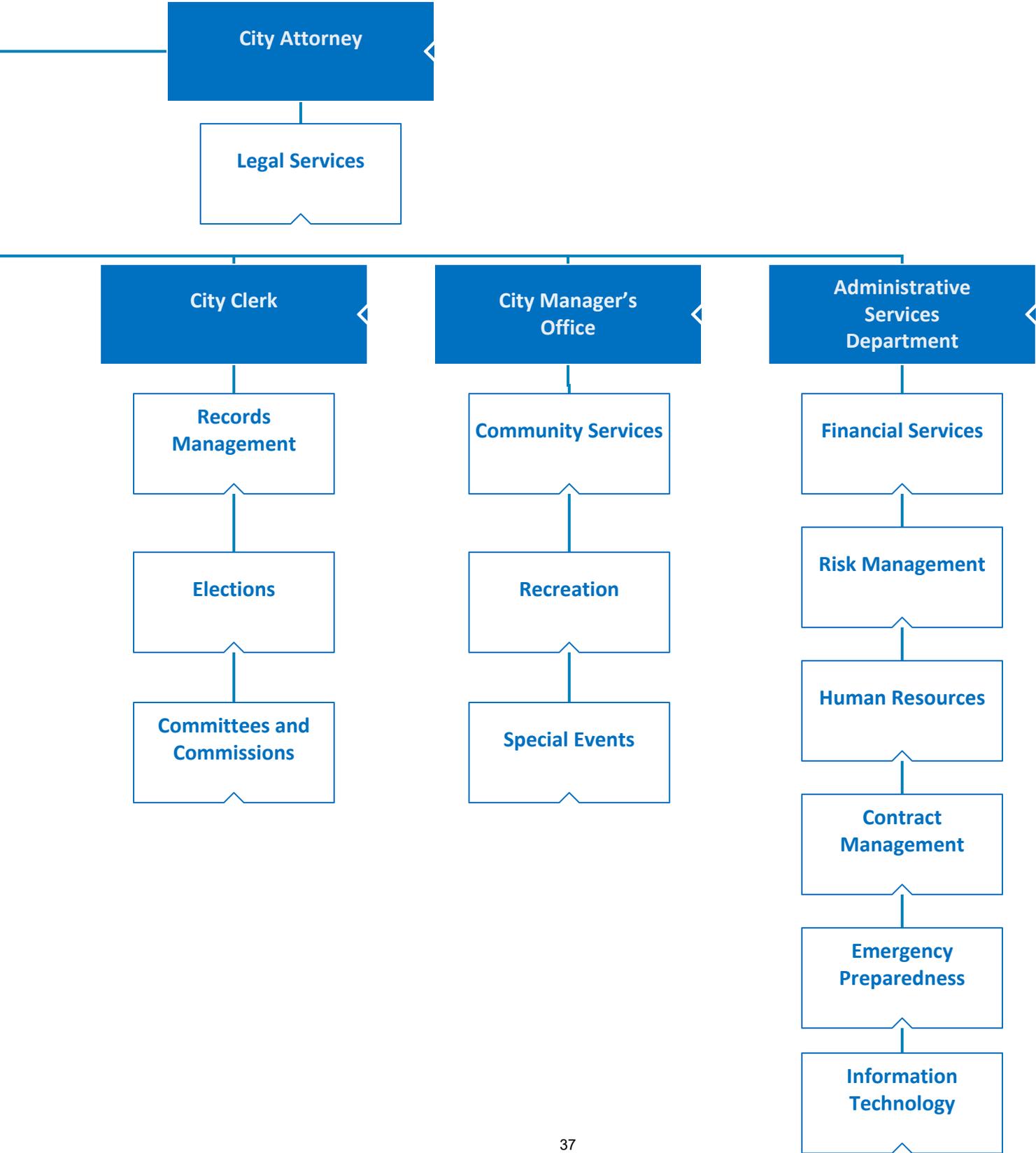
 Map not to Scale

CITY OF HALF MOON BAY
FY 2018-2019 Organizational Chart
Commissions and Committees





CITY OF HALF MOON BAY FY 2018-2019 Organizational Chart

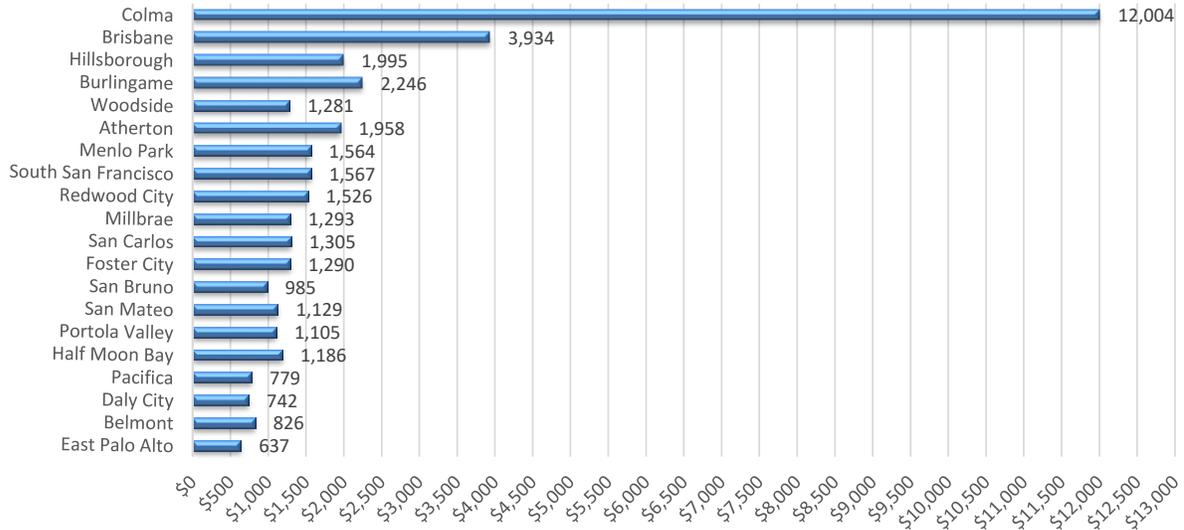


San Mateo County Cities Comparison

The City of Half Moon Bay ranks the 13th in revenues per capita comparing to other cities within the San Mateo county. The City is prudent in managing its resources, as it has one of the lowest expenditures being the fifth lowest cost per capita.

General Revenues Per Capita

Half Moon Bay Ranks 13th out of 20 in Revenues per Capita



City	Population	Report Totals			Per Capita		
		General Revenues	General Expenditures	Outstanding Debt	General Revenue	General Expenditure	O/S Debt
Colma	1,510	18,125,611	13,323,026	21,376,724	12,004	8,823	14,157
Brisbane	4,693	18,461,207	15,520,709	8,113,269	3,934	3,307	1,729
Hillsborough	11,431	22,809,818	21,223,740	38,919,088	1,995	1,857	3,405
Burlingame	30,301	68,042,750	49,707,483	53,978,157	2,246	1,640	1,781
Woodside	5,551	7,110,173	8,367,949	2,457,565	1,281	1,507	443
Atherton	7,207	14,108,498	10,610,643	-	1,958	1,472	-
Menlo Park	33,888	52,989,466	47,313,958	17,921,527	1,564	1,396	529
South San Francisco	66,980	104,959,699	92,367,213	12,364,675	1,567	1,379	185
Redwood City	84,950	129,622,688	112,141,986	12,591,110	1,526	1,320	148
Millbrae	22,661	29,309,882	25,494,402	27,846,331	1,293	1,125	1,229
San Carlos	29,797	38,874,387	33,181,615	5,338,952	1,305	1,114	179
Foster City	34,175	44,077,681	36,415,583	7,527,873	1,290	1,066	220
San Bruno	42,957	42,306,767	43,244,299	10,313,385	985	1,007	240
San Mateo	103,959	117,366,555	103,992,127	50,946,073	1,129	1,000	490
Portola Valley	4,597	5,078,478	4,361,106	-	1,105	949	-
Half Moon Bay	12,697	15,061,186	10,417,622	10,915,000	1,186	820	860
Pacifica	39,062	30,436,194	28,780,585	27,425,603	779	737	702
Daly City	106,472	78,976,778	77,139,312	24,976,000	742	725	235
Belmont	27,081	22,379,562	18,343,741	33,727,158	826	677	1,245
East Palo Alto	29,684	18,915,661	15,715,152	19,362,384	637	529	652
TOTAL	699,653	\$ 879,013,041	\$ 767,662,251	\$ 386,100,874	\$ 1,256	\$ 1,097	\$ 552

NOTE 1: Estimated population figures are for US Census Bureau estimates for 2017.

NOTE 2: Source of data is from the most recent City Budgets and CAFRs (primarily FY 2016-17).

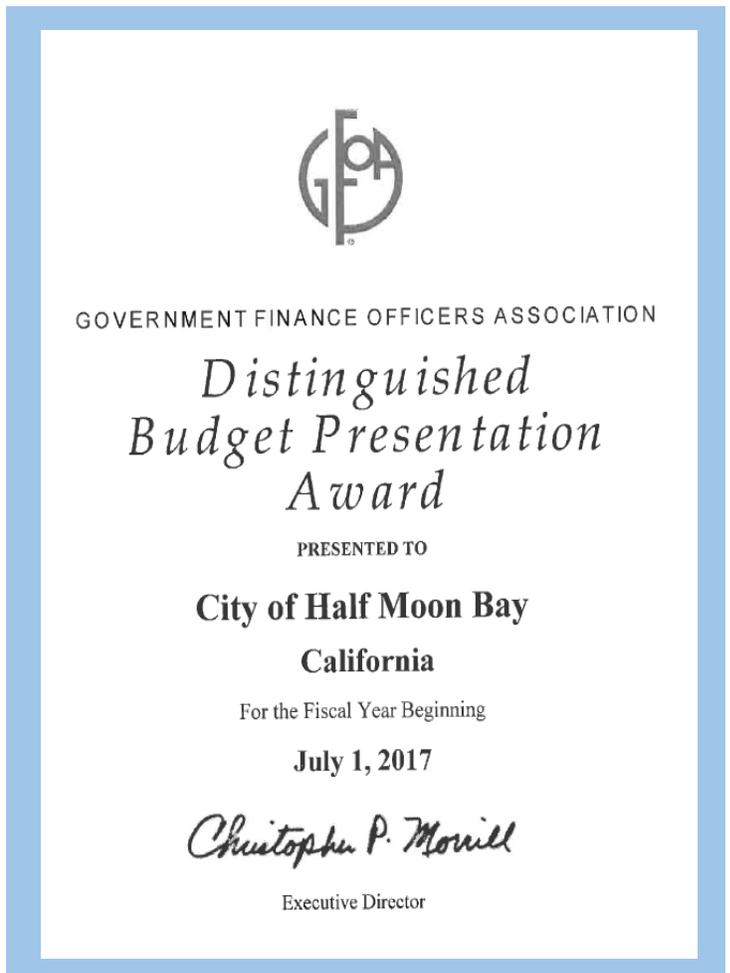
NOTE 3: There are many factors that influence cost and revenue base. For example, some cities are full service cities that provide fire and police services, while others are not.

Budget Awards



Both California Society of Municipal Finance Officers (CSMFO) CA's premier statewide association that promotes excellence in financial management and Government Finance Officers Association of the United States and Canada (GOFA) offers an award program for Operating Budget Excellence and Distinguished Budget Presentation award.

We are extremely pleased to have received 2 prestigious Budget Awards for FY2017-18. These awards represent a significant accomplishment for Staff, led through the leadership and support of City Council in implementing the highest standards and best practices in municipal budgeting and setting an example for other agencies.



City of Half Moon Bay

“Gann” Appropriations Limit

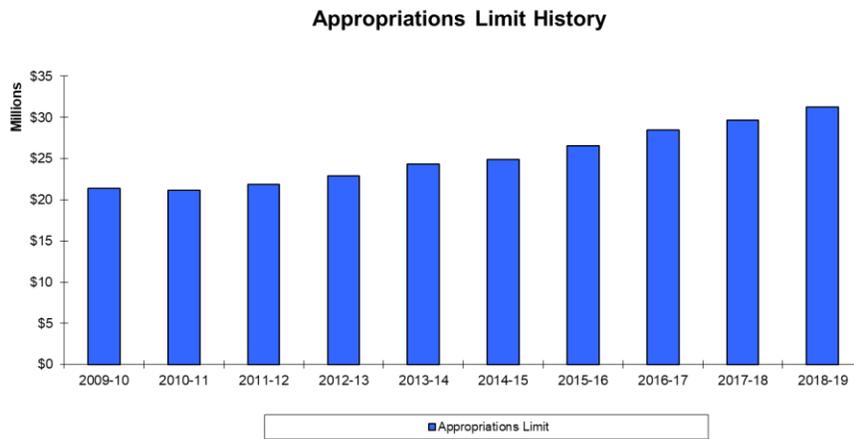
Article XIII B of the California State Constitution set an appropriations limit for governmental agencies. It became effective in Fiscal Year (FY) 1979-80 by passage of Proposition 4 (“The Gann Initiative”) and was modified by Proposition 111 in November 1989. With FY 1978-79 appropriations as the starting point, the limit is modified by the year-to-year changes both in per capita income and population, using the following alternative percentage changes for each:

- (1) Income growth -
 - a. California per capita personal income, or
 - b. Nonresidential assessed valuation due to new construction in the city.
- (2) Population growth -
 - a. City of Half Moon Bay, or
 - b. County of San Mateo.

Article XIII B also sets the guidelines as to what can be included in the appropriations limit, using “Proceeds of Taxes,” as defined in the Article, in the limit calculations. The City has remained well below the appropriations limit. It is unlikely that the limit will apply in the near future.

APPROPRIATIONS LIMIT CALCULATION FY 2018-19

Per Capita Personal Income Growth	3.67% 1.0367 factor
Population Change	1.47% 1.0147 factor
FY 2018-19 Appropriation Limit	\$29,683,078
Calculation of factor for FY 2017-18	1.0367 X 1.0147 = 1.0519395
FY 2018-19 Appropriation Limit	\$31,224,802



**CITY OF HALF MOON BAY
 FY 2018-19 BUDGET
 (GANN) APPROPRIATIONS LIMIT CALCULATIONS**

Appropriations Limit Worksheet

	<u>Amount</u>	<u>Amount</u>
A LAST YEAR'S LIMIT	29,683,078	
B ADJUSTMENT FACTOR		
1. POPULATION	1.0147	STATE FINANCE
2. INFLATION	1.0367	STATE FINANCE
3. TOTAL ADJUSTMENT	1.0519395	(B1 x B2)
C ANNUAL ADJUSTMENT	1,541,724	(A x B3)
D OTHER ADJUSTMENTS	-	
E TOTAL ADJUSTMENTS	1,541,724	(C+D)
THIS YEAR'S LIMIT	31,224,802	(A+E)

RESOLUTION NO. C-2018-54

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HALF MOON BAY, CALIFORNIA, ESTABLISHING THE APPROPRIATION LIMIT PURSUANT TO CALIFORNIA CONSTITUTION ARTICLE XIII B, AND SECTION 7900 ET. SEQ OF THE CALIFORNIA GOVERNMENT CODE FOR FISCAL YEAR 2018-19

WHEREAS, Article XIII B is an amendment to the California Constitution placing a restriction on the amount of proceeds of tax revenue which can be appropriated by state and local governments during a fiscal year; and

WHEREAS, the total appropriation subject to limitation shall not exceed the appropriation limit of the City of Half Moon Bay for the prior fiscal year, as adjusted for inflationary and population changes; and

WHEREAS, the City Council is required to elect which adjustment factors will be used to calculate the limit: (1) either the annual growth in California per capita personal income or the growth in non-residential assessed valuation due to new construction within the City, and (2) either the population growth in the City of Half Moon Bay or population growth in the County of San Mateo, as provided by the State Department of Finance; and

WHEREAS, the City Council has considered the matter at a regular scheduled City Council meeting.

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby adopts the appropriations limit for the fiscal year 2018-19, as calculated in Exhibit A, and hereby determines the amount to be thirty-one million, two hundred twenty-four thousand eight hundred and two dollars (\$31,224,802) for the City of Half Moon Bay, pursuant to Article XIII B of the California Constitution.

The City selected the following adjustment factors for the calculation of this amendment to the appropriations limit for the 2018-19 fiscal year: (1) the population factor of the City of Half Moon Bay; and (2) the Percentage Change in Per Capita Personal Income over prior year, which were provided by the State of California Department of Finance in May 2018.

I, the undersigned, hereby certify that the foregoing Resolution was duly passed and adopted on the 5th day of June, 2018 by the City Council of Half Moon Bay by the following vote:

- AYES, Councilmembers: EISEN, KOWALCZYK, RUDDOCK, RARBACK, PENROSE
NOES, Councilmembers:
ABSENT, Councilmembers:
ABSTAIN, Councilmembers:

ATTEST:

[Signature of Jessica Blair]
Jessica Blair, City Clerk

APPROVED:

[Signature of Deborah Penrose]
Deborah Penrose, Mayor

RESOLUTION No. C-2018-53

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HALF MOON BAY
ADOPTING THE FISCAL YEAR 2018-2019 ANNUAL OPERATING AND CAPITAL BUDGET**

WHEREAS, the City Council of the City of Half Moon Bay has received and completed its review of the proposed FY 2018-19 Operating and Capital Improvement Program Budgets during the budget study session held on May 15, 2018 and gave general direction on the recommendations contained therein during a public meeting; and

WHEREAS, the City Council of the City of Half Moon Bay has held a public hearing on June 5, 2018 for consideration of adoption of the proposed FY 2018-19 Operating and Capital Budget; and

WHEREAS, the proposed budget was prepared in accordance with the financial policies of the City; and

WHEREAS, the proposed budget is a balanced expenditure plan that ensures the maintenance of adequate reserves during FY 2018-19; and

WHEREAS, the City of Half Moon Bay now desires to adopt the 2018-19 Fiscal Year Appropriations Limit, Operating and Capital Improvement Program Budgets for FY 2018-19;

WHEREAS, Sections 65400, 65401, and 65403 of the State Planning and Zoning Code require the Planning Commission to review public works projects for the next fiscal year to determine conformity with the adopted General Plan. The Planning Commission is scheduled to review and approve the Capital Improvement Project Budget on June 12th, 2018. Pending the Planning Commission's determination of the proposed capital projects being in conformance with the goals, policies, and actions contained within the General Plan;

NOW THEREFORE, the City Council of the City of Half Moon Bay does hereby resolve as follows:

1. The City Council does hereby approve and adopt the City's budget of \$40,316,987, including CIP allocation of \$12,886,500, for fiscal year 2018-19 consisting of appropriations, inter-fund transfers and General Fund expenditures of \$17,754,647 as set forth in all Fund Summary section of the Fiscal Year 2018-19 Budget.
2. The City Council does hereby approve and adopt the City's budgeted revenue of \$36,692,583 for fiscal year 2018-19 and General Fund revenues of \$16,540,058 as set forth in all Fund Summary section of the Fiscal Year 2018-19 Budget.
3. The amount of the 2018-19 Fiscal Year Budget for each account area of the budget may be drawn upon in the form of warrants issued for payment of demands and certified in accordance with the provisions of California Government Code Sections 37208 and 37209.
4. The City Manager is hereby authorized to prepare an administrative budget document which further specifies the accounts for the expenditure of appropriations approved by the City Council and set forth in GANN Appropriation Limit Calculation section. The City Manager shall provide the Council with copies of this budget.

5. A copy of the adopted budget, signed by the Mayor and attested to by the City Clerk, shall be kept on file with the City Clerk of the City of Half Moon Bay, as the official budget of the City of Half Moon Bay for the 2018-19 fiscal year.

I, the undersigned, hereby certify that the foregoing Resolution was duly passed and adopted on the 5th day of June, 2018 by the City Council of Half Moon Bay by the following vote:

AYES, Councilmembers: EISEN, KOWALCZYK, RUDDOCK, RARBACK, PENROSE

NOES, Councilmembers:

ABSENT, Councilmembers:

ABSTAIN, Councilmembers:

ATTEST:



Jessica Blair, City Clerk

APPROVED:



Deborah Penrose, Mayor



CITY OF HALF MOON BAY

Budget Overview





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Basis of Budget Preparation and Budget Overview

The City Budget is the result of a thorough, lengthy, and collaborative process involving City Council leadership and City Staff expertise. The City Council sets policy direction for the budget and City staff take into consideration economic trends to forecast revenue and create a budget that accomplishes the goals of the Council while ensuring the financial stability of the City. Local, county, state, and national economic trends are among the factors considered.



ECONOMIC UPDATE

During FY 2017-2018, the City experienced its tenth straight year of economic growth, led by consumer spending and tourism. Meanwhile, the real estate and labor market continued to remain steady and stay strong.

The unemployment rate in San Mateo County has dropped to 2.0% as of April 2018, down from 2.4% in 2017. The City of Half Moon Bay's unemployment rate was lower and coming in at 1.7%. This compares favorably with an unemployment rate of 4.2% for California and 3.9% for the nation during the same period. As of April 2018, there was an estimated 440,400 employed workers in the County with an available labor force of 449,200.



Housing prices have increased slightly from 2017 but have remained relatively strong.

The National Association of Realtors released a report that shows median sales price for a home is \$257,900, up 10.5% from the median of \$230,700 the same time last year. According to annual report data from the San Mateo County Association of Realtors, the median sales price of a home in Half Moon Bay is \$1.3 million as of December 2017, which is a 15.4% increase from the same

period a year ago. While the average price of a home has steadily increased over last year, home sales in Half Moon Bay are expected to be relatively in line with prior year, due to low inventory.

We expect to have continued solid growth that will over time translate into higher municipal revenues due to the local economy expanding with a low unemployment rate and a favorable real estate market.

State Budget Outlook and Impact on the City

The State of California's budget and economy plays significant roles in the City's financial condition.

California's Governor placed a high priority on building reserves in the State budget with a total reserve balance of \$17 billion including an optional \$3.5 billion rainy day fund, Other priorities include allocating funds to schools and community, adding new infrastructure projects and providing more resources to be available later this year due to higher revenue estimates and Congress may authorize a higher federal cost share for Children's Health Insurance Program.

In the near-term outlook the consensus forecast anticipates continuing expansion in the U.S economy. The State of California will face decision about how to use the discretionary state resources, which includes potentially building more budget reserves or making a one time and/or ongoing budget commitments.

For the long-term outlook there are three sources that can impact funds which are revenue changes, decisions by federal government or the Governor, and other notables' costs that are not wholly reflected in the State's outlook.



The State is looking at another positive fiscal outlook, history suggests that we are now at the tail end of the current economic expansion. The main risks to the State's economy in the next few years are a slowdown in job growth expected, health wages to increase, stock market weakness anticipated, and possibility of the next recession.

However, according to the California Legislative Analyst's Office (LAO) the state has made significant progress in its ability to withstand a recession. The current budget has enough reserves to cover nearly two-thirds of a cumulative \$30 billion operating deficit in the moderate recession scenario. There are a variety of factors, other than economic conditions that can affect the state's budget which can impact local agencies like Half Moon Bay. Some of these factors include legislature, state executive branch, federal government and retirement systems. LAO recommends using a portion of the operating surpluses to build more reserves due the potential uncertainty.



Despite the State placing a high priority in building reserves for a recession, an economic downturn of any kind would put a wrench in California's finances. This in turn could force the State to make some difficult choices, like budgetary cuts and tax increases that may directly and indirectly affect the Bay Area, San Mateo County and the City of Half Moon Bay's overall economic condition.

BUDGET DEVELOPMENT PROCESS

City staff prepares an annual operating budget each year, which requires City Council adoption, containing revenues, appropriations and other financial information pertaining to all City operating and capital budgets. The philosophy employed in creating this budget has been to focus the City's efforts in continuing to provide quality "core" municipal services in the most efficient way possible.



This operating budget covers the 2018-19 fiscal year which runs from July 1, 2018 to June 30, 2019.

Basic Accounting

The City's accounting system is maintained on a fund basis in accordance with governmental accounting standards. Each fund is considered a separate accounting entity with a self-balancing set of accounts that record assets, liabilities, fund equity, revenue and expenditures. All governmental funds are budgeted and accounted for using the modified accrual basis of accounting, which recognizes revenues when they become susceptible to accrual - i.e., measurable and available. Expenditures are recognized when the fund expense or liability is incurred.

Council Strategic Planning

As part of the budget process, the City retained Management Partners to lead us through the City's Strategic Planning process. In preparation for the upcoming budget, the City Council hosted four community listening sessions, which allowed the Council to hear directly from members of the community to gain additional insight into the community's priorities for budget allocation of resources over the next year and beyond. On May 1, 2018 City Council held a strategic planning retreat and priority setting workshop when Council received a progress update on the prior year's strategic plan and discussed the proposed Capital Improvement Program and Council priorities for the upcoming FY 2018-19 budget.



The Executive Team held subsequent meetings to develop Work Plan for the upcoming year to meet Council's priorities. Funding for Council priorities has been included in the FY 2018-19 Budget.

Budget Preparation

The annual budget cycle begins each year with the development of budget instructions, including policy directives and a budget calendar in December and is completed with the budget adoption by the City Council in June as shown in the budget timeline table below.

PUBLIC MEETING	BUDGET STEP	TIME FRAME
1	Community Listening Sessions	March 10; March 11; March 15; April 10
3	FY 2017-18 Mid-Year Budget Review	March 20
2	Council Strategic Planning and Priority Setting Retreat	May 1
4	Study Session 1: Budget Methodology, Base Budget Assumptions, Capital Plan and Budget Recommendations	May 15
5	Study Session 2: City Council Budget Hearing and Adoption of Proposed FY 2018-19 Budget	June 5

This year’s budget cycle launched in March with the Council’s mid-year review of the FY 2017-18 budget. At that time, Council reviewed revenues and expenditures adjustments, adopted resolution authorizing adjustments to the Fiscal Year 2017-18 Operating and Capital Budget and discussed preparation for the FY 2018-19 Budget process.

On May 1, 2018, City Council held a Priority Setting Workshop, when Council re-affirmed previously adopted Strategic Plan Elements and Initiatives presented on page 15 of this document, added an additional priority, and identified the following list of FY 2018-19 priorities for subsequent Council consideration:

1. Develop a plan to best utilize the City’s affordable housing funds
2. Develop a plan to regulate and tax marijuana
3. Develop strategies to address homelessness within the City
4. Initiate needed improvements to existing Park facilities; complete at least one improvement project for each existing park
5. Expand the Transient Occupancy Tax to manage and tax short-term rentals
6. Expand community outreach and engagement to Latinos, seniors and youth.

At the workshop, Council provided staff with direction on adding certain services related to these priorities to the upcoming budget.

The Interim City Manager and Acting Deputy City Manager for Administrative Services and Finance provide guidance to departments, prior to preparation of department budgets, related to economic outlook and parameters for budgeting.

Budget projections are submitted by department heads to the Finance Department. The Acting Deputy City Manager for Administrative Services and Finance submits the draft recommended City budget to the Interim City Manager for review.

Staff took Council priorities into account during the budget development process, and every new programmatic addition to the budget was viewed and presented in light of Council priorities and strategic elements.



The table below demonstrates how Council’s FY 2018-19 priorities fit in the larger Strategic Plan Elements and Initiatives adopted on February 9, 2016, which has been reaffirmed for FY2018-19 and is being presented on page 22 of this budget document.

STRATEGIC ELEMENTS				
PRIORTIY	Infrastructure / Environment	Healthy Communities / Public Safety	Fiscal Sustainability	Inclusive Governance
Affordable Housing		✓		✓
Homelessness		✓		✓
Cannabis			✓	✓
Short-Term Rentals			✓	✓
Community Park	✓	✓		✓
Community Outreach & Engagement	✓			✓

Council held two budget study sessions in May and June to review and discuss budget options for the FY 2018-19, before finally adopting the budget on June 5, 2018.

Budgetary Control

The City utilizes the following procedures to establish budgetary control:

1. The Interim City Manager submits to the City Council a proposed balanced operating and capital budget for the following fiscal year.
2. After a review by the City Council, a public hearing is conducted, and further comment is received from the City Council and general public.
3. Upon completion of the hearings and modifications, if any, to the proposed budget, it is adopted by the City Council through passage of an appropriate resolution.
4. Generally, the budget is amended in the middle of the year and at the end of the year. All approved additional appropriations are added to the adopted budget and an amended budget is presented to the City Council, which adopts it after due review.
5. The Interim City Manager is authorized to transfer budget amounts of operational expenditure categories within funds as deemed necessary in order to meet the City’s operational needs.
6. City Council approval is required for all inter-fund transfers, fund reserve to appropriations transfers, new revenue sources with offsetting appropriations, and for transfers to/from the capital expenditure category. The legal level of budgetary control of the City Council is at the fund level. This is the level that City management cannot overspend the budget without approval from the City Council.





The City Council holds public budget study sessions and adopts the City operating and capital budget no later than June 30th of each year.

The philosophy employed in creating this budget document has been to focus the City’s efforts in continuing to provide quality municipal services, as well as the timely addressing of key infrastructure needs.

The City’s budget goals are to achieve a balanced budget with operating revenue, including reimbursements from other funds for services provided, equal to or greater than operating expenditures including debt service).

Staff used the following guidelines in preparation for this budget: ending fund balance (or working capital in the enterprise fund) should meet the minimum level of no less than 20% of operating expenditures. Under this policy, it is allowable for total expenditures to exceed revenue in a given year to fund capital improvement plan projects or other “one-time” non-recurring expenditures.

Ultimately, the City’s financial position and the resources in each fund will determine the level of services and the projects that the City will be able to deliver to the community in the upcoming fiscal year. These services and projects are included in the adopted annual budget.

BUDGET METHODOLOGY

The FY 2018-19 Recommended Budget is the result of an inclusive and interactive budget development process. In preparation of the FY 2018-19 Recommended Budget, staff factored in the Council’s adopted Strategic Plan and input received from the Council priority setting workshop, proposed Capital Improvement Plan, as well as FY 2017-18 mid-year budget review and Council’s direction throughout the year. During the FY 2018-19 budget process, staff implemented a modified zero-based budget methodology and will continue using this methodology for the FY 2018-19 budget.

This methodology is a systematic financial management strategy, commonly used by local governments, which will help achieve a more cost-effective delivery of public services. Expenses must be demonstrated as necessary based on current service level and are not assumed to carry over from prior years. Each new program is considered in light of potential alternatives and priorities that will allow the City to redirect efforts and funds from lower priority to higher priority programs.

Each department was provided a base budget expenditure allotment consistent with the authorized FY 2018-19 Budget, adjusted by known personnel salary and benefit increases, and a 3.0% inflationary increase for professional services contractual obligations and 2% increase for other operating expenses. Each department



was then given an opportunity to submit prioritized program changes for service enhancements or reductions to the base budget.



The goal of this process is to identify necessary and/or desirable service increase or reduction options, which combined will reach a balanced and sustainable budget. To this end, the City Manager reviewed department requests and formulated a packaged budget recommendation of enhancements for Council’s consideration. Staff recommendations are based on many considerations, including the City’s strategic plan, staffing capacity, and potential impacts to the overall City operation and services provided to the community.

During the FY 2017-18 Mid-Year Budget review, the Finance Department worked with each department to analyze the FY 2017-18 projections in order to recommend adjustments for the FY 2018-19 Budget.

These projections were used to create a Base Budget for FY 2018-19, which, adjusted with certain assumptions, eventually shifted into a proposed (recommended) budget for FY 2018-19. The Interim City Manager and Acting Deputy City Manager for Administrative Services and Finance met with each department individually, and then as a group, to discuss and finalize the FY 2018-19 proposed budget recommendations which were presented to the City Council at the June 5, 2018 Council Budget Study Session and subsequently adopted.

Staff recommendations for service changes were based on many factors, including the Council’s strategic vision, staffing capacity and potential impact to the overall City operation and services provided to the community and the Staffing Study the City Council requested. The goal of this process is to identify necessary and /or desirable service increase or reduction options, which combined will reach a balanced and sustainable budget. To this end, the City Manager reviewed department requests and formulated a packaged budget recommendation of enhancements that were approved by Council at the June 5, 2018 Budget Study Session.

FY 2017-18 ADOPTED BUDGET OVERVIEW

The FY 2018-19 Adopted Budget was the result of an inclusive and interactive staff budget development process, input received from the City Council’s adopted Strategic Plan, FY 2017-18 mid-year budget review, the Council’s Budget Study Sessions held on May 16th and June 5th, as well as Council’s direction throughout the year.

The Adopted FY 2018-19 Budget is balanced and has a significant structural surplus when general revenue is compared to operating expenses.





In FY 2018-19, General Fund revenue of \$16.5 million are projected to exceed General Fund expenses of \$17.8 million by \$0.7 million. The General Fund budget is also projected to have a continuing surplus in the upcoming years.

This means that the City will be able to fully fund the cost of day-to-day operations and services in Half Moon Bay with a healthy annual surplus that can be used towards the cost of desired Capital Improvement Program projects and other needs.

Transient occupancy (hotel) tax, property tax, and sales tax revenue make up 77% of General Fund revenue. All major General Fund Revenues are experiencing healthy growth, as further described in the General Fund section of the budget document. General Fund expenditures are projected to be \$0.7 million higher than the FY 2017-18 Revised Budget, due to the current budget assumptions and proposed program enhancements described below.

Base Budget Assumptions

The base budget is not an exact duplicate of the Adopted or Amended FY 2017-18 Budget because of actions the Council may have taken to modify the budget during the course of the year, and most notably because of the 2018-19 budget assumptions used to develop the base budget. The following are some of the key assumptions which were used in the FY 2018-19 Base Budget:



Base Budget General Fund Revenue Assumptions

- **Total General Fund revenue** of \$16.5 million show an increase of \$562,885 (3.5%) from the FY 2017-18 Revised Budget of \$16 million, primarily due to strong projections in Transient Occupancy Taxes and increase in Franchise Tax revenues due to provisions of a new solid waste franchise agreement with the Republic Services, the City's solid waste service provider.
- **Transient Occupancy Tax (TOT)** is the City's largest source of revenues. TOT revenues have increased by approximately 6% each year since FY 2009-10 due to increased tourism activity and initiatives by the Chamber of Commerce to promote mid-week business travel. The FY 2018-19 Budget assumes a 5% increase from the FY 2017-18 Revised Budget amount based on the current trends and staff's progress in collecting TOT from the short-term rental properties in the current year.
- **Property tax** is currently the City's second largest revenue source. While we assumed a 2% increase for property tax itself based on prior year trends, the FY 2018-19 budget recommendations for the property tax category will increase by 6.7% or \$205,450 over the FY 2017-18 adopted budget, as we included \$113,250 for the distribution of excess

ERAF (Educational Revenue Augmentation Fund) revenues in the projected budget.

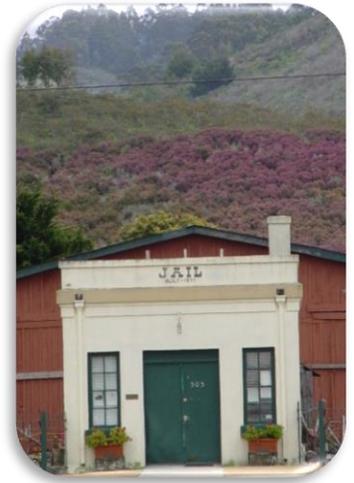
- **Sales and Use Tax** is currently the City's third largest revenue source. Based on discussions with the City's sales tax advisor, MuniServices, the local sales tax revenues will remain relatively flat comparing to the FY 2017-18 Adopted Budget, primarily due to allocation adjustments in local sales tax revenue distribution made by the Board of Equalization which resulted in a one-time increase in sales tax revenues in the prior year.
- **Charges for Services** remain at the Revised FY 2017-18 Budget level based on projected building and planning activity levels. This category also includes charges for parks and recreation services, which the City resumed responsibility for in FY 2017-18.
- **Other Revenues** project a marginal increase of \$69,140 or 4.0%. This category includes County Credit reimbursement for the accelerated side fund payment applied to Sheriff's total personnel cost, golf fees per development agreement with Ocean Colony and parking fees.

Base Budget Expenditures Assumptions:

- Total General Fund expenditures of \$17.8 million, which includes \$15.8 million in operating expenditures and \$1.9 million in capital transfers to fund the City's FY 2018-19 Capital Improvement Program. This is a reduction of \$706,274 or 3.8% over the Revised FY 2017-18 budget of \$18.4 million, primarily due to reduced General Fund contribution towards the CIP program.
- Salary and Benefits projections include funding for 37 full-time equivalent (FTE) positions city-wide, with 31.3 FTE allocated in the General Fund, including the cost associated with the Interim City Manager contract through December 2018.
- Vacant positions are budgeted at top step. Projections also include salary step increases for staff members who may be eligible on their performance review dates.
- Overtime funding is included in the projections based on historical averages of overtime hours worked.
- FY 2018-19 PERS retirement rates are budgeted as provided by CalPERS: Tier 1 (2.0 @ 55) at 10.15% for classic members and Tier 2 (2% @ 62) at 7.27% for new employees without prior municipal experience or who have had a break in service.
- No assumptions were made for new MOU provisions. The City is currently in the process of labor negotiations with all three bargaining units, as the current labor contracts expire on June 30, 2018. Once the agreement is reached and the new contracts are approved by Council, staff will bring any necessary budget amendment for Council approval.



- A budget of \$27,500 is allocated between City Manager, Administrative Services, Finance and Community Development Departments (\$5,500 each) to cover the cost of interns or part time temporary assistance.
- An annual transfer of \$50,000 from General Fund to the Equipment Fund (Fund 62) is included to fund future technology equipment needs.
- Professional Services contractual obligations were increased by 3% over the FY 2017-18 Revised Budget to account for possible increases unless the exact cost estimate has been received and included in the budget.
- Operating Expenses are set at 2% over the FY 2017-18 Revised Budget to account for normal inflationary increases.



Interim City Manager’s Budget Recommendations

The FY 2018-19 Budget includes City Manager recommended changes based on Council direction from the priority workshop and the recent organizational study conducted per Council request by Management Partners. These budget changes are considered “program enhancements” over the Base Budget.

These program additions are listed in order of City Manager’s priority and are grouped in two program categories:

Category I: Resources for Current Services. The objective of this category is to adequately carry out the Council’s vision in projects and tasks that are already assigned and underway, as well as to address retention and succession concerns identified in the organizational study that was presented by Management Partners at the budget study session on May 15, 2018.

Category II: Resources for FY 2018-19 Council Priorities. The objective of this category is to provide sufficient resources to accommodate the City Council priorities related to affordable housing, homelessness, management of the human services grant program, community engagement, and marijuana regulations and taxation, as identified and affirmed at the Council Priority Setting Workshop on May 1, 2018.

Additional information on proposed budget recommendations related to these categories is provided below.

Category 1: Resources for Current Services

There are nine recommendations listed in this group which total a net cost of \$518,900, including up \$409,250 in the General Fund and \$75,000 in one-time equipment cost.

It should be noted that dollar amounts associated with positions listed below include salary and benefits.



These budget additions will allow staff to efficiently and adequately provide the current level of services, help retain current staff and reduce their burn-out rate.

1. Additional allocation of \$67,600 for general legal services from the base budget of \$382,400 to proposed \$450,000 to cover legal work associated with the day-to-day operations and current Council priorities.
2. Increase in scope of \$60,000 for Janitorial Services contract to include cleaning services for the new library facility that is expected to open in Summer 2018.
3. Additional contract scope with Stepford, Inc. for additional IT desktop support services in an amount of \$115,000 to increase coverage from current 8 to 40 onsite hours per week and include unlimited remote support.
4. Reorganization of the Community Development Department which would result in defunding of the currently vacant Planning Manager Position and addition of an in-house Associate Planner position that will result in annual savings of \$47,700 and will better serve the land management needs of the community.
5. Replacement purchase of a lawn tractor at a one-time estimated cost of \$75,000 funded by the available fund balance in the Equipment Fund with no impact on General Fund, to assist with the City's landscaping maintenance needs.
6. Addition of a Maintenance Worker I position in the Public Works Department to expand the City's maintenance service capabilities. An annual fully-burdened cost of this position of \$99,000 includes \$64,350 in General Fund and \$34,650 being allocated to other funds.
7. Additional support of \$25,000 to fund immigration resources and education workshops as an on-going service to the immigrant community.
8. Additional contribution of \$100,000 to the Pension Stabilization internal service fund to address the increase in the City's unfunded pension liability that is now being reported on the City's statement of net position of the Comprehensive Annual Financial Report (CAFR) per GASB-75 reporting mandates. Staff is currently working on an independent actuarial valuation of the City's pension plans and will be bringing a pension funding policy recommendation to Council at the beginning of the new fiscal year.
9. Additional funds of \$25,000 in Public Works Maintenance for replacement of regulatory traffic signs.



Category 2: Resources for FY 2018-19 Council Priorities

There are two recommendations listed in this group with the total net cost of \$109,000. These budget additions will help to carry-on Council’s strategic vision, develop and implement new programs to deliver services related to affordable housing, homelessness, management of human services grant program, community building and civic engagement, and marijuana regulations and taxation.



1. Addition of a Management Analyst position to serve as the City’s communications specialist. The fully-burdened annual cost of this position of \$143,000 will be partially offset by elimination of the on-going contract with Malcolm Smith Communications of \$70,000, reducing the FY 2018-19 additional cost to \$73,000. This position will provide full-time, on-site support to City staff and the City Council to increase outreach to the community.
2. Fund additional Latino outreach services in City Manager’s Office at the estimated annual cost of \$36,000. These services will support staff in developing and implementing a plan to create a Latino Advisory Committee or Commission, which will establish a more formalized engagement approach to the Latino community in Half Moon Bay.

All recommendations involving staffing are costed based upon the top step, fully burdened annual cost for the positions. Based on the City’s current practices, most appointments are made at the mid-range salary scale, and the actual annual cost is likely to be lower in the first few years of the position being filled. New positions do not include a built-in vacancy rate, although staff anticipates up to 25% savings in year one, representing the time required to complete the recruitment process.

Other Significant Changes to the Budget

Internal Position Allocation

Staff reviewed and adjusted the FTE position allocation schedule to ensure that the City is accurately accounting for the cost of providing programs and services within City operations.

Cost Allocation Plan

The City’s Cost Allocation Plan was originally developed by NBS as part of the User Fee Study. Due to substantial changes in the City’s current budget and organization, staff felt that the previous CAP no longer accurately reflected the current costs of the City and required an update based on the recommended FY 2018-19 budget.

As a result of the update to the cost allocation plan model, the City’s General Fund will recover an additional \$33,354 from other funds, including Sewer and Gas Tax. These revenues have been recorded in FY 2018-19 budget under other revenue category of General Fund.



Capital Improvement Program (CIP) Budget

The CIP Budget is presented in a separate document, with a CIP Fund Summary schedule being included in both operating and capital budgets.

The Draft Five Year Capital Improvement Program represents a new milestone in the City’s efforts to protect public health and safety and enhance the quality of life and experience for visitors and residents.



Staff began its formulation of projects and conceptual capital budget in early January, which provided the foundation for the preliminary draft FY 2018-19 Capital Budget presented during the City Council Priority Setting Workshop on May 1, 2018. At the study session on May 15, 2018, guided by Council direction from the workshop, staff provided a more focused list of projects, project descriptions and project costs to the community and City Council, while City Council identified infrastructure needs, set priorities and provided direction on which projects should be included in the Five Year (FY 2018-19 through FY 2022-23) CIP. In the following weeks, Staff has further refined the project descriptions, timing and budgets for presentation.

PROJECT CATEGORIES	FY 18-19	TOTAL ALL FY
DRAINAGE IMPROVEMENTS	790,000	\$ 11,834,250
ECONOMIC DEVELOPMENT	200,000	\$ 2,014,611
OPERATIONAL IMPROVEMENTS	200,000	\$ 500,000
PARKS IMPROVEMENTS	898,000	\$ 3,213,000
PUBLIC FACILITIES	1,470,000	\$ 5,903,000
SEWER IMPROVEMENTS	5,407,500	\$ 18,647,500
STREET IMPROVEMENTS	2,935,000	\$ 28,580,579
TRAILS IMPROVEMENTS	986,000	\$ 6,839,000
TOTAL	\$ 12,886,500	\$ 77,531,940

The FY 2018-19 CIP and capital budget will follow the same format as the current program, which is presented in a separate document with the CIP Fund Summary schedule included in both operating and capital budgets. This document includes a listing of recommended projects for inclusion in the FY 2018-19 capital budget as well as a list of projects identified for years 2-5 as part of the Five-Year CIP.

Staff also identified probable funding sources for projects and explored outside funding sources whenever possible. These include Federal and State Grants, County contributions, Gas Tax and various other tax measures. When no external sources of funding can be identified, General Fund is allocated to help fund identified projects. In the FY 2018-19 proposed CIP, the General Fund contribution is \$1,918,705.

Budgetary Reserves

The Government Finance Officers Association (GFOA) has issued its best practice in determining the appropriate level of unrestricted fund balance in General Fund to be at a minimum of no less than two months of regular general fund operating revenues or expenses, which equates to approximately 17%.

The City’s Fund Balance Policy identifies fund balances (or reserves) as falling into the following categories: Restricted, Committed, Assigned, or Unassigned. In accordance with Government Accounting Standards Board (GASB) Statement No. 54 requirements and the City policy, the Council established the following designations or General Fund Committed Fund Balances:



- Operating Contingency Reserve of 46% of annual expenditures (\$4,750,783)
- Main Street Bridge Contingency (\$1,500,000)
- Unassigned General Fund Balance (\$1,108,040)

The General Fund balances for the fiscal years 2018-19 are detailed in the table below. Total operating expenses are also listed to demonstrate the percentage level of reserves and compliance with the City’s Fund Balance Policy.

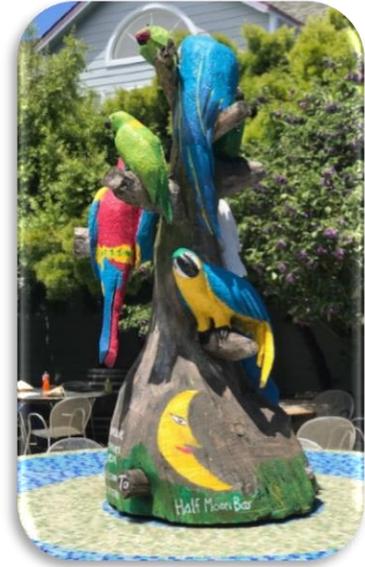
GENERAL FUND (RESTRICTED & UNRESTRICTED BALANCES)

Designations	Actual 2016-17	Revised Budget 2017-18	Recommended Budget 2018-19
Beginning Fund Balance	\$ 10,739,444	\$ 11,057,160	\$ 8,573,412
Total Revenue	15,350,142	15,977,173	16,540,058
Total Expenditures	15,032,426	18,460,921	17,754,647
Ending Fund Balance	11,057,160	8,573,412	7,358,823
Operating Contingency (30% of Op. Exp.)	(3,706,740)	(4,427,972)	(4,750,783)
Assigned for Measure J	(19,419)	-	-
Assigned for Main Street Bridge Contingencies	(1,500,000)	(1,500,000)	(1,500,000)
Total Designations	(5,226,159)	(5,927,972)	(6,250,783)
Undesignated Fund Balance	5,831,001	2,645,440	1,108,040
Operational Expenses	12,355,800	14,759,905	15,835,942
Ending Fund Balance as % of Op. Expenses	89%	58%	46%

Conclusion

The FY 2018-19 General Fund operating budget expenditures are \$17,754,647 and include \$1,918,705 in capital transfers. The FY 2018-19 Other Funds expenditures total \$39,853,615. The One-Year Capital Improvement Plan (CIP) budget is \$12,886,500 and includes 38 projects, and the Five-Year Capital Improvement Plan budget is \$77,531,940.

The City continues to benefit from the stable local economy and the economic growth throughout San Mateo County, Silicon Valley and the Bay Area. This is reflected in the financial outlook for the 2018-19 Fiscal Year. The major revenues continue to increase at a normal rate and cover the cost of day to day operations and services. However, over the last three years, the City made significant efforts in restoring organizational capacity by increasing staffing and expanding programs and services provided to the community, resulting in reduced structural surplus compared to prior years. Some of the challenges that the City will face in the future include:



- Unfunded liabilities as they relate to pension and Other Pension Employee Benefits (OPEB). The implementation of Governmental Accounting Standards Board (GASB) Statement 68 revised the way that governments recognize pension liability. Similarly, GASB Statements 74 and 75 make similar accounting changes to OPEB plans, that will subsequently affect the City's reported liability.
- Uncertainties with the CalPERS retirement assumptions, changes to the CalPERS amortization and smoothing policies, which will drive our CalPERS rates higher. CalPERS recently lowered the discount rate from 7.5 percent to 7.0 percent. This will result in increases in normal pension costs and unfunded actuarial liabilities. Although, Council had previously established a Retirement Stabilization Fund for this purpose, staff will continue to monitor how this change affects the City and will be developing a pension liability funding policy options for Council's consideration.
- Federal and State Budget challenges and potential threat to local governments. Various capital projects are expected to be funded by grant awards.
- The possibility of another recession and making sure the City is equipped for an economic downturn.

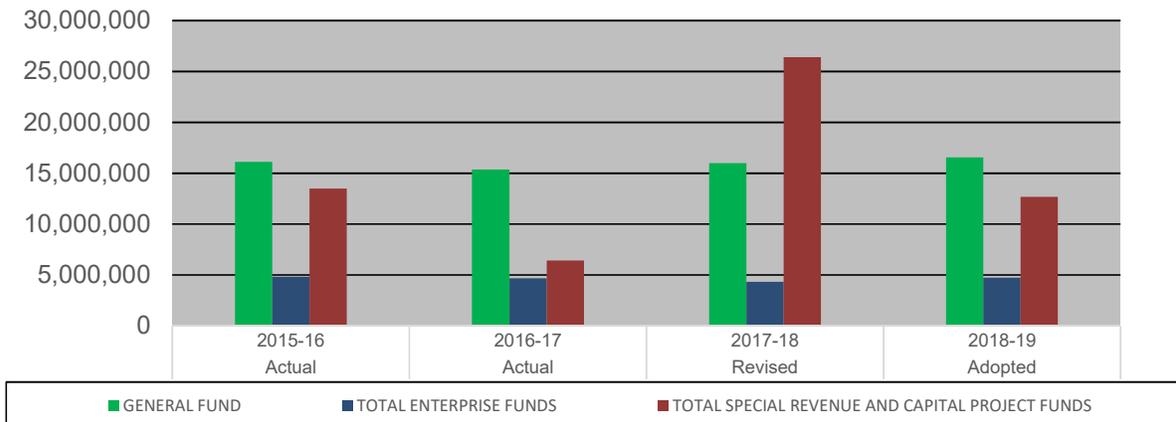
Fiscal sustainability remains a high priority for Half Moon Bay. To that end, staff will continue to seek ways to be as efficient as possible in providing services to the public.

Staff looks forward to continuing work with the City Council and the community in the upcoming year to address any potential financial challenges that may lay ahead and identify operational efficiencies, pursue appropriate economic development opportunities and advise on alternative revenue options available to the community to ensure the high quality of life for the residents and visitors of the City of Half Moon Bay.

**City of Half Moon Bay
FY 2018-19 Adopted Budget
Summary of Revenue & Transfers by Fund**

Fund Name	Actual 2015-16	Actual 2016-17	Revised 2017-18	Adopted 2018-19
GENERAL FUND	\$ 16,097,759	\$ 15,350,142	\$ 15,977,173	\$ 16,540,058
ENTERPRISE FUNDS				
Sewer Operating	2,822,047	2,570,119	2,484,175	4,567,900
Sewer Capital	1,986,956	2,089,242	1,844,200	176,983
TOTAL ENTERPRISE FUNDS	4,809,004	4,659,361	4,328,375	4,744,883
SPECIAL REVENUE FUNDS				
Storm Drain Operating	125,567	51,248	50,600	50,600
Main Street Bridge	80,118	5,085	1,203,700	1,146,622
Gas Tax	275,465	253,172	372,600	475,795
Streets and Roads	1,391,521	285,106	10,326,279	7,844,695
Measure A	250,794	287,595	270,500	276,100
Traffic Mitigation	220,553	507,271	860,615	50,578
Library Operation	52,748	10,967	40,700	70,700
Library Capital	8,365,242	215,590	7,270,810	32,200
Park/Facilities Development	1,454,961	1,445,446	638,124	1,346,756
Affordable Housing	403,862	344,034	11,100	11,100
Capital General	-	2,188,770	2,354,866	12,210
Police Grants	126,969	131,436	103,700	101,700
Drainage Capital	209,420	478,817	1,170,600	300,677
Public Facilities	540,970	224,551	1,733,500	938,500
TOTAL SPECIAL REVENUE AND CAPITAL PROJECT FUNDS	13,498,190	6,429,089	26,407,694	12,658,233
INTERNAL SERVICE FUNDS	1,335,118	1,555,451	1,497,107	1,803,070
DEBT SERVICE FUNDS	1,346,783	982,425	944,998	946,339
LAND ASSETS	-	-	-	-
Total Other Funds	20,989,094	13,626,327	33,178,174	20,152,526
Total All Funds	\$ 37,086,853	\$ 28,976,469	\$ 49,155,346	\$ 36,692,583

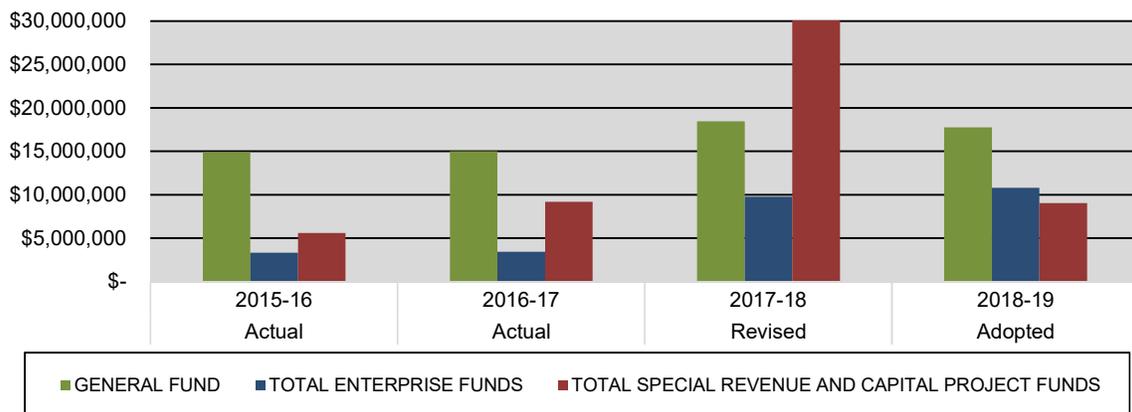
* Land Assets Fund includes value of Glencreed and Beechwood properties



**City of Half Moon Bay
FY 2018-19 Adopted Budget
Summary of Expenditures & Transfers by Fund**

Fund Name	Actual 2015-16	Actual 2016-17	Revised 2017-18	Adopted 2018-19
GENERAL FUND	\$ 14,900,872	\$ 15,032,426	\$ 18,460,921	\$ 17,754,647
ENTERPRISE FUNDS				
Sewer Operating	2,827,709	3,162,753	4,465,841	4,800,674
Sewer Capital	508,120	286,059	5,326,670	5,998,886
TOTAL ENTERPRISE FUNDS	3,335,829	3,448,811	9,792,511	10,799,560
SPECIAL REVENUE FUNDS				
Storm Drain Operating	89,276	24,260	51,200	52,800
Main Street Bridge	93,185	46,762	1,200,000	140,000
Gas Tax	488,246	139,512	309,221	660,009
Streets and Roads	677,799	1,236,297	11,591,602	3,095,899
Measure A	332,793	272,662	274,844	87,494
Traffic Mitigation	77,245	38,158	24,900	25,600
Library Operation	43,769	33,460	72,000	104,800
Library Capital	1,481,726	5,118,395	11,705,010	23,400
Park/Facilities Development	1,601,905	837,318	990,426	1,908,609
Affordable Housing	-	-	175,682	102,000
Capital General	-	461,474	2,418,982	875,000
Police Grants	148,308	87,438	103,000	106,100
Drainage Capital	232,643	198,028	899,205	837,294
Public Facilities	325,943	682,798	1,905,900	1,021,700
TOTAL SPECIAL REVENUE AND CAPITAL PROJECT FUNDS	5,592,838	9,176,562	31,721,971	9,040,705
INTERNAL SERVICE FUNDS	897,046	1,685,482	1,499,507	1,781,370
DEBT SERVICE FUNDS	937,704	937,704	940,604	940,704
Total Other Funds	10,763,417	15,248,559	43,954,594	22,562,340
Total All Funds*	\$ 25,664,289	\$ 30,280,985	\$ 62,415,515	\$ 40,316,987

* Please refer to attachment 4 for a schedule of included budget adjustments which were previously approved.



**City of Half Moon Bay
FY 2018-19 Budget
Transfers/Allocations (In) Summary**

	Budget 2018-19
GENERAL FUND (01)	
From Sewer Operating (05)	460,771
From Sewer Capital (06)	16,386
From Gas Tax (10)	9,597
GENERAL FUND (01)	486,754
SEWER OPERATING (05)	
From Sewer Capital (06)	300,000
SEWER OPERATING (05)	300,000
STORM DRAIN OPERATING (07)	
From General Fund (01)	50,000
STORM DRAIN OPERATING (07)	50,000
STREETS AND ROADS (11)	
From Gas Tax (10)	543,095
STREETS AND ROADS (11)	543,095
DRAINAGE FUND (14)	
From General Fund (01)	292,495
DRAINAGE FUND (14)	292,495
LIBRARY OPERATING FUND (15)	
From General Fund (01)	70,000
LIBRARY OPERATING FUND (15)	70,000
PARK FACILITY FUND (17)	
From General Fund (01)	804,000
PARK FACILITY FUND (17)	804,000
GENERAL CAPITAL FUND (25)	
From General Fund (01)	12,210
GENERAL CAPITAL FUND (25)	12,210
PUBLIC FACILITIES FUND (48)	
From General Fund (01)	810,000
PUBLIC FACILITIES FUND (48)	810,000
EQUIPMENT FUND (62)	
From General Fund (01)	150,897
From Sewer Operating (05)	43,895
From Gas Tax (10)	1,107
From Drainage Fund (14)	368
From Streets & Roads (11)	3,053
From Measure A (12)	881
EQUIPMENT FUND (62)	200,200
RISK MANAGEMENT FUND (63)	
From General Fund (01)	454,514
From Sewer Operating (05)	153,699
From Gas Tax (10)	3,710
From Drainage Fund (14)	1,960
From Streets & Roads (11)	15,314
From Measure A (12)	5,130
From Parks Facilities Fund (17)	544
RISK MANAGEMENT FUND (63)	634,870
PENSION STABILIZATION FUND (64)	
From General Fund (01)	945,000
PENSION STABILIZATION FUND (64)	945,000
JUDGEMENT OBLIGATION BOND (77)	
From General Fund (01)	1,341
JUDGEMENT OBLIGATION BOND (78)	1,341
JUDGEMENT OBLIGATION BOND (78)	
From General Fund (01)	690,198
JUDGEMENT OBLIGATION BOND (78)	690,198

**City of Half Moon Bay
FY 2018-19 Adopted Budget
Fund Balances Summary**

	Projected Fund Balance 6/30/2018	Revenues & Trsfrs In Budget	Expenditures & Trsfrs Out Budget	Revenue Over(Under) Expenditures	Projected Fund Balance 6/30/2019
GENERAL FUND					
01 General*	\$ 8,573,412	\$ 16,540,058	\$ 17,754,647	\$ (1,214,589)	\$ 7,358,822
ENTERPRISE FUNDS					
05 Sewer Operating ¹	353,630	4,567,900	4,800,674	(232,774)	120,855
06 Sewer Capital ¹	19,899,992	176,983	5,998,886	(5,821,903)	14,078,089
Total Enterprise Funds ¹	20,253,622	4,744,883	10,799,560	(6,054,677)	14,198,944
SPECIAL REVENUE FUNDS					
07 Storm Drain Operating	175,843	50,600	52,800	(2,200)	173,643
09 Main Street Bridge	569,298	1,146,622	140,000	1,006,622	1,575,920
10 Gas Tax	286,313	475,795	660,009	(184,214)	102,099
11 Streets and Roads*	2,412,276	7,844,695	3,095,899	4,748,796	7,161,073
12 Measure A*	160,887	276,100	87,494	188,606	349,493
13 Traffic Mitigation*	1,685,808	50,578	25,600	24,978	1,710,786
15 Library*	72,322	70,700	104,800	(34,100)	38,222
16 Library Capital	1,176,838	32,200	23,400	8,800	1,185,638
17 Park/Facilities Development*	662,539	1,346,756	1,908,609	(561,853)	100,686
19 Affordable Housing	1,975,198	11,100	102,000	(90,900)	1,884,298
25 Capital General	1,663,180	12,210	875,000	(862,790)	800,390
22 Police Grants	238,326	101,700	106,100	(4,400)	233,926
14 Drainage Capital	1,107,614	300,677	837,294	(536,617)	570,997
48 Public Facilities	122,573	938,500	1,021,700	(83,200)	39,373
79 Land Assets* ²	26,823,920	-	-	-	26,823,920
Total Special Revenue and Capital Funds	39,132,936	12,658,233	9,040,705	3,617,528	42,750,464
INTERNAL SERVICE FUNDS					
61 Vehicle Replacement ¹	598,919	4,000	148,300	(144,300)	454,619
62 Equipment Replacement ¹	742,139	203,200	153,200	50,000	792,139
63 Risk Management ¹	1,852,289	645,970	634,870	11,100	1,863,389
64 Retirement Stabilization Fund ¹	1,040,304	949,900	845,000	104,900	1,145,204
Total Internal Service Funds ¹	4,233,651	1,803,070	1,781,370	21,700	4,255,351
DEBT SERVICE FUNDS					
77 Judgment Obligation Bond -Series A*	(1,341)	1,341	-	1,341	-
78 Judgment Obligation Bond -Series B*	11,282,136	944,998	940,704	4,294	11,286,430
Total Debt Service Funds	11,280,795	946,339	940,704	5,635	11,286,430
Total Other Funds	\$ 74,901,003	\$ 20,152,525	\$ 22,562,340	\$ (2,409,814)	\$ 72,491,189
Total All Funds	\$ 83,474,415	\$ 36,692,583	\$ 40,316,987	\$ (3,624,403)	\$ 79,850,011

¹ Enterprise and Internal Service Fund Balances are presented on a Net Asset basis, in accordance with GASB Statement No. 34

² Land Assets Fund Balance includes Glenree and Beechwood property values



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CITY OF HALF MOON BAY

Personnel Summary





Employee Compensation and Benefits Summary



The Administrative Services Department is responsible for initiating recruitments and providing employment services to all City departments and employees, and for implementing Federal, State and court mandates and requirements related to employment.

These services include: recruitment and selection of qualified employees, administration of the City's benefit programs, administration of workers' compensation programs, maintenance of the City's classification and salary structure, coordination of Citywide training and development for employees, administration for various Memoranda of Understanding (MOU) between the City and employee unions, and problem solving and employee assistance activities.

The Administrative Services Department is also responsible for the labor negotiation process and employee relations. The Department arranges legally required training for employees, such as Harassment and Defensive Driving Training, as well as many other training seminars throughout the year. The Department also maintains all personnel files and records, including the performance evaluation records.

The City has labor agreements with three bargaining units listed below. Any changes to MOU provisions are performed through the negotiations process and are approved by the Council separately from the budget process.

- 07/01/15 – 06/30/18 Represented Management
- 07/01/15 – 06/30/18 Operating Engineers Local 39
- 07/01/15 – 06/30/18 Non-Represented Employees Compensation and Benefits Plan
- 05/17/16 – 06/30/18 Non-Represented Confidential Employees Compensation and Benefits Plan

The City is currently in the process of negotiation with all four labor groups as the current contracts expire at the end of FY 2017-18. The FY 2018-19 Budget does not include any assumptions for new MOU provisions. Once the agreement is reached and new contracts are approved by Council, staff will bring any necessary budget amendment for Council approval that later will be incorporated into the mid-year budget review.

The Compensation Plan for authorized positions in the unit consists of job title classifications / job codes, with corresponding salary scales spanning five steps with 5% differential between each step. The City participates in the CalPERS program and offers a variety of retirement and health benefit programs and services to employees.

Listed below are examples of these benefits:

MEDICAL / VISION / DENTAL – Employees can choose between ten HMO and PPO Cafeteria Health Plans offered by through CalPERS at three levels: for employee only; for employee plus dependent; and for family coverage. The City pays monthly contributions toward the premium for employee and dependent medical coverage for employees working 20 hours or more per week. The City also pays for employee dental and vision insurance plans.

ADMINISTRATIVE LEAVE – Management and exempt employees receive 12 days of administrative leave per year. The City Manager may grant up to an additional 12 hours of administrative leave per year in recognition of unanticipated efforts.

EMPLOYEE ASSISTANCE PROGRAM – The City provides an employee assistance program for employees and their dependents.

VACATION LEAVE – Employees accrue between 12 and 23 days of vacation per year depending upon their length of service. Vacation accrual is capped at a maximum of two years accumulation.



SICK LEAVE – Employees accrue 12 days per year of sick leave, as well as a sick leave incentive of up to an additional 2 days per year.

HOLIDAYS – There are 14 paid holidays per year, one of which is a floating holiday.

LIFE INSURANCE/ACCIDENTAL DEATH & DISMEMBERMENT – The City pays basic life insurance and accidental death and dismemberment insurance for Operating Engineers in an amount of \$75,000 per employee; and for Represented Management and Non-Represented employees in the amount equal to their individual annual base salary.

LONG TERM DISABILITY/WORKERS' COMPENSATION INSURANCE – The City provides workers' compensation and long-term disability insurance for employees.

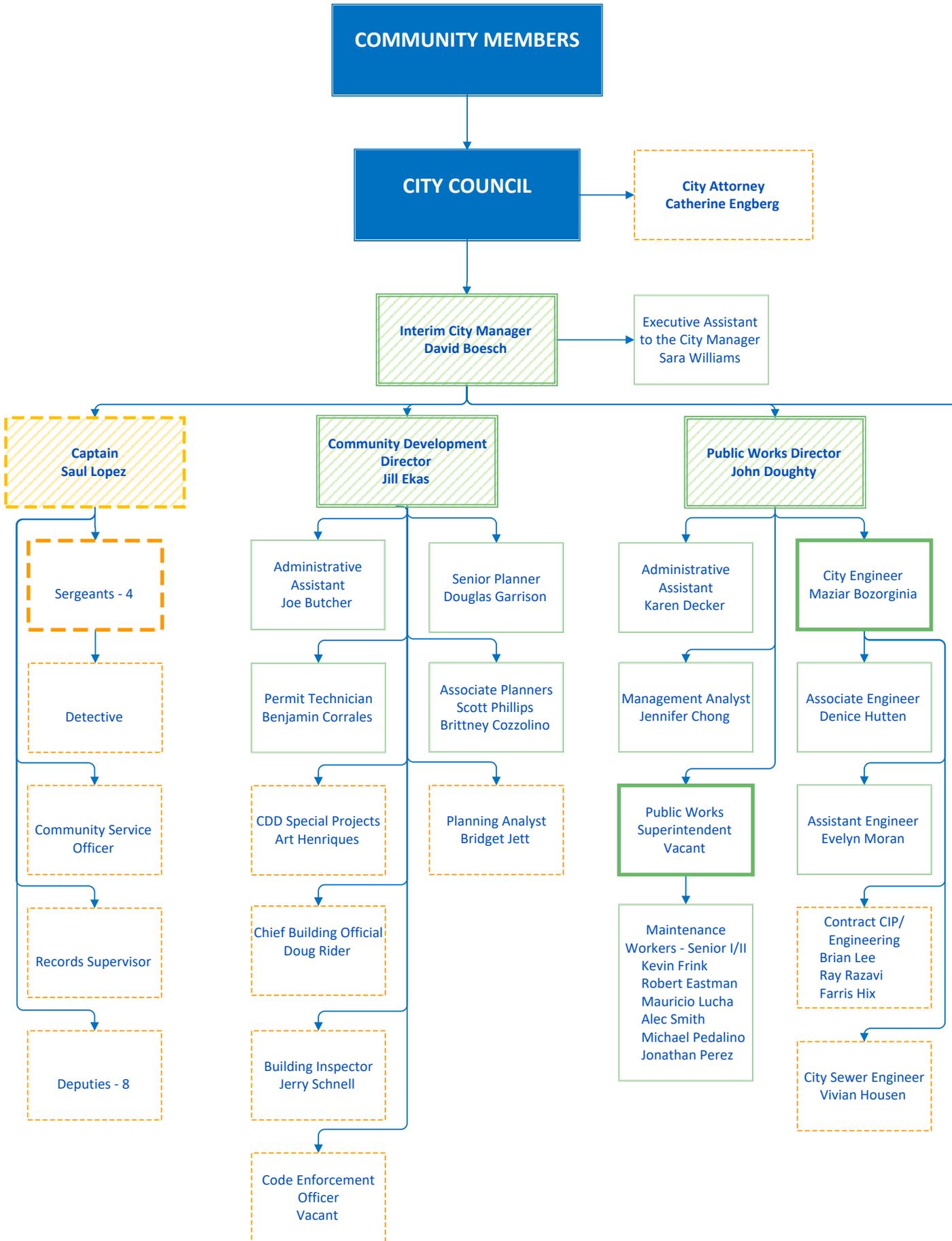
RETIREMENT – The City is part of the Public Employee's Retirement System (PERS) and has two tiers of retirement benefits. CalPERS Classic Members who were hired before 2013 will receive 2% at 55; with the member paying a 7% employee contribution. CalPERS PEPRAs Members who were hired after 2013 will receive 2% at 62, with members paying a 6.5% employee contribution.

EDUCATION INCENTIVE – Employees qualify for up to \$1,500 in reimbursement of eligible costs for job-related educational classes.

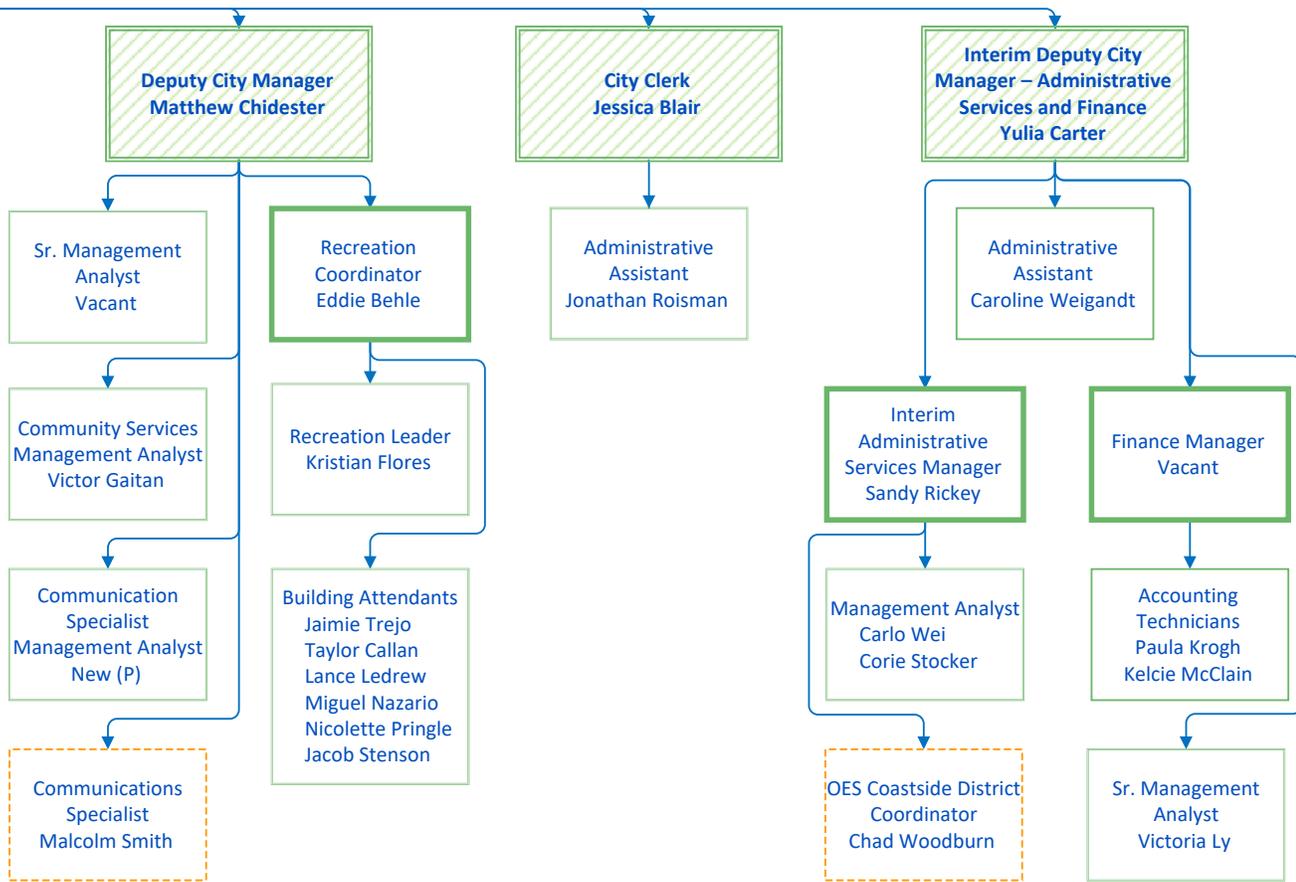
DEFERRED COMPENSATION – Voluntary participation in ICMA or CalPERS 457 deferred compensation plans is available.



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CITY OF HALF MOON BAY FY 2018-2019 Organizational Chart Employees and Contractors



**City of Half Moon Bay
Salary Schedule
Effective July 1, 2018**

Monthly Salary Range Steps					
Position	A	B	C	D	E
Exempt - Non Represented Management					
City Manager	<i>Only one step</i>				19,500
Public Works Director	14,662	15,395	16,164	16,972	17,820
Community Development Director	13,495	14,169	14,877	15,620	16,401
Deputy City Manager	13,470	14,143	14,850	15,592	16,371
Finance Director	13,370	14,038	14,739	15,475	16,248
Administrative Services Director	12,296	12,910	13,555	14,232	14,943
City Clerk	8,157	8,564	8,992	9,441	9,913
Exempt - Confidential					
Finance Manager	9,797	10,286	10,800	11,339	11,905
Administrative Services Manager	9,708	10,193	10,702	11,237	11,798
Management Analyst - Human Resources	7,264	7,627	8,008	8,408	8,828
Executive Assistant to the City Manager	6,166	6,474	6,797	7,136	7,492
Exempt - Represented Management					
City Engineer	11,845	12,437	13,058	13,710	14,395
Senior Planner	8,513	8,938	9,384	9,853	10,345
Associate Engineer	8,390	8,809	9,249	9,711	10,196
Public Works Superintendent	7,950	8,347	8,764	9,202	9,662
Senior Management Analyst	7,482	7,856	8,248	8,660	9,093
Associate Planner	7,264	7,627	8,008	8,408	8,828
Management Analyst	7,264	7,627	8,008	8,408	8,828
Assistant Engineer	6,785	7,124	7,480	7,854	8,246
Recreation Coordinator	5,434	5,705	5,990	6,289	6,603
Non-Exempt Operating Engineers Local 39					
Permit Technician	5,642	5,924	6,220	6,530	6,856
Administrative Assistant	5,391	5,660	5,942	6,239	6,550
Senior Maintenance Worker	6,020	6,321	6,637	6,968	7,316
Maintenance Worker II	5,114	5,369	5,637	5,918	6,213
Maintenance Worker I	4,534	4,760	4,997	5,246	5,508
Accounting Technician	4,643	4,875	5,118	5,373	5,641
Office Assistant II	4,299	4,513	4,738	4,974	5,222
Office Assistant I	3,766	3,954	4,151	4,358	4,575
Recreation Leader III	2,771	2,909	3,054	3,206	3,366
Recreation Leader II	2,499	2,623	2,754	2,891	3,035
Recreation Leader I	2,209	2,319	2,434	2,555	2,682
Part-Time Hourly					
Building Attendant I	12.00	12.60	13.23	13.89	14.58
Building Attendant II	13.90	14.59	15.32	16.09	16.89
Building Attendant III	16.10	16.90	17.74	18.63	19.56
Intern	11.00	14.00	17.00	20.00	23.00

**City of Half Moon Bay
Fiscal Year Ending June 30, 2019
Personnel Summary**

Full-Time Equivalent	Actual 2014-15	Actual 2015-16	Actual 2016-17	Revised 2017-18	Proposed 2018-19
City Manager	1.00	1.00	1.00	1.00	1.00
Deputy City Manager	1.00	1.00	1.00	1.00	1.00
Finance Director/City Treasurer	1.00	1.00	1.00	1.00	1.00
Public Works Director	0.00	0.00	1.00	1.00	1.00
Community Development Director	1.00	1.00	1.00	1.00	1.00
Administrative Services Director	0.00	0.00	0.00	1.00	1.00
Administrative Services Manager	1.00	1.00	1.00	0.00	0.00
City Clerk	1.00	1.00	1.00	1.00	1.00
Accounting Technician	2.00	2.00	2.00	2.00	2.00
Administrative Assistant	2.00	2.00	2.00	4.00	4.00
Assistant Engineer	0.00	1.00	1.00	1.00	1.00
Associate Engineer	0.00	1.00	1.00	1.00	1.00
Associate Planner	0.00	0.00	0.00	1.00	2.00
Building Attendant	0.00	0.00	0.00	1.00	1.00
City Engineer	1.00	1.00	1.00	1.00	1.00
Deputy City Clerk	1.00	1.00	1.00	0.00	0.00
Executive Assistant	0.00	1.00	1.00	1.00	1.00
Finance Manager	0.00	0.00	0.00	1.00	1.00
Maintenance Worker (I/II)	2.00	3.00	3.00	5.00	6.00
Management Analyst	4.00	3.00	3.00	4.00	5.00
Permit Technician	0.00	1.00	1.00	1.00	1.00
Planning Manager	0.00	0.00	1.00	1.00	0.00
Public Works Superintendent	1.00	1.00	1.00	1.00	1.00
Recreation Coordinator	0.00	0.00	1.00	1.00	1.00
Recreation Leader	0.00	0.00	1.00	1.00	1.00
Senior Accountant	1.00	1.00	1.00	0.00	0.00
Senior Management Analyst	1.00	1.75	2.50	2.00	2.00
Senior Planner	0.00	0.00	0.00	1.00	1.00
Total Regular Fulltime Employees	21.00	25.75	30.50	37.00	39.00

*FTE Count does not include limited term employees.

**City of Half Moon Bay
FY 2018-19 Budget
Staffing Level Summary**

Fund Department Division	Actual 2015-16	Actual 2016-17	Revised Budget 2017-18	Recommended Budget 2018-19
General Fund				
General Administration	12.85	12.40	12.80	13.50
Community Development				
Planning Services	2.90	4.05	4.25	4.75
Building and Code Enforcement	0.40	0.65	0.90	1.05
Total Community Development	3.30	4.70	5.15	5.80
Public Works				
Engineering	2.85	2.50	3.40	3.95
Facilities Maintenance	2.30	3.15	5.60	5.30
Total Public Works	5.15	5.65	9.00	9.25
Recreation/Community Services				
Parks/Recreation	0.20	2.40	4.50	3.50
Community Services	0.00	0.00	0.00	1.30
Total Recreation Services	0.20	2.40	4.50	4.80
Total General Fund	21.50	25.15	31.45	33.35
Other Funds				
05 - Sewer Operating	1.20	1.80	1.80	1.90
11/12 - Streets & Roads/Measure A	1.90	1.15	2.00	2.25
14 - Storm Drains	0.55	0.90	0.20	0.20
17 - Parks Facilities	0.00	0.15	0.15	0.15
19 - Affordable Housing	0.00	0.00	0.25	0.00
48 - Public Facilities	0.00	0.15	0.00	0.00
61 - Vehicle Internal Service	0.60	0.10	0.00	0.00
63 - Risk Management	0.00	1.10	1.15	1.15
Total Permanent Staffing Levels (FTE)	25.75	30.50	37.00	39.00
City Council	5.00	5.00	5.00	5.00
Total Staffing Levels (FTE)	30.75	35.50	42.00	44.00

Service Area	Full Time Equivalents (FTE)		
	FY 2017-18	Net Change	FY 2018-19
City Council	5.00	-	5.00
City Clerk	1.90	-	1.90
City Manager	3.10	0.70	3.80
Finance and Risk Management	4.60	-	4.60
Admin Svcs/HR/IT/Emergency Services	3.50	(0.30)	3.20
Community Development/Planning Services/Building Inspection	5.15	0.65	5.80
Public Works - Engineering/Facilities Maintenance	9.00	0.25	9.25
Public Safety	-	-	-
Recreation/Community Services	4.50	0.30	4.80
Other	5.25	0.40	5.65
TOTAL	42.00	2.00	44.00



CITY OF HALF MOON BAY

General Fund





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General Fund Overview

The General Fund is the primary operating fund of the City and is used to account for day-to-day activities. It receives unrestricted revenue and provides City general administrative services, public safety and land development – related activities.

All general tax revenue and other revenues that are not allocated by law or contractual agreement to another fund are accounted for in this fund. The General Fund is an unrestricted fund and its resources can be used for any City service or governmental purpose.



The City's major revenue sources for the General Fund are transient occupancy (hotel) taxes, sales and property taxes, charges for services and other revenue.

The General Fund provides for the cost of operating City government and includes the City Attorney, City Clerk, City Council, City Manager, Finance and Risk Management, Human Resources, Information Technology, Emergency Services Operations, Public Safety, Planning Services, Building and Code Enforcement, Engineering, Facilities Maintenance, and Recreation Services. In addition, General Fund expenditures include capital projects and reserve funding.

The City provides services to the community using a combination of City staff, programs and contract services. The Community Development, Public Works, Engineering, Building, Administrative Services, City Clerk and City Manager departments consist primarily of City staff. This work is supplemented by contracts with other government agencies and service providers that provide the City with Animal Control, Building Inspection, Building Permit Processing including plan check, Code Enforcement, Dispatch, Engineering, Information Technology, Janitorial, Law Enforcement, Legal Services, Library Operations, and limited Landscaping Maintenance services.

BUDGET OVERVIEW

The General Fund budget for FY 2018-19 is \$16.5 million in revenue and \$15.8 million in operating expenditures, excluding capital transfers. This will generate a structural surplus of \$0.7 million in the 2018-19 General Fund budget. The City continues to invest back to the community by substantially funding its aggressive Capital Improvement Program through General Fund reserves. The FY 2018-19 General Fund contribution to Capital Program is \$1.9 million. The projected structural surplus helps offset the cost of the desired Capital Improvement Program, by reducing the use of General Fund reserves from \$1.9 down to \$1.3 million.

GENERAL FUND REVENUES

Unlike appropriations that can be established at the direction of the City, many key revenue sources are controlled by external forces to the City. For instance, property tax revenue varies with real estate values, and development-related revenue is affected by the volume and type of

building permits and plan check requests. Sales tax and transient occupancy tax (TOT) revenues are subject to local and national economic cycles, businesses' decision to locate in the community and travel activity of businesses and tourists.

Three sources make up almost 77% of the revenue in the General Fund: Transient Occupancy (Hotel) Tax, Property Tax and Sales Tax.

General Fund revenue in 2018-19 is projected to come in higher than last year's revenue. The budget includes an increase of approximately \$563,000, or 3.5%, over FY 2017-18 revised budgeted revenues, primarily due to strong economic conditions.

Key general fund revenue categories are further described below:



Transient Occupancy Taxes (TOT)

Transient occupancy taxes are assessed on The City's thirteen hotels, motels, bed & breakfast establishments, and three campgrounds at a rate of 12%, generating the City's largest source of revenue. Based on information provided by the City's Chamber of Commerce, the 672 available rooms in 2018 averaged 72% occupancy and accommodated over 4.1 million of annual coastside visitors, including nearly 216,400 overnight guests. The tourist profile includes about 15% of foreign visitors, 22% domestic from other states and around 63% from other parts of Northern California. It is estimated that these visitors contributed to the Half Moon Bay economy, by making purchases totaling about \$80,900,000 in sales throughout the community last year.

TOT revenue is projected to increase due to strong occupancy numbers and room rates at local hotels. TOT revenue has increased by no less than 6% each year since FY 2009-10 due to increased tourism activity and initiatives by the Chamber of Commerce to promote mid-week business travel. The TOT revenues are projected to go up by 5% or \$314,000 in the upcoming year based on the current trends and staff's progress in collecting TOT from the short-term rental properties.

Property tax

Property tax is the City's second largest revenue source. Property tax revenue is collected and distributed by the County of San Mateo based on applying the constitutionally limited tax rate of 1% to the assessed value of certain secured and unsecured properties as determined by the County Assessor.



The City's share of this property tax revenue is approximately 6.67%, less than the rebate back to the State for Educational Revenue Augmentation Fund (ERAF), which would bring the City's General Fund portion of property tax revenue down to a net share of about 5.5 cents per each dollar of tax collected.

Where Do Property Taxes Go?
Based on the City's largest Tax Rate Area (TRA)



The City considers the historical rate of changes and economic conditions when forecasting property tax revenue. Property tax revenue shows increases based on figures from the San Mateo County Assessor's Office. This is consistent with trends throughout the County.

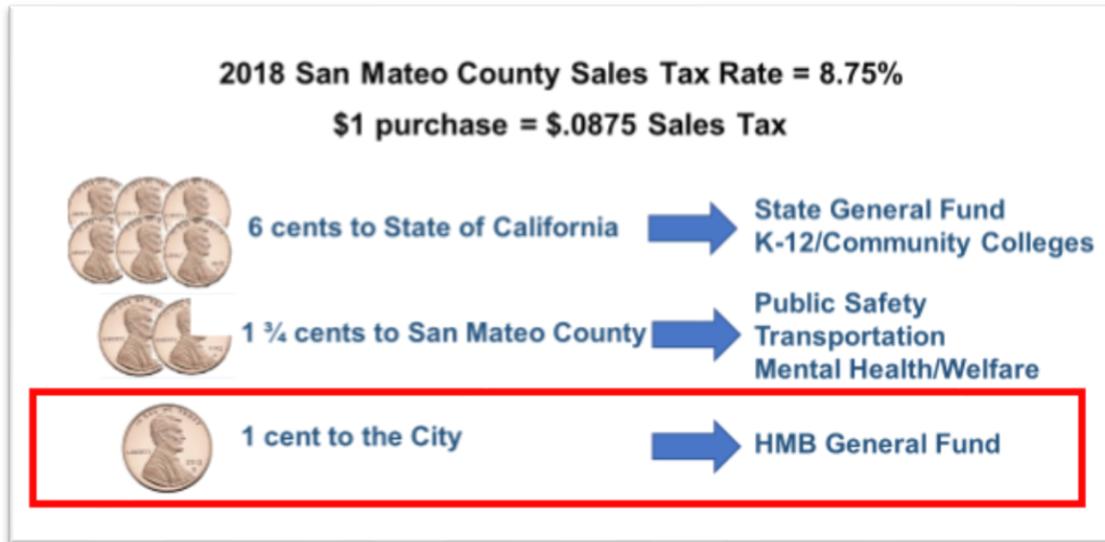
While the property tax budget revenue assumes a 3% increase for base property tax based on prior-year trends, and information received from the San Mateo County Controller's Office, the FY 2018-19 budget recommendation for overall property taxes of \$3.27 million will pretty much remain at the same level as the FY 2017-18 Revised budget, because the distributions of excess Educational Revenue Augmentation Fund (ERAF) is being budgeted at 50% of the historic distribution level due to uncertain nature of these revenues.

Sales and Use Tax

The Sales Tax is currently the City's third largest revenue source. Sales tax is collected by the State Board of Equalization against tangible items. The local portion is distributed to cities and counties based on the location of the sale. The City of Half Moon Bay receives a 1c on every \$1 purchase as listed in the chart below.



Where Do Sales Taxes Go?



Half Moon Bay Sales Tax is generated from three major economic sectors listed below. Approximately 75% of the City's total sales tax is generated from twenty-five businesses.

- Food (grocery, restaurants) – 48%
- General Retail – 15%
- Transportation (car sales, gas station) – 21%
- Other – 16%

Based on discussions with MuniServices, the City's external sales tax consultant, the local sales tax revenues will remain relatively flat comparing to the FY 2017-18 Adopted Budget, primarily due to allocation adjustments in local sales tax revenue distribution made by the Board of Equalization which resulted in a one-time increase in sales tax revenues in the prior year.



Other Taxes

Other taxes include franchise fees assessed on franchise agreements with utility companies, and business license registration taxes that are being assessed on all businesses operating within the City limits. The franchise fees are projected to increase by \$173,200 or 3.2% over the FY 2017-18 budget as a result of a new solid waste franchise agreement that went into effect in January, 2018. Business license taxes will also show an increase of \$18,300 or 6.1% based on the information provided by the HdL Co, the consultant firm that provides the business license registration and collection services for the City.

Charges for Services

Cost of Services fees are revised on an annual basis based on a comprehensive review of actual cost. This revenue source is approximately 6.1% of General Fund revenue. For FY 2018-19,

charges for services are projected to remain at the FY 2017-18 Revised budget level of 1.0 million, based on projected building activity and fees received from recreation services, for which the City resumed responsibility in the 2017-18 fiscal year.

In FY 2017-18, staff completed a comprehensive citywide user fee study, conducted by an outside consultant, NBS Government Solutions. The study revised the method of calculating user-based



fees, that will allow the City to accurately account for the true cost of providing various programs and services within City operations and approach full cost recovery when setting user fees. Based on the results of the study and Council adoption of the revised Master Fee Schedule, the City will move from the current 56% to close to 99% recovery rate for the majority of City services that provide private benefit (e.g. most of building and planning services), while still being able to offer subsidies for services that provide public benefit (e.g. public safety, children and senior services and activities).

The FY 2018-19 Budget is being conservative in projections for charges for services category, as staff does not anticipate a lot of building and planning activity in the upcoming year. Staff will revisit these revenue projections at mid-year once the master fee schedule is fully implemented and the City will be able to analyze a full year data from the recreation program revenues, as the City brought these services back in-house in the FY 2017-18 fiscal year.

Other Revenues

This revenue category includes San Mateo County credit reimbursement for the accelerated side fund payment applied to the Sheriff's total personnel cost, golf fees per development agreement with Ocean Colony and parking fees. Other Revenues project an increase of \$69,140 or 4% due to an additional program management fees per new solid waste franchise agreement that went into effect in January, 2018.

GENERAL FUND EXPENDITURES

The 2017-18 General Fund Budget expenditures of \$17.8 million, which includes \$15.8 million in operating expenditures and \$1.9 million in capital transfers to fund the City's FY 2018-19 Capital Improvement Program. This is a reduction of \$706,274 or 3.8% over the Revised FY 2017-18 budget of \$18.6 million, primarily due to the budget assumptions used to develop the base budget to meet Council's current and upcoming priorities and reduced General Fund contribution towards the CIP program.

TRANSFERS FOR CAPITAL PROJECT FUNDS

The General Fund helps to fund projects and expenditures identified in the City's Capital Improvement Plan (CIP) that is budgeted in various Special Revenues and Capital Funds.

Staff always strives to identify probable funding sources for projects and explore outside funding sources whenever possible. These include Federal and State Grants, County contributions, Gas Tax and various other tax measures. When no external sources of funding can be identified, General Fund is allocated to help fund identified projects.



The Proposed FY 2018-19 CIP budget of \$12.9 million includes 16 new capital projects and the total General Fund contribution of \$1.9 million, of which \$1.3 million will be funded out of the General Fund reserves also known as a fund balance. Additional information on the City’s Capital Improvement Program can be found in the FY 2018-2023 CIP Budget document.

RESERVES AND ASSIGNED FUNDS

The City’s Fund Balance Policy identifies fund balances (or reserves) as falling into the following categories: Restricted, Committed, Assigned or Unassigned. In accordance with GASB Statement No. 54 requirements and the City policy, the Council established the following designations or General Fund Committed Fund Balances:

- Operating Contingency Reserve of 30% of annual expenditures (\$4.8 million)
- Main Street Bridge Contingency (\$1,500,000)
- Unassigned General Fund Balance (\$1.1 million) The General Fund balances for the FY 2018-19 Base Budget are detailed in the table below. The City will have a balanced FY 2018-19 Budget and will have an ending undesignated General Fund Balance of \$1.1 million.

GENERAL FUND (RESTRICTED & UNRESTRICTED BALANCES)

Designations	Actual 2016-17	Revised Budget 2017-18	Recommended Budget 2018-19
Beginning Fund Balance	\$ 10,739,444	\$ 11,057,160	\$ 8,573,412
Total Revenue	15,350,142	15,977,173	16,540,058
Total Expenditures	15,032,426	18,460,921	17,754,647
Ending Fund Balance	11,057,160	8,573,412	7,358,823
Operating Contingency (30% of Op. Exp.)	(3,706,740)	(4,427,972)	(4,750,783)
Assigned for Measure J	(19,419)	-	-
Assigned for Main Street Bridge Contingencies	(1,500,000)	(1,500,000)	(1,500,000)
Total Designations	(5,226,159)	(5,927,972)	(6,250,783)
Undesignated Fund Balance	5,831,001	2,645,440	1,108,040
Operational Expenses	12,355,800	14,759,905	15,835,942
Ending Fund Balance as % of Op. Expenses	89%	58%	46%

The Committed Contingency Reserve provides funds for the City to cover unexpected and sharp drops in revenues due to the economy, emergency events and other unanticipated expenditures and events. The City's policy requires this reserve to be 30% of budgeted annual operating expenditures. In calculating the FY 2018-19 operating contingency reserves, staff included operating transfers in the expenditures figures and set aside nearly \$4.8 million for this purpose.

The Main Street Bridge Contingencies assigned funds remain unchanged from their current level of \$1.5 million.

The City's unassigned General Fund Balance is projecting a healthy figure of \$1.1 million, which is in addition to the committed reserves mentioned above. Altogether, General Fund projected fund balance of \$7.3 million represents 46% of operating General Fund expenditures, which is well above the GFOA recommended guidelines.



**City of Half Moon Bay
FY 2018-19 Budget
General Fund Summary**

	Actual 2015-16	Actual 2016-17	Revised Budget 2017-18	Rec. Budget 2018-19
Revenue	16,097,759	15,350,142	\$ 15,977,173	\$ 16,540,058
Operating Expenditures	(8,781,267)	(10,417,622)	(12,659,725)	(13,473,254)
General Fund Transfers Out- Operating	(1,698,105)	(1,942,871)	(2,100,180)	(2,362,688)
Excess of Operating Revenue Over/(Under) Expenditures	5,618,387	2,989,649	1,217,268	704,116
General Fund Transfers Out - Capital (CIP)	(3,068,500)	(1,981,933)	(3,681,597)	(1,918,705)
General Fund Transfers Out- CIP Assigned to Measure J	(1,353,000)	(690,000)	(19,419)	-
Net Change to General Fund	1,196,887	317,716	(2,483,748)	(1,214,589)
Beginning Total Fund Balance	9,542,557	10,739,444	11,057,160	8,573,412
Ending Fund Balance	10,739,444	11,057,160	8,573,412	7,358,823
Less: Committed Contingency Reserve	(3,143,812)	(3,708,148)	(4,427,972)	(4,750,783)
Committed to Measure J	(534,419)	(19,419)	-	-
Committed to Main St Bridge Contingencies	(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)
Unassigned Fund Balance	\$ 5,561,213	\$ 5,829,593	\$ 2,645,440	\$ 1,108,040

Excess Revenue Over/(Under) Expenditures

There is a structural surplus in the FY 2018-19 budget of \$0.7 million, driven primarily to strong economic conditions.

Committed Contingency Reserve

The City's reserve policy requires a reserve of 30% of budgeted annual operating expenditures. The FY 2018-19 budget is in compliance with policy and allocates \$4.8 million as a General Fund contingency reserve.

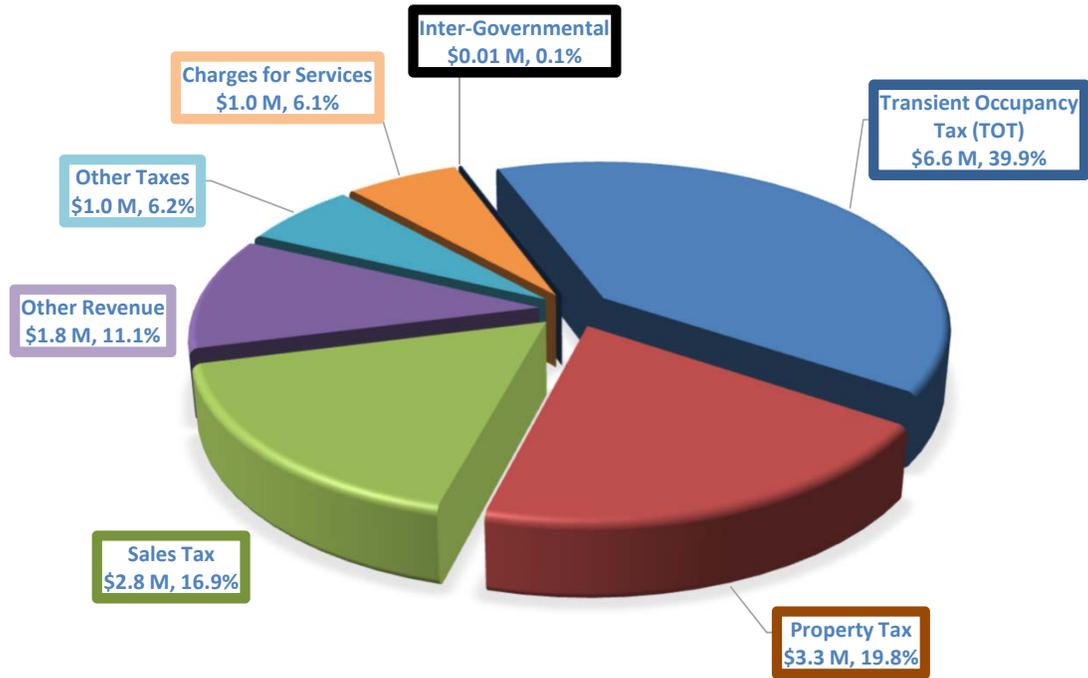
Assigned Reserves for FY 2018-19

The City assigns \$1.5 million for Main Street Bridge contingencies and remaining Measure J Funds. All Measure J funds were expended at the end of FY 2017-18

**City of Half Moon Bay
FY 2018-19 Budget
General Fund Revenue Detail**

Description	Actual 2015-16	Actual 2016-17	Revised 2017-18	Adopted 2018-19
Taxes				
Transient Occupancy Taxes	\$5,935,558	\$6,024,860	\$6,289,000	\$6,603,000
Property Taxes	3,123,236	3,134,138	3,319,300	3,268,250
Sales & Use Taxes	4,068,786	2,514,852	2,787,222	2,791,538
Franchise Tax	544,398	626,443	535,800	709,000
Business License Tax	263,826	293,223	301,700	320,000
Total Taxes	13,935,805	12,593,516	13,233,022	13,691,788
Intergovernmental				
Dept of Motor Vehicles Fees (VLF)	56,407	6,407	8,000	8,000
State Reimbursements(POST/SB90)	31,002	2,529	3,500	3,500
Total Intergovernmental	87,410	8,936	11,500	11,500
Charges for Services				
Building Permits	295,499	401,324	373,160	373,160
Engineering & Planning Fees	136,637	135,305	260,708	261,708
Police Services	118,204	95,883	135,275	135,500
Recreation Services	20,000	23,536	186,000	186,000
Other	56,918	6,613	47,600	48,000
Total Charges for Services	627,258	662,662	1,002,743	1,004,368
Other Revenue				
Other Fees	180,295	620,437	152,857	209,600
Golf Fees	427,383	398,027	430,000	439,000
Interest & Unrealized Gain/(Loss)	26,193	96,563	26,200	26,200
Parking	141,507	125,224	135,300	135,300
County Credit Reimbursements	382,951	555,822	541,121	535,548
Allocation In from Other Funds	288,956	288,956	444,430	486,754
Total Other Revenues	1,447,286	2,085,029	1,729,908	1,832,402
Total General Fund Revenue	\$16,097,759	\$15,350,142	\$15,977,173	\$16,540,058

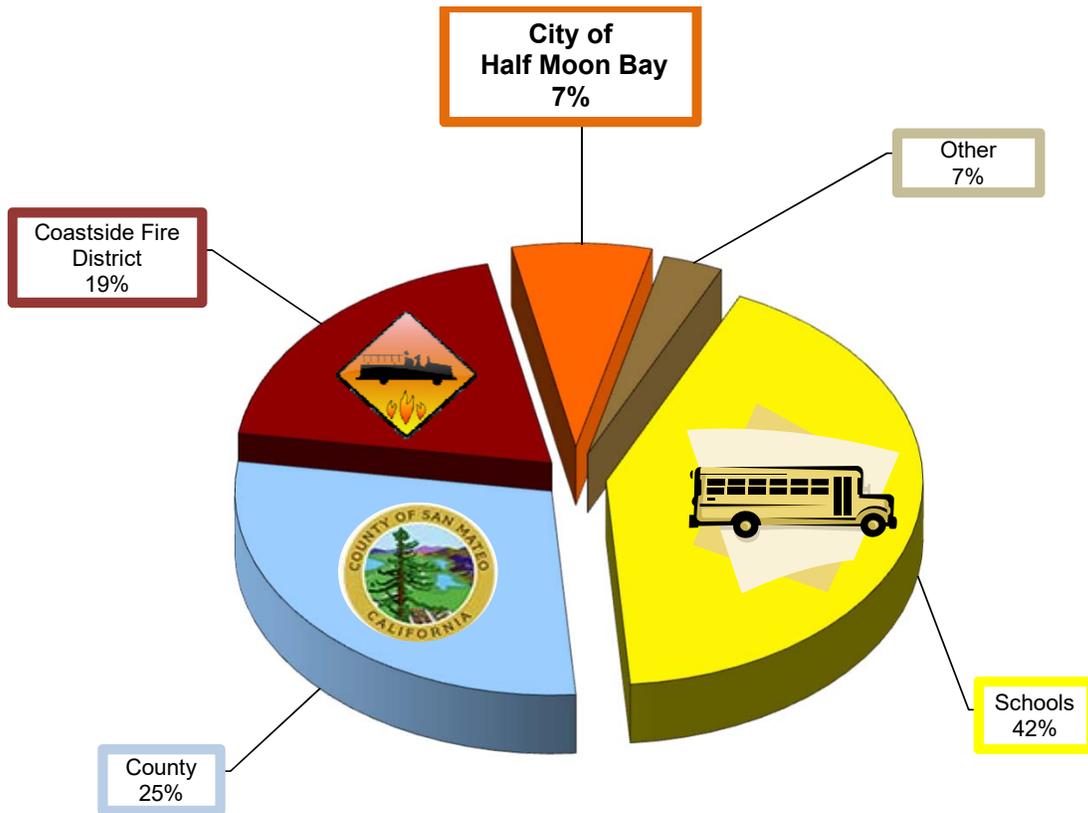
**City of Half Moon Bay
FY 2018-19 Budget
General Fund Revenue**



Transient Occupancy Tax (TOT)	\$6,603,000
Property Tax	3,268,250
Sales Tax	2,791,538
Other Revenue	1,832,402
Other Taxes	1,029,000
Charges for Services	1,004,368
Inter-Governmental	11,500
Total 2017-18 Budget	<u><u>\$ 16,540,058</u></u>

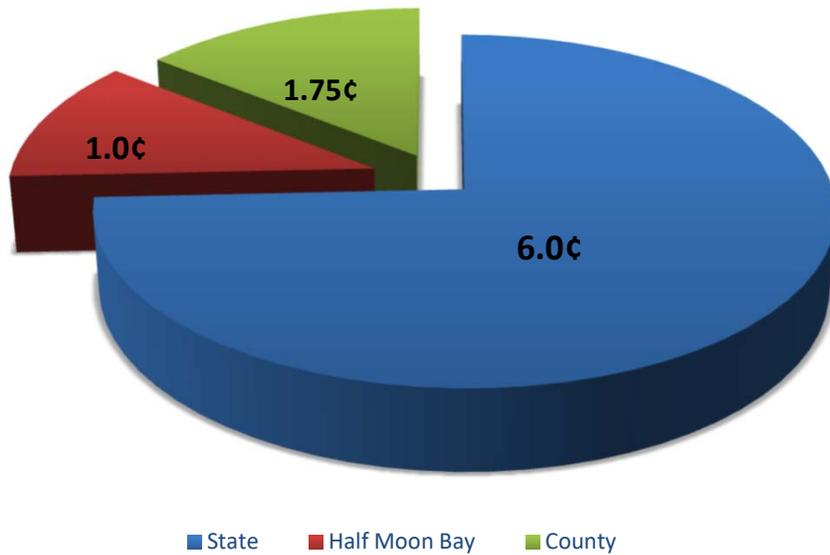
The City of Half Moon Bay's three primary revenue sources are Transient Occupancy Tax (TOT), Property Tax, and Sales Tax, which comprise 77% of total General Fund Revenue.

**City of Half Moon Bay
FY 2018-19 Budget
Property Tax Revenue**



The City of Half Moon Bay's share of Property Taxes is 7%. The average allocation percentage for San Mateo County cities is 18%. Half Moon Bay is a low property tax city.

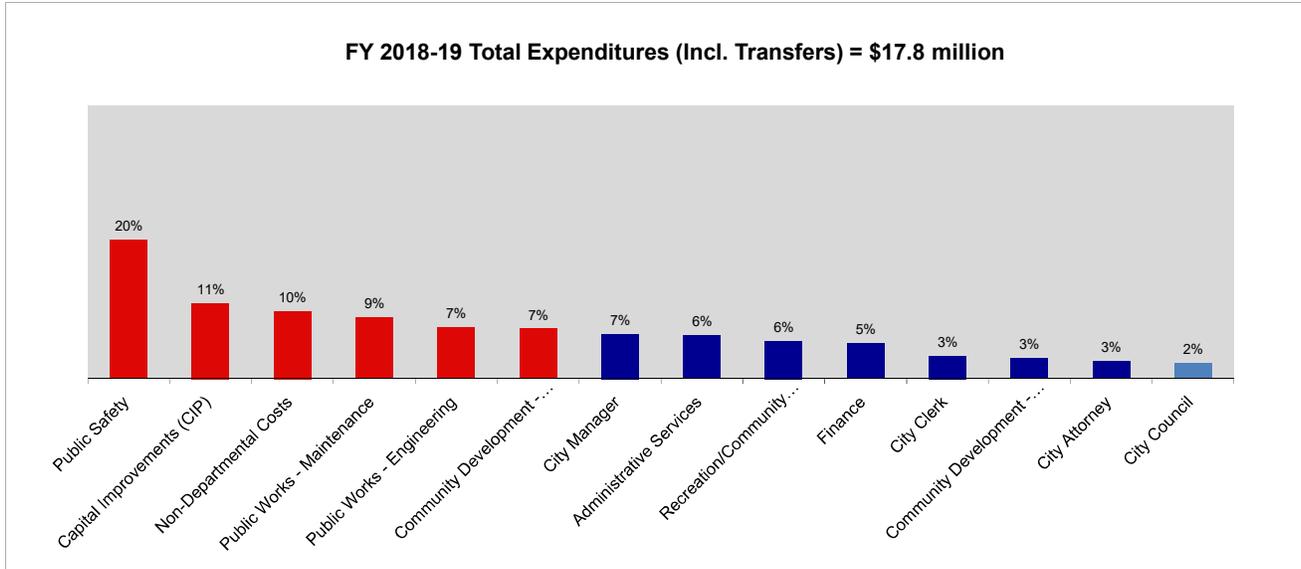
**City of Half Moon Bay
FY 2018-19 Budget
Sales Tax Revenue**



Half Moon Bay Sales Tax is generated primarily from three sectors. Approximately 74% of total Sales Tax is generated from twenty-five businesses.

Food (grocery, restaurants)	48%
General Retail	15%
Transportation (car sales, gas stations)	21%
Other	16%
	<u>100%</u>

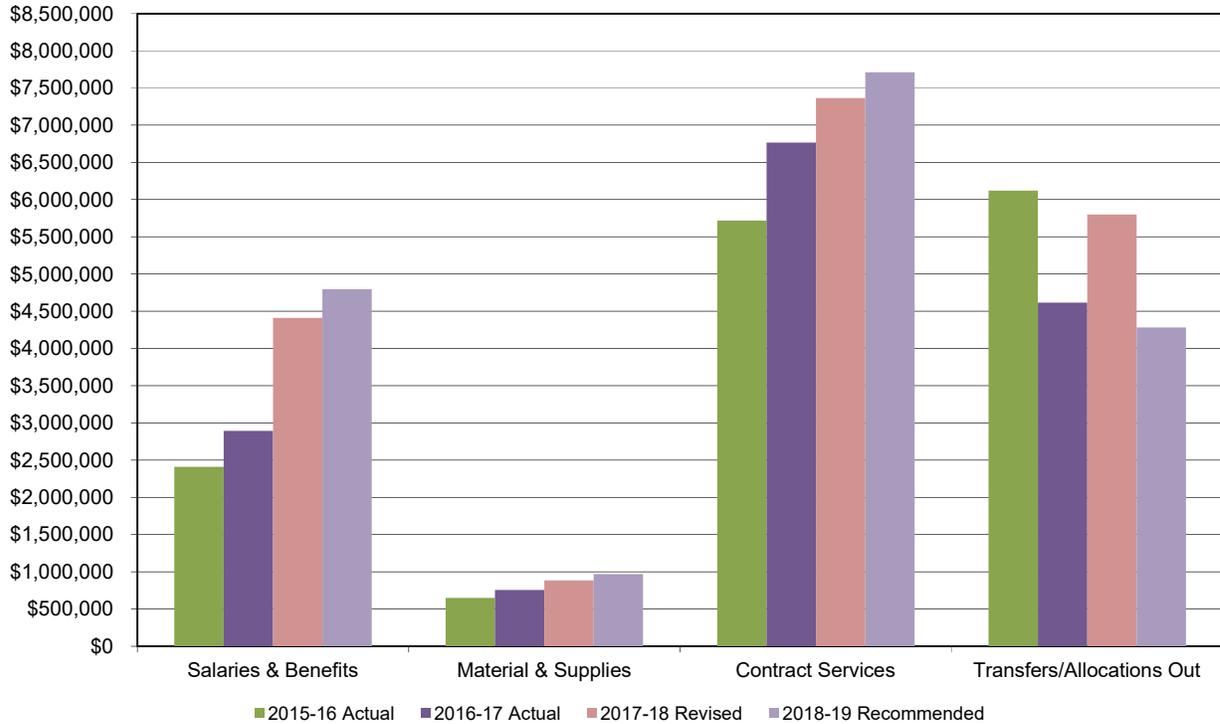
**City of Half Moon Bay
FY 2018-19 Budget
General Fund Expenditures**



Public Safety	\$ 3,614,926
Capital Improvements (CIP)	\$ 1,968,705
Non-Departmental Costs	\$ 1,756,539
Public Works - Maintenance	\$ 1,596,647
Public Works - Engineering	\$ 1,330,815
Community Development - Planning Services	\$ 1,299,302
City Manager	\$ 1,161,771
Administrative Services	\$ 1,134,901
Recreation/Community Services	\$ 984,961
Finance	\$ 919,114
City Clerk	\$ 593,053
Community Development - Building & Code Enforcement	\$ 534,590
City Attorney	\$ 450,000
City Council	\$ 409,323
Total 2017-18 Budget	<u>\$ 17,754,647</u>

The top six costs (in red) are 65% of the General Fund budget.

**City of Half Moon Bay
FY 2018-19 Budget
General Fund Expenditures Trend - By Type**



Expenditures	2015-16 Actual	2016-17 Actual	2017-18 Revised	2018-19 Recommended	2017-18 vs 2018-19
Salaries & Benefits	\$ 2,410,703	\$ 2,894,252	\$ 4,412,846	\$ 4,794,236	8.6%
Material & Supplies	651,451	758,600	883,323	968,700	9.7%
Contract Services	5,719,113	6,764,771	7,363,556	7,710,318	4.7%
Transfers/Allocations Out	6,119,605	4,614,804	5,801,196	4,281,393	-26.2%
Total General Fund Exp.	\$ 14,900,872	\$ 15,032,426	\$ 18,460,921	\$ 17,754,647	-3.8%

Salaries and Benefits

The following new positions were added to/removed from FY 2018-19 Budget:

- Management Analyst in the City Manager's Office
- One Maintenance Workers (I) in the Public Works - Maintenance Department
- Associate Planner in the Planning Division
- Planning Planner in the Planning Division was defunded

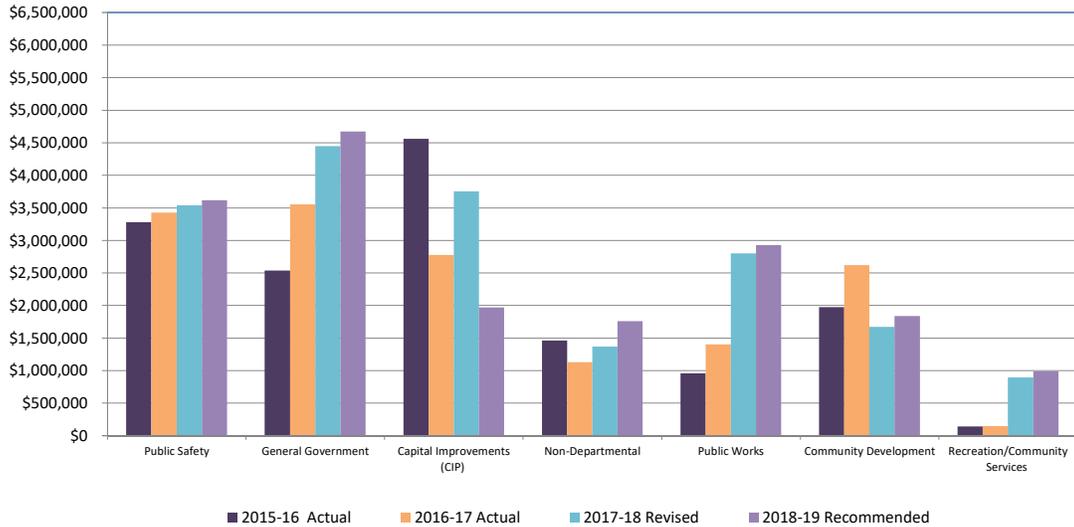
Contract Services

The City of Half Moon Bay contracts with outside service providers for animal control, building inspection, building permit processing, including plan check, code enforcement, dispatch, engineering, information technology, janitorial services, law enforcement, legal services, library, recreation programming, and some minimal landscaping maintenance.

Transfers

Transfers include Capital Improvement Program (CIP) funding, debt service, and reserve funding.

**City of Half Moon Bay
FY 2018-19 Budget
General Fund Expenditures Trend - By Department**



Expenditures	2015-16 Actual	2016-17 Actual	2017-18 Revised	2018-19 Recommended	2017-18 vs 2018-19
Public Safety	\$ 3,278,657	\$ 3,424,435	\$ 3,535,990	\$ 3,614,926	2.2%
General Government	\$ 2,535,058	\$ 3,549,498	\$ 4,445,588	\$ 4,668,162	5.0%
Capital Improvements (CIP)	\$ 4,556,500	\$ 2,771,933	\$ 3,751,016	\$ 1,968,705	-47.5%
Non-Departmental	\$ 1,458,995	\$ 1,126,529	\$ 1,366,417	\$ 1,756,539	28.6%
Public Works	\$ 955,450	\$ 1,399,223	\$ 2,798,982	\$ 2,927,462	4.6%
Community Development	\$ 1,973,700	\$ 2,617,276	\$ 1,671,165	\$ 1,833,892	9.7%
Recreation/Community Services	\$ 142,512	\$ 143,532	\$ 891,763	\$ 984,961	10.5%
Transfer Out To Land Assets					
Total General Fund Exp.	\$ 14,900,872	\$ 15,032,426	\$ 18,460,921	\$ 17,754,647	-3.8%

"General Government" above is the total of the following departments: City Council, City Manager, City Attorney, City Clerk, "Transfer out of Glenree" property value of \$8.9 million is not included in the chart.

Public Works

One additional Maintenance Worker was added to the FY 2018-19 budget for this department. Additionally, the City added a Public Works - Administration Division (50) which will account for the administration functions of the Public Works Department

City Manager's Office

The City has brought Recreation Services during the 2017-18 fiscal year in-house after previously outsourcing the function. In FY 2018-19, the City also added a Community Services Division (64) to account for services and outreach programs intended for the Community. One Management Analyst position who will primarily handle the City's communication was added to the FY 2018-19 budget.

Capital Improvements (CIP)

The increases in FY 2014-15 and FY 2015-16 for Capital Improvements are primarily due to investment in the Library Capital Project.

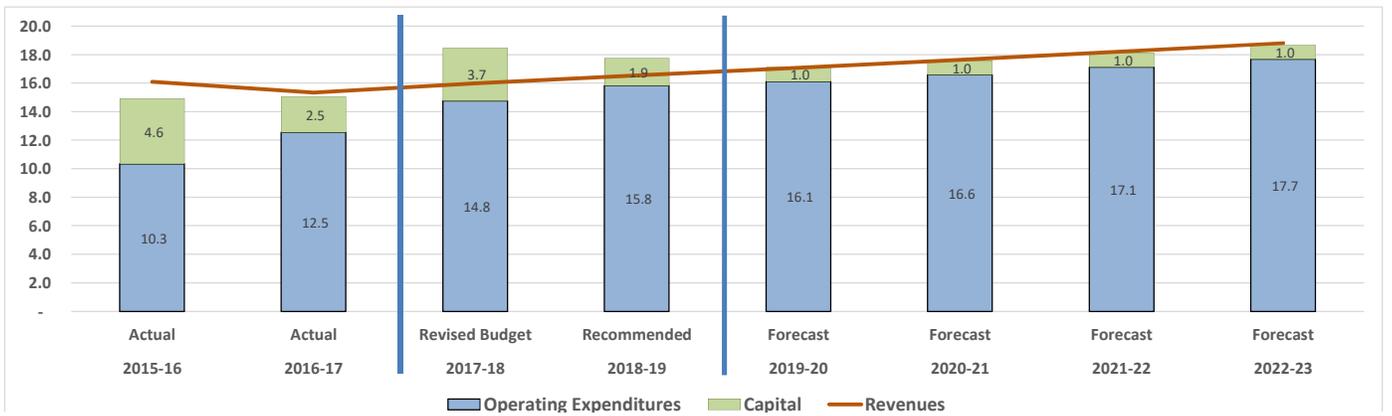
Community Development - Planning

One Associate Planner position was added to the FY 2018-19 budget, and the Planning Manager position was defunded.

**City of Half Moon Bay
FY 2018-19 to FY 2022-23
General Fund Projections**

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
	Actual	Actual	Revised Budget	Recommended	Forecast	Forecast	Forecast	Forecast
REVENUES								
Transient Occupancy Tax	\$ 5,935,558	\$ 6,024,860	\$ 6,289,000	\$ 6,603,000	\$ 6,933,150	\$ 7,279,808	\$ 7,643,798	\$ 8,025,988
% Change				5.00%	5.00%	5.00%	5.00%	5.00%
Property Taxes	\$ 3,123,236	\$ 3,134,138	\$ 3,319,300	\$ 3,268,250	\$ 3,333,615	\$ 3,400,287	\$ 3,468,293	\$ 3,537,659
% Change				-1.54%	2.00%	2.00%	2.00%	2.00%
Sales Taxes	\$ 4,068,786	\$ 2,514,852	\$ 2,787,222	\$ 2,791,538	\$ 2,845,734	\$ 2,914,436	\$ 2,984,273	\$ 3,055,055
% Change				0.15%	1.94%	2.41%	2.40%	2.37%
Total Other Taxes	\$ 808,225	\$ 919,666	\$ 837,500	\$ 1,029,000	\$ 1,049,580	\$ 1,070,572	\$ 1,091,983	\$ 1,113,823
% Change				22.87%	2.00%	2.00%	2.00%	2.00%
Other Revenue	\$ 2,161,954	\$ 2,756,631	\$ 2,744,151	\$ 2,848,270	\$ 2,905,235	\$ 2,963,340	\$ 3,022,607	\$ 3,083,059
% Change				3.79%	2.00%	2.00%	2.00%	2.00%
Total General Fund Revenue	\$ 16,097,759	\$ 15,350,147	\$ 15,977,173	\$ 16,540,058	\$ 17,067,315	\$ 17,628,443	\$ 18,210,954	\$ 18,815,584
% Change				3.52%	3.19%	3.29%	3.30%	3.32%
EXPENDITURES								
Operating								
Salaries & Benefits	2,410,703	2,894,252	4,412,846	4,794,236	4,758,392	4,861,584	4,958,816	5,057,992
% Change				8.64%	-0.75%	2.17%	2.00%	2.00%
Materials & Supplies	651,451	758,600	883,323	968,700	988,074	1,007,835	1,027,992	1,048,552
% Change				9.67%	2.00%	2.00%	2.00%	2.00%
Contract Services	5,718,997	6,769,464	7,363,556	7,710,318	7,941,628	8,179,876	8,425,273	8,678,031
% Change				4.71%	3.00%	3.00%	3.00%	3.00%
OP Transfers & Allocations	1,563,105	2,125,385	2,100,180	2,362,688	2,428,405	2,534,815	2,710,409	2,884,528
% Change				12.50%	2.78%	4.38%	6.93%	6.42%
Total Operating Expenditures	10,344,256	12,547,700	14,759,905	15,835,942	16,116,499	16,584,111	17,122,490	17,669,103
Capital	4,556,616	2,489,419	3,701,016	1,918,705	1,000,000	1,000,000	1,000,000	1,000,000
% Change				-48.16%	-47.88%	0.00%	0.00%	0.00%
Total General Fund Expenditures	14,900,872	15,037,119	18,460,921	17,754,647	17,116,499	17,584,111	18,122,490	18,669,103
% Change				-3.83%	-3.59%	2.73%	3.06%	3.02%
Structural Surplus (Excludes Capital)	\$ 5,753,503	\$ 2,802,447	\$ 1,217,268	\$ 704,116	\$ 950,816	\$ 1,044,332	\$ 1,088,464	\$ 1,146,481
Beginning Fund Balance	9,542,558	10,739,444	11,057,160	8,573,412	7,358,823	7,309,638	7,353,970	7,442,435
Ending Fund Balance	10,739,444	11,052,473	8,573,412	7,358,823	7,309,638	7,353,970	7,442,435	7,588,916
Contingency Reserve	3,103,277	3,764,310	4,427,972	4,750,783	4,834,950	4,975,233	5,136,747	5,300,731
Main Street Bridge Reserve	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Unassigned Fund Balance	6,136,168	5,788,163	2,645,440	1,108,040	974,689	878,737	805,688	788,185
REVENUE OVER / (UNDER)	1,196,887	313,028	(2,483,748)	(1,214,589)	(49,184)	44,332	88,464	146,481

Transient Occupancy Tax (TOT) has increased by no less than 6% each year since FY 2009-10. The City conservatively assumes 5% annual increases in this forecast.
Property Tax is conservatively projected to increase 2% each year. Please note that half of expected excess Educational Revenue Augmentation Fund (ERAF) receipts are not included due to uncertainty.
Projected Sales Tax is based on information provided by the City's external sales tax consultant.



**City of Half Moon Bay
General Fund (01)
Statement of Revenue, Expenditures and Changes in Net Assets**

	<u>Actual 2015-16</u>	<u>Actual 2016-17</u>	<u>Revised Budget 2017-18</u>	<u>Recommended Budget 2018-19</u>
Revenue				
Taxes	13,935,805	12,593,516	13,233,022	13,691,788
Intergovernmental	87,410	8,936	11,500	11,500
Charges for Services	627,708	662,662	1,002,743	1,004,368
Other Revenue	1,157,880	1,796,073	1,285,478	1,345,648
Total Revenue	<u>\$ 15,808,803</u>	<u>\$ 15,061,186</u>	<u>\$ 15,532,743</u>	<u>\$ 16,053,304</u>
Expenditures				
Operation & Maintenance				
Salaries & Benefits	\$ 2,410,703	\$ 2,894,252	\$ 4,412,846	\$ 4,794,236
Material & Supplies	651,451	758,600	883,323	968,700
Contract Services	5,718,997	6,764,771	7,363,556	7,710,318
Total Expenditures	<u>\$ 8,781,267</u>	<u>\$ 10,417,622</u>	<u>\$ 12,659,725</u>	<u>\$ 13,473,254</u>
Excess revenue over (under) expenditures	<u>\$ 7,027,536</u>	<u>\$ 4,643,564</u>	<u>\$ 2,873,018</u>	<u>\$ 2,580,050</u>
Other financing sources (uses)				
Transfers in/(out)				
Transfers In	\$ 288,956	\$ 288,956	\$ 444,430	\$ 486,754
Transfers Out	(6,119,605)	(4,614,804)	(5,801,196)	(4,281,393)
Total financing sources (uses)	<u>\$ (5,830,649)</u>	<u>\$ (4,325,848)</u>	<u>\$ (5,356,766)</u>	<u>\$ (3,794,639)</u>
Excess revenue and other sources over (under) expenditures and other uses	<u>\$ 1,196,887</u>	<u>\$ 317,716</u>	<u>\$ (2,483,748)</u>	<u>\$ (1,214,589)</u>
Beginning Net Assets, July 1 ¹	<u>\$ 9,542,557</u>	<u>\$ 10,739,444</u>	<u>\$ 11,057,160</u>	<u>\$ 8,573,412</u>
Ending Net Assets, June 30	<u>\$ 10,739,444</u>	<u>\$ 11,057,160</u>	<u>\$ 8,573,412</u>	<u>\$ 7,358,823</u>





CITY OF HALF MOON BAY

Department Budgets



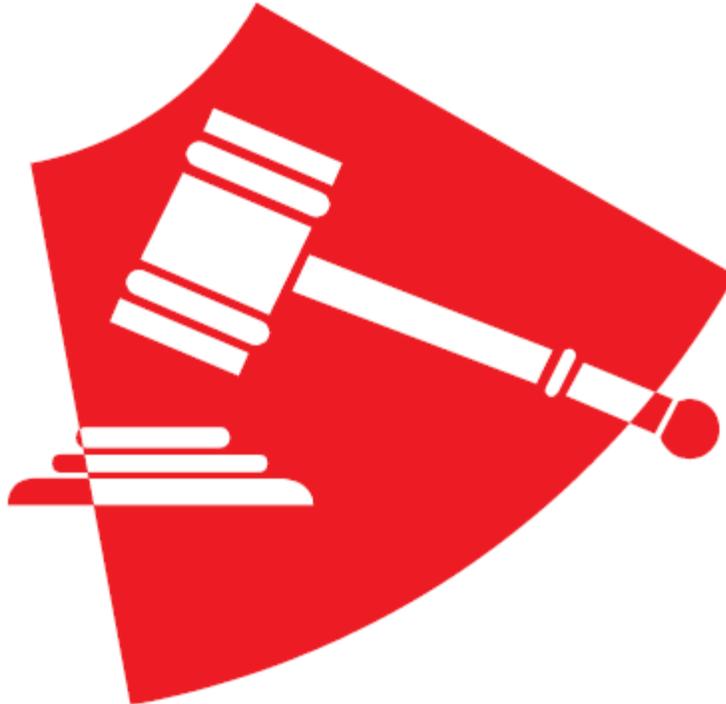


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CITY OF HALF MOON BAY

City Council



City Council



City Council

Mission

The mission of the City Council of Half Moon Bay is to create policy related to providing high-quality public services and facilities in a fiscally sustainable, responsive, and friendly manner, which fosters a safe and healthy community in a semi-rural setting.

Description

The City Council is the governing body of the City. It provides community leadership, establishes policies that reflect the needs, wishes, and priorities of the community of Half Moon Bay and enacts laws and adopts resolutions and ordinances. The Mayor and City Council represent the City on various local, regional, and state policy committees and commissions. The City Council also reviews proposed State of California legislation and provides formal input into the legislative process. The City Council meets the first and third Tuesday of each month in formal public session and occasionally in additional special meetings and study sessions.

Service Priorities

- Deliberate on all matters brought before the City Council at its public meetings, and making decisions relative to those matters, while striving to meet the Elements of the Strategic Plan.
- Establish priorities for the City of Half Moon Bay.
- Allocate financial resources necessary to meet priorities and goals to provide community services.

Staffing

The Council is composed of five members who are elected at-large on a non-partisan basis for four-year staggered terms. The Mayor is appointed annually from among the elected Council members.

Service Level Changes

The current level of service will be maintained.

Budget Highlights / Summary of Changes

The City Council budget consists of funding for the five independently-elected Councilmembers as well as travel and miscellaneous expenses to carry out the work of the City.

Fiscal Year 2017-2018 Accomplishments

- Completed construction of the City's new 22,000 square foot library.
- Completed the closure and cleanup of the Pilarcitos Creek homeless encampment.
- Continued work on updating the City's General Plan.
- Held four Council listening sessions with more than 150 participants.
- Held English and Spanish language Citizens Academies.

- Received the Civic Engagement / Diversity Award from the Local Government Hispanic Network.
- Completed the roll out of a new City website.
- Received the Government Finance Officers Association (GOFA) award for the City's first Popular Annual Financial Report (PAFR).
- Adopted a resolution of intention to switch from at-large elections to by-district elections with an elected at-large Mayor.

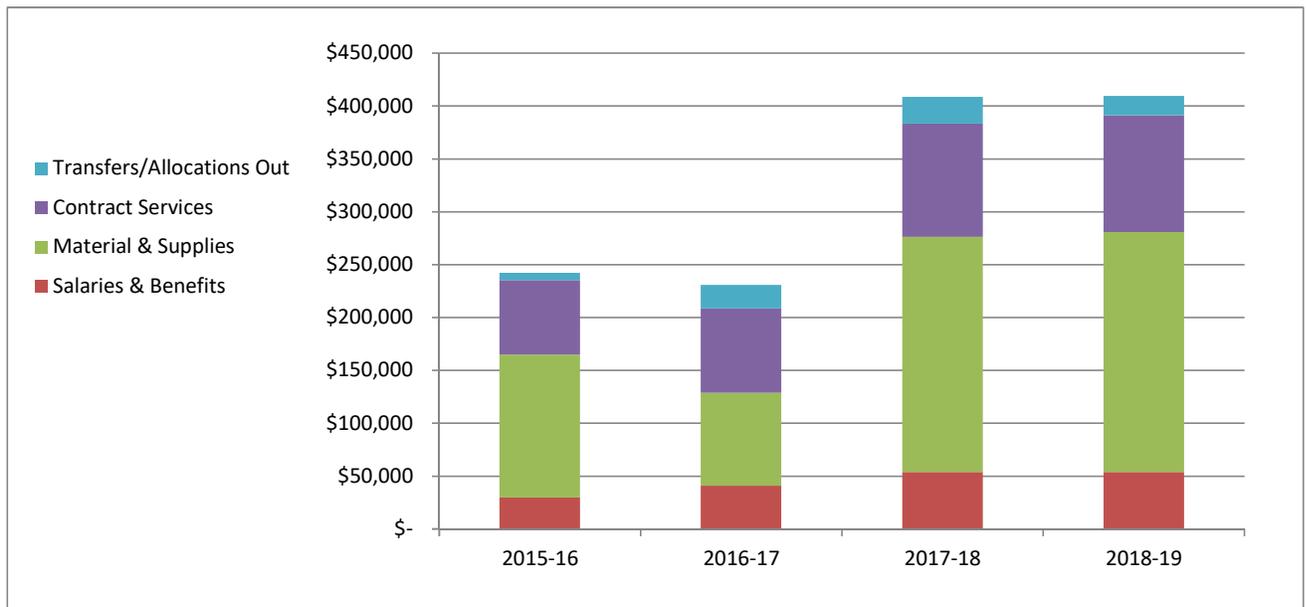
Fiscal Year 2018-2019 Goals / Strategic Plan Elements

- Implement an affordable housing strategy, including a plan for the use of the City's affordable housing funds, continued efforts to encourage accessory dwelling units and mixed-use rezoning, and development of possible tenant protections (Healthy Communities, Infrastructure and Environment).
- Continue to restore and remediate the former homeless encampment site on Pilarcitos Creek, respond to new encampments as they occur, and continue to develop relationships with County and non-profits that serve the homeless (Healthy Communities and Public Safety).
- Complete the commercial cannabis tax analysis and white paper studies and prepare options for advisory ballot measures and a tax measure for commercial cannabis activities on the November election (Healthy Communities and Public Safety, Infrastructure and Environment, Fiscal Sustainability).
- Continue efforts to maximize Transient Occupancy Tax collections, especially on short-term rentals and develop a short-term rental regulatory ordinance (Fiscal Sustainability).
- Complete and implement the Parks Master Plan by initiating improvements to existing Park facilities and identify locations for a new community-wide park (Healthy Communities and Public Safety, Infrastructure and Environment).
- Continue work to increase cooperation and improvements with the Sewer Authority Mid-Coastside (Infrastructure and Environment, Inclusive Governance).
- Transition to by-district elections (Inclusive Governance).
- Establish a Latino Advisory Committee (Inclusive Governance).
- Identify and hire a new City Manager (Fiscal Sustainability, Inclusive Governance).
- Continue work on updating the City's General Plan (Infrastructure and Environment, Inclusive Governance, Healthy Communities and Public Safety).
- Complete and adopt a smoking ordinance (Healthy Community).
- Continue to work with the Coastside Chamber of Commerce to support and sustain a business environment that contributes to economic prosperity, revenue generation, and improves the economic well-being of the community (Fiscal Sustainability).

**City of Half Moon Bay
FY 2018-19 Budget**

City Council (01-11)

	Audited Actual 2015-16	Audited Actual 2016-17	Revised Budget 2017-18	Adopted Budget 2018-19
Expenditures				
Salaries & Benefits	\$ 29,653	\$ 40,819	\$ 53,950	\$ 53,950
Material & Supplies	135,210	87,816	222,100	226,600
Contract Services	70,298	79,766	107,200	110,400
Transfers/Allocations Out	6,978	22,462	25,292	18,373
Total	\$ 242,140	\$ 230,862	\$ 408,542	\$ 409,323
Revenue Sources				
General Fund	\$ 242,140	\$ 230,862	\$ 408,542	\$ 409,323
City Council Members	5.00	5.00	5.00	5.00





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CITY OF HALF MOON BAY

City Manager



City Manager



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City Manager

Mission

The mission of the City Manager's Office is to provide overall leadership and management of the City, execute Council policy, and ensure that residents of Half Moon Bay receive fair treatment, excellent customer service, and appropriate stewardship of tax revenue, in support of a vibrant community with well-maintained infrastructure and a broad range of customary public services.

Description

The City Manager's Office provides overall management of City operations and oversight of City departments. The City Manager is responsible for carrying out the strategic goals, policies, and directives of the City Council, for the effective and cost-efficient management of City operations and personnel, and for preparing and submitting the annual budget to the Council. The City Manager authorizes and oversees the hiring of all City Staff.

Service Priorities

- Oversee the delivery of public services in accordance with all federal and state laws, and the policies, ordinances, and resolutions adopted by the City Council.
- Direct and organize City departments, programs, and services.
- Carry out elements of the Strategic Plan and City Council priorities.
- Recommend the adoption of policies and ordinances as necessary.
- Ensure the long-term fiscal viability of the City.
- Increase the productivity, efficiency, and effectiveness of the organization.
- Enforce contracts, agreements, and permits authorized by the City Council.
- Advise the City Council on matters regarding current and future fiscal, staffing, and program needs of the City.
- Oversee public information, customer service, and community engagement.
- Provide and expand quality recreational services and opportunities to individuals and families.
- Provide and expand health and wellness opportunities to youth, adults, and seniors.
- Provide and expand enrichment activities for all ages.
- Provide community gathering and meeting spaces through facility rentals.
- Provide opportunities for community engagement in recreation services programs.

Staffing

The City Manager's Department is comprised of the City Manager, Deputy City Manager, Executive Assistant, and Senior Management Analyst. The City Manager's Office provides direct oversight of the City's Recreation and Community Services Division, which includes a Recreation Coordinator, Management Analyst, Recreation Leader, and Building Attendants.

Service Level Changes

Communication services have been contracted out but will be brought in-house and provided by a new, full-time City staff position. A one-time contract for Latino Outreach Services has been included to assist in the creation of a Latino Advisory Committee. Ongoing staffing for the Committee will be provided by existing City staff.

Budget Highlights / Summary of Changes

The Budgets for the Recreation Section and Community Services Section of the Recreation and Community Services Division have been separated for clarity and transparency.

The Department is comprised of the following divisions:

Recreation Division

Mission

The mission of the Recreation Division is to enrich lives within the community through affordable, accessible citywide programs that promote educational and recreational opportunities that contribute to a healthy community and lifestyles.

Description

The Recreation Division is responsible for delivering quality, affordable recreation programs and opportunities for community enrichment to the residents of Half Moon Bay and the Coastsides. The Division is responsible for coordinating, renting, and scheduling City facilities, including Smith Field, the Train Depot, the Ted Adcock Community Center and the new Half Moon Bay Library.

Community Services Division

Mission

The mission of the Community Services Division is to engage with the community through citywide programs and initiatives that enrich lives, foster harmony and provide educational opportunities through public participation.

Description

The Community Services Division serves as a link between the City and community partners including other government agencies, educational institutions, and non-profits, and helps connect residents and visitors to a variety of social, health, and human services.

Fiscal Year 2017-2018 Accomplishments

- Guided the City Council in further updating its Strategic Plan and priorities.
- Held multiple study sessions and community meetings with the City Council on important community interests.
- Expanded Spanish language translation services for City publications and meetings.
- Coordinated and facilitated four City Council Listening Sessions for residents to express their priorities and interests, leading up to the development of the FY 2018-19 Budget.
- Participated in National Night Out, supporting residents who hosted block parties.

- Hired a Management Analyst Community Services Division.
- Continued a weekly electronic newsletter (e-news) that is distributed to over 1,200 Coastside residents.
- Maintained business continuity during City Attorney transitions.
- Held the City's fourth annual City Hall Open House during the Night of Lights event.
- Participated in committees with local non-profits to address the City's homeless population.
- Initiated development of policies, ordinances, and procedures for implementing a potential commercial cannabis licensing program – commissioned tax revenue analysis and white paper study on impacts of commercial cannabis on cities.
- Developed Community Assistance Financial Assistance Grant Fund to support local non-profits who serve the Half Moon Bay Community.
- Entered into agreement with History Association to open a micro-museum at the Old Jail.
- Partnered with San Mateo County's Human Services Agency and nonprofit service providers to host two homeless service days, as an additional and more convenient opportunity for direct access to critical services.
- Closed the City's largest homeless encampment and worked with service providers to transition individuals into shelter or other housing opportunities.
- Strengthened and fostered partnerships with County and local non-profit organizations working with underserved populations, including immigrants and homeless residents.
- Revitalized the City's Concerts in the Park Summer Concert Series at Mac Dutra Plaza; adding an end of summer music festival to be held at Carter Park.
- Hosted first annual "Breakfast with Santa" event.
- Partnered with Half Moon Bay Library to support their programming needs for after school programs due to lack of space at temporary library.
- Increased the number of recreation program offerings from 13 classes to 24.
- Hosted Half Moon Bay NET Citizens Academies in both English and Spanish.
- Made improvements to the Ted Adcock Community Center to increase rental opportunities for residents and services to the community.
- Purchased property (555 Kelly) to complete City ownership of the Civic Center site.

Fiscal Year 2018-2019 Goals / Strategic Plan Elements

- Advance projects that link to the City's Strategic Plan and Council Priorities (Infrastructure and Environment).
- Restructure staff to maximize efficiency and increase performance (Fiscal Sustainability, Inclusive Governance).
- Work with City Council to increase transparency and reporting on the City's Strategic Plan and Council Priorities (Infrastructure and Environment).
- Collaborate with the County to open the new Half Moon Bay Library (Infrastructure and Environment).
- Implement a master plan for the Civic Center site to identify the best use of existing facilities and the newly acquired 555 Kelly Avenue property (Infrastructure and Environment).

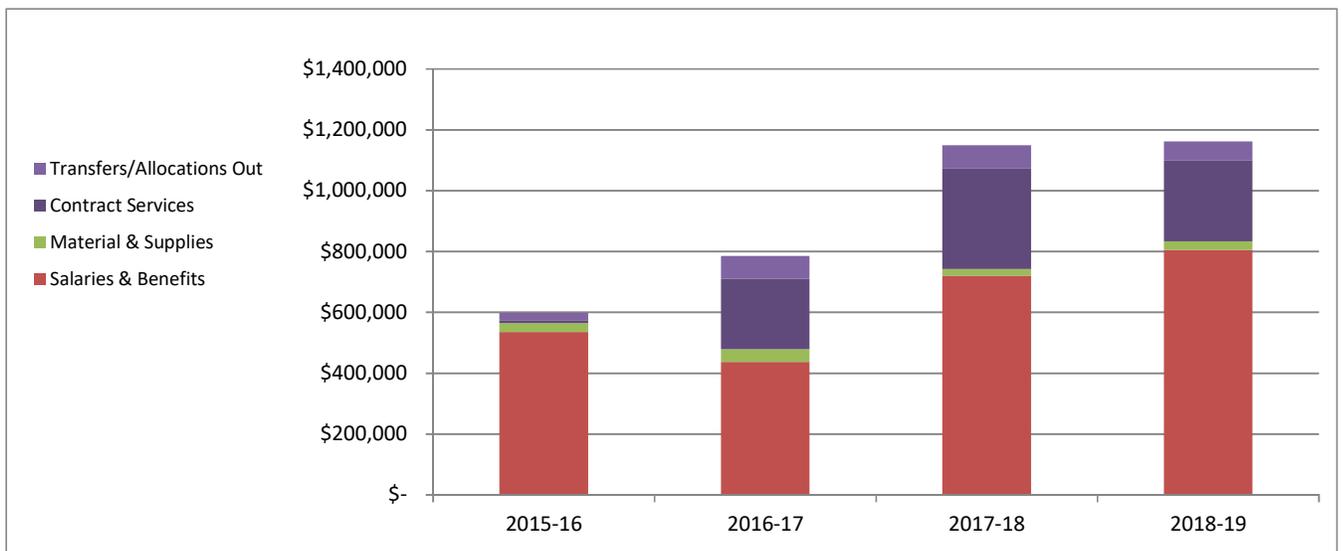
- Collaborate with Community Development to provide information, awareness and potential policy to address lack of affordable housing (Healthy Communities and Public Safety).
- Continue to engage in regional partnerships to support projects in Half Moon Bay and those potentially impacting the Coastside (Inclusive Governance, Infrastructure and Environment).
- Support the Parks and Recreation Commission with a focus on City Council priorities and the Parks Master Plan (Inclusive Governance, Healthy Communities and Public Safety).
- Partner with Boys and Girls Club to re-open a Teen Center at the Ted Adcock Community Center and offer after school activities to teens (Healthy Communities and Public Safety).
- Continue to expand the number and types of classes offered in the Activity Guide to reach a broader and more diverse group of residents (Healthy Communities and Public Safety, Inclusive Governance).
- Expand staff-run recreation programs to offer programs to a wider range of residents (Healthy Communities and Public Safety, Inclusive Governance).
- Continue to improve the Ted Adcock Community Center to increase rental opportunities for residents and services to the community (Infrastructure and Environment; Healthy Communities and Public Safety).
- Establish a Latino Advisory Committee to continue to increase outreach and engagement with the Latino and immigrant communities (Healthy Communities and Public Safety, Inclusive Governance).
- Work with other agencies and non-profits to provide immigration information and support (Healthy Communities and Public Safety).
- Provide on-going technical support to the Homeless Housing Collaborative to identify opportunities to build permanent supportive housing (Healthy Communities and Public Safety, Infrastructure and Environment).
- Coordinate with departments on developing, refining, and tracking service level metrics (Inclusive Governance).



**City of Half Moon Bay
FY 2018-19 Budget**

City Manager (01-12)

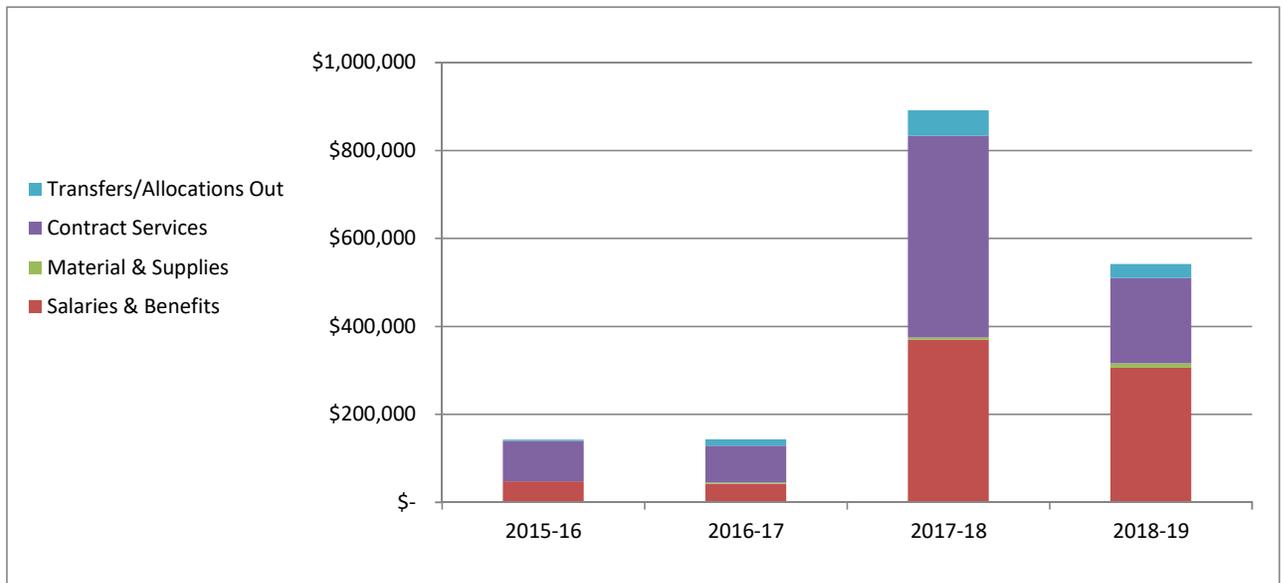
	Audited Actual 2015-16	Audited Actual 2016-17	Revised Budget 2017-18	Adopted Budget 2018-19
Expenditures				
Salaries & Benefits	\$ 535,760	\$ 437,224	\$ 720,951	\$ 805,129
Material & Supplies	28,717	41,879	21,400	28,500
Contract Services	9,652	230,834	332,000	267,100
Transfers/Allocations Out	23,909	75,154	75,024	61,042
Total	\$ 598,039	\$ 785,091	\$ 1,149,375	\$ 1,161,771
Revenue Sources				
General Fund	\$ 598,039	\$ 785,091	\$ 1,149,375	\$ 1,161,771
Full-Time Equivalent Employees	3.25	2.75	3.10	3.80



**City of Half Moon Bay
FY 2018-19 Budget**

Recreation Services (01-61)

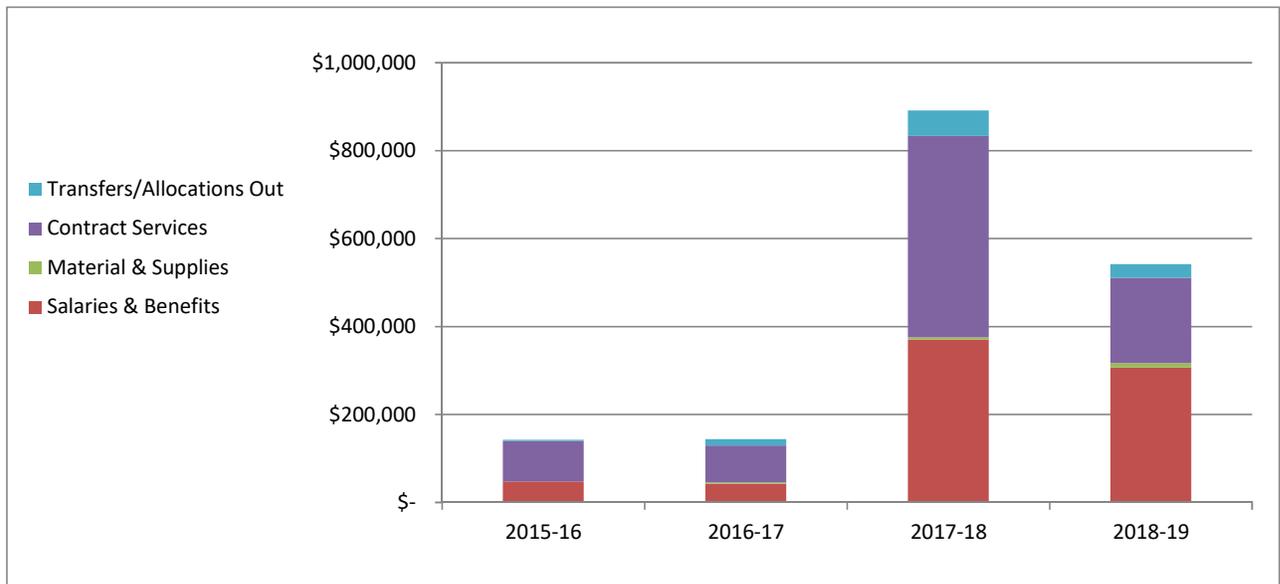
	Audited Actual 2015-16	Audited Actual 2016-17	Revised Budget 2017-18	Adopted Budget 2018-19
Expenditures				
Salaries & Benefits	\$ 47,816	\$ 42,248	\$ 370,177	\$ 306,644
Material & Supplies	-	3,142	4,800	9,700
Contract Services	91,744	83,776	459,120	194,100
Transfers/Allocations Out	2,952	14,366	57,665	31,511
Total	\$ 142,512	\$ 143,532	\$ 891,763	\$ 541,955
Revenue Sources				
Contract Classes	\$ -	\$ 115,000	\$ 115,000	\$ 115,000
Recreation Other	-	-	-	-
Community Center Facility Fees	10,000	61,000	61,000	61,000
Parks Facility Rental	-	-	-	-
SMC - Contribution	10,000	10,000	10,000	10,000
General Fund	122,512	(42,468)	705,763	355,955
Total Program Sources	\$ 142,512	\$ 143,532	\$ 891,763	\$ 541,955
Full-Time Equivalent Employees	0.20	2.40	2.50	2.50



**City of Half Moon Bay
FY 2018-19 Budget**

Community Services (01-64)

	Audited Actual 2015-16	Audited Actual 2016-17	Revised Budget 2017-18	Adopted Budget 2018-19
Expenditures				
Salaries & Benefits	\$ -	\$ -	\$ -	\$ 179,591
Material & Supplies	-	-	-	-
Contract Services	-	-	-	239,400
Transfers/Allocations Out	-	-	-	24,014
Total	\$ -	\$ -	\$ -	\$ 443,006
Revenue Sources				
General Fund	-	-	-	443,006
Total Program Sources	\$ -	\$ -	\$ -	\$ 443,006
Full-Time Equivalent Employees	-	-	-	1.30





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CITY OF HALF MOON BAY

City Attorney



City Attorney



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City Attorney

Mission

The mission of the City Attorney is to provide the City Council and City staff with prompt and high-quality legal advice, counsel, and representation.

Description

The City Attorney reports directly to the City Council and is charged with the task of serving as the legal counsel to the City Council, Planning Commission, City Manager, and City staff on all legal aspects of municipal operations.

Legal services include legal advice and analysis, preparation of legislation including ordinances and resolutions, drafting or review of contracts and agreements, conducting research and supporting the City in litigation, civil and criminal actions, and code enforcement. The City Attorney attends all regular and special City Council meetings. Other services include meetings with the City Manager, City Executive Team, and other city officials on an on-call basis while keeping the City Council, City Manager, and staff advised of current laws affecting decisions and programs of the City.

Service Priorities

- Devote time and resources necessary to provide timely, affordable, high-quality legal advice.
- Minimize liability and work creatively to accomplish policy objectives of the City.
- Offer legal opinions and draft ordinances and other documents in a timely and professional manner.
- Provide high-quality litigation representation to ensure matters are resolved cost effectively.
- Respond to inquiries from the public as appropriate, and in a timely and constructive manner, while ensuring that the City's interests are protected, and policies are implemented.

Staffing

The department is comprised of the City Attorney, who is retained under contract with a law firm, and a staff of associate attorneys who act as Assistant or Deputy City Attorneys as required. Outside legal counsel may be retained for assistance on specialized issues and areas of law. The firm provides all legal services and includes all administrative costs such as paralegals, secretarial services, clerical services, continuing legal education, law library, and research costs, etc.

Service Level Changes

For FY 2018-19, the City Attorney's Office plans to continue its trend of increased onsite availability and accessibility for the City Council, Planning Commission, Parks and Recreation Commission, City committees, and staff.

Budget Highlights / Summary of Changes

The City Attorney budget consists of costs for litigation, compensation, and operations of the City Attorney, Assistant and Deputy City Attorneys, and support staff.

Fiscal Year 2017-2018 Accomplishments

- Conducted trainings in ethics and open government laws for City Council and City Commissions.
- Standardized code enforcement forms.
- Improved Planning Commission meeting coordination and preparation, including the drafting of Bylaws.
- Drafted code updates related to electric vehicles, massage ordinance, and risk management.
- Updated public works bid forms.
- Supported with the successful settlement of employment litigation.
- Assisted with the City Manager transition and interim hiring process.

Fiscal Year 2018-2019 Goals / Strategic Plan Elements

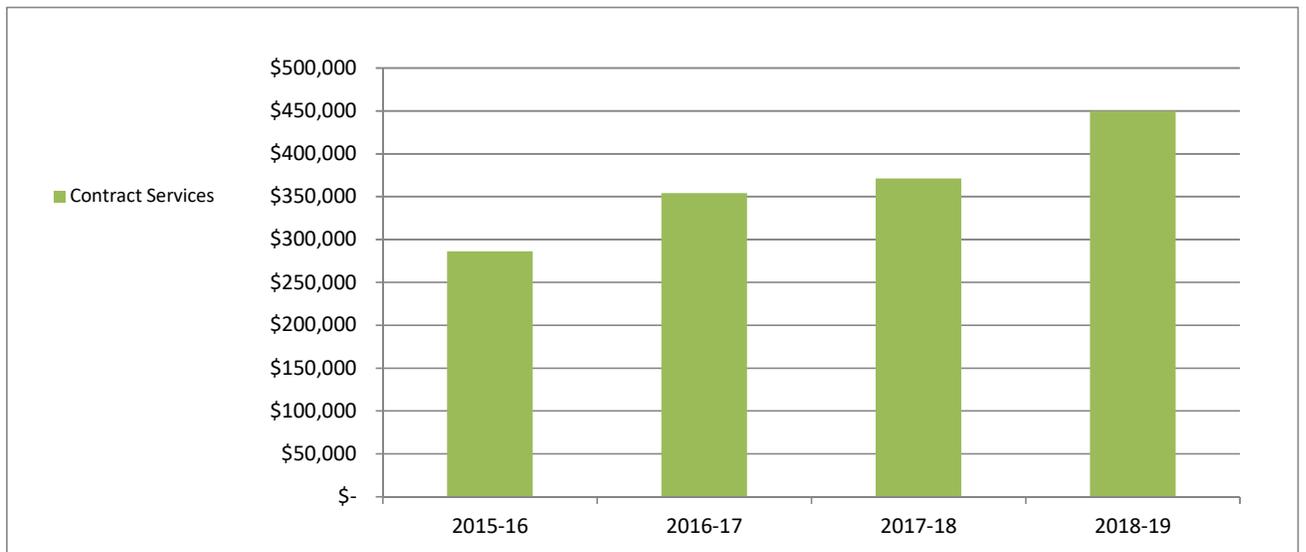
- Continue to implement Council policy directives and ensure projects and directives are legally secure (Inclusive Governance).
- Draft ordinances regarding Council priorities related to short term rentals/TOT collection, affordable housing, and other priority matters (Inclusive Governance).
- Continue economic resolution of claims and litigation (Fiscal Sustainability).
- Update standard services agreements (Fiscal Sustainability).
- Conduct staff training on Public Records Act (Inclusive Governance).



**City of Half Moon Bay
FY 2018-19 Budget**

City Attorney (01-13)

	Audited Actual 2015-16	Audited Actual 2016-17	Revised Budget 2017-18	Adopted Budget 2018-19
Expenditures				
Contract Services	\$ 286,216	\$ 354,229	\$ 371,300	\$ 450,000
Total	\$ 286,216	\$ 354,229	\$ 371,300	\$ 450,000
Revenue Sources				
General Fund	\$ 286,216	\$ 354,229	\$ 371,300	\$ 450,000
Full-Time Equivalent Employees	-	-	-	-





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CITY OF HALF MOON BAY

City Clerk



City Clerk



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City Clerk

Mission

The mission of the City Clerk Department is to promote openness in government. The City Clerk's Office is committed to serving the citizens of our community in a neutral and ethical manner by providing equal access to open and transparent government, ensuring the integrity of the participatory process, bridging internal and external communication pathways, and enhancing the public's trust in local government.

Description

The City Clerk Department conducts regular and special general municipal elections in consolidation with the County of San Mateo for the election of City Councilmembers and local initiatives, referendums, and recalls. The department administers Political Reform Act requirements related to campaign disclosure statements, conflict of interest filings, and AB1234 ethics training. Brown Act requirements are administered by the City Clerk Department ensuring meetings, agendas, minutes, reports, public notices, resolutions, and ordinances are prepared, posted, and published pursuant to law. The City Clerk serves as Clerk of the Council and attends, monitors, and retains complete records of all City Council proceedings. The City Clerk ensures open and transparent access through records-related services including records management, retention, and Public Records Act programs. Additionally, the City Clerk Department administers the boards and commissions program related to vacancies, orientation, commission handbook, and Maddy Act compliance. The City Clerk serves as the City's Elections Official, Political Reform Act Filing Officer, Records Manager, and Compliance Officer.

Service Priorities

- Provide City Council support, including agenda and packet preparation, public noticing, and distribution of materials to the City Council, staff, and the public.
- Support boards and commissions, including agenda and packet preparation, public noticing, and distribution of materials to Commissioners, staff, and the public.
- Process local legislation, including resolutions, ordinances, and minutes.
- Oversee elections, including qualifying candidates, petitions, and ballot measures, processing all necessary resolutions, monitoring campaign filing requirements, and certifying election results.
- Maintain records and archives, including responses to public records requests.

Staffing

The City Clerk Department is staffed by a City Clerk, an Administrative Assistant, and two limited-term Office Assistants.

Service Level Changes

The current levels of service will be maintained with existing staff.

Budget Highlights / Summary of Changes

The City Clerk budget consists of costs for compensation and operations of the City Clerk's Office.

Fiscal Year 2017-2018 Accomplishments

- Conducted biennial review and update of the City's Conflict of Interest Code pursuant to the Political Reform Act.
- Managed the contract for translation services at City Council meetings.
- Managed the City's agenda management software, including making updates as needed, and provided training to staff.
- Negotiated and executed an agreement with Granicus for electronic management for Boards and Commissions.
- Converted numerous paper documents to electronic records, clarified the records series to be included in the City's Electronic Document Management System, and provided training to staff.
- Managed two part-time employees through inventory of the City's offsite records.
- Processed 93 agreements, 3 ordinances, 109 resolutions, 23 City Council agenda packets, 19 City Council special meeting agendas, 11 City Council subcommittee agendas, 29 proclamations, and 79 public records requests.
- Worked with Administrative Services to update the audio-visual system at City Council meetings.
- Completed demographics analysis for compliance with the Voting Rights Act.

Fiscal Year 2017-2018 Goals / Strategic Plan Elements

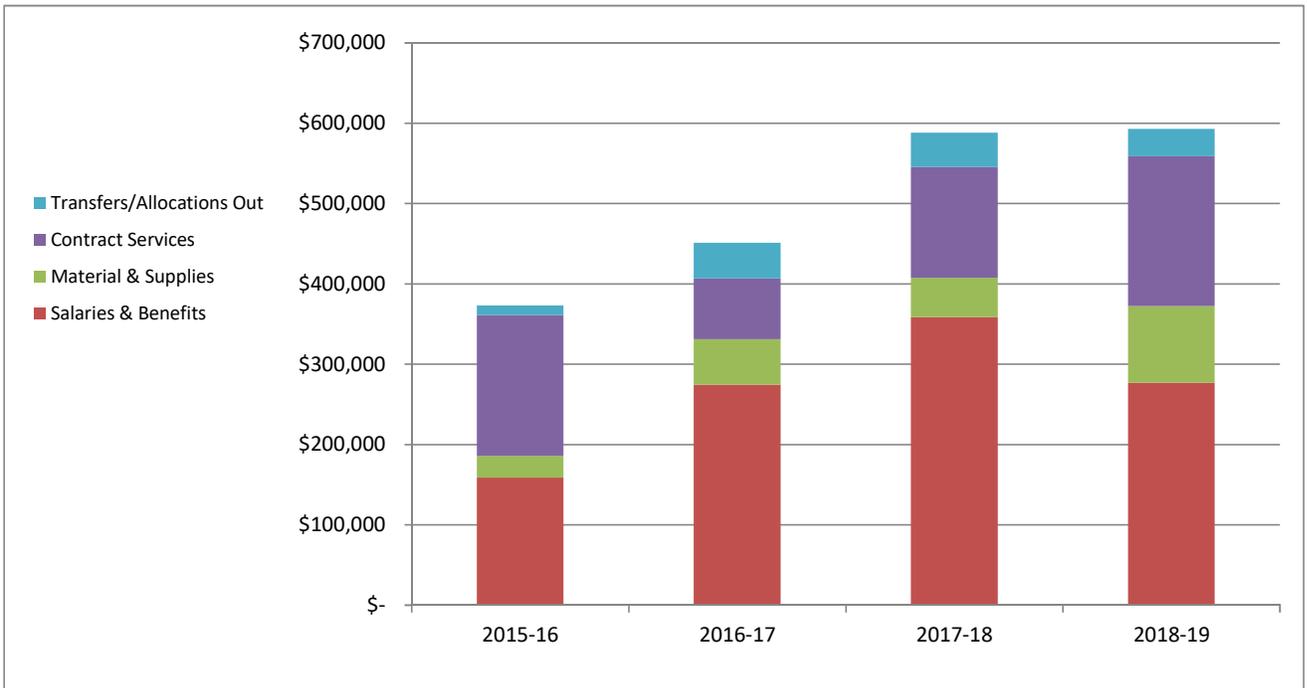
- Conduct the City's November 2018 General Municipal Election for three Councilmember seats as well as potential ballot measures (Inclusive Governance).
- Manage the process of converting to district-based elections to comply with the Voting Rights Act (Inclusive Governance).
- Complete review of the City's Campaign Contributions Limit (Inclusive Governance).
- Continue to oversee completion of the citywide, comprehensive Records Management Update project (Inclusive Governance, Infrastructure and Environment).
- Research and draft any necessary documents for a City of Half Moon Bay Legislative Program (Healthy Communities and Public Safety, Inclusive Governance).



**City of Half Moon Bay
FY 2018-19 Budget**

City Clerk (01-15)

	Audited Actual 2015-16	Audited Actual 2016-17	Revised Budget 2017-18	Adopted Budget 2018-19
Expenditures				
Salaries & Benefits	\$ 158,901	\$ 274,762	\$ 358,588	\$ 277,098
Material & Supplies	26,922	56,686	49,300	95,300
Contract Services	175,842	75,569	137,732	186,900
Transfers/Allocations Out	11,635	44,286	42,763	33,755
Total	\$ 373,300	\$ 451,303	\$ 588,383	\$ 593,053
Revenue Sources				
General Fund	\$ 373,300	\$ 451,303	\$ 588,383	\$ 593,053
Full-Time Equivalent Employees	2.00	1.80	1.90	1.90







CITY OF HALF MOON BAY

Administrative Services



Administrative Services



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Administrative Services

Mission

The mission of the Administrative Services Department is to manage the City's Administrative Services and administrative policies by providing high quality support services to City departments, staff and community through finance, human resources, information technology, emergency services, and contract administration programs.

Description

The Administrative Services Department provides financial services that protect and maximize the use of City resources, reliable and current technology resources to staff, members of the City Council, Commissioners, and the community. The Department properly records all financial transactions, implements best practices in employee relations, provides quality internal customer service, and strives to promote a positive work environment for the City's talented workforce. The Department works in partnership with the San Mateo County Office of Emergency Services to train City staff and help Coastside communities prepare for emergencies. The Department also negotiates and administers contracts for services provided to the community.

Service Priorities

- Undertake financial planning and oversee preparation of the annual budget.
- Ensure internal controls through accountability, financial reporting, and audits.
- Manage cash assets including banking, cashiering, disbursements, and revenues.
- Perform accounts payable, receivable, and payroll functions.
- Fulfill the City Treasurer function, ensuring an appropriate investment of funds and debt service administration.
- Provide sound financial advice to the City Council, City Manager, and staff.
- Recruit, hire, develop, and retain a diverse and highly-talented professional staff.
- Manage administrative and personnel policies and procedures and ensure compliance with related laws and regulations.
- Manage confidential information when consulting employees and handling personnel records.
- Manage labor relations with all bargaining units and unrepresented employees.
- Manage grievances related to the Personnel Policies and Procedures, and MOUs.
- Enhance staff productivity with a secure network, desktop and portable hardware and supporting software.
- Minimize IT equipment down time and maximize response time and maintain IT systems for disaster recovery and business continuity.
- Maintain an effective, visitor-friendly, and informative website that conveys the City's image, mission, and services.
- Develop, review, update emergency operation and the hazard mitigation plans.
- Assist in the planning and implementation of exercises, drills, and emergency services training programs for City employees and/or other public entities.

Staffing

The Administrative Services Department is comprised of an Acting Deputy City Manager for Administrative Services and Finance, Acting Administrative Services Manager, Finance Manager, Senior Management Analyst, two Management Analysts, two Accounting Technicians, and an Administrative Assistant.

Service Level Changes

Due to a recent vacancy of the Administrative Services Director position, the department has been reorganized to merge the Finance and Risk Management and Administrative Services departments with the support of existing staff.

Budget Highlights / Summary of Changes

The Administrative Services budget consists of four budget units, with compensation and operating costs for the portions of employee time allocated to each division. Contract expenditures are budgeted for professional services, emergency preparedness services from the San Mateo County Office of Emergency Services, labor relations, labor-related legal services, and Information Technology (IT) services. The FY 2018-19 budget includes additional IT desktop support services to increase coverage from current 8 to 40 onsite hours per week and include unlimited remote support.

The Department is comprised of the following divisions:

Finance

Mission

The mission of the Finance Department is to maintain accurate financial reports, provide financial support to other departments, and ensure compliance with the City's policies and procedures.

Description

The Finance Department is responsible for all financial operations and risk management. Finance tracks revenue, expenditures, bonded debt, and properly records all financial transactions in accordance with Generally Acceptable Accounting Principles (GAAP) and the requirements of the Government Accounting Standards Board (GASB). The department's goals are to provide financial oversight and support, including implementation and enforcement of financial policies consistent with federal, state, and local mandates, as well as industry best practices.

Human Resources Division

Mission

The mission of Human Resources Division is to provide high quality labor and employee relations, staff recruitment and retention, and staff professional development services that support the City's objectives in serving the needs of the community.

Description

The Human Resources Division recruits, develops, and supports the organization's most valuable resource – its staff. The Division implements best practices in recruitment, benefits management, professional development, labor relations, grievance management, policy development and implementation, and employee classification and compensation. The Division manages highly sensitive and confidential information to effectively conduct workplace investigations, implement practices to enhance employee performance, manage claims and ensure compliance with local, state and federal labor regulations. The Division also participates in San Mateo County Training and Development and the Liebert Cassidy Whitmore Employment Relations Consortiums that offer training and professional development to local governments throughout the County to help recruit and retain talent in local government careers.

Information Technology Division

Mission

The mission of the Information Technology Division is to provide high quality technology-based services that support the City's goal to effectively serve the needs of the community.

Description

The Information Technology Division manages the City's information technology program, provides and maintains appropriate hardware and software to City departments, develops and maintains a secure network infrastructure, manages the City's data and voice infrastructure, maintains the City's telecommunication systems and manages the City's website. The Division ensures that staff have the resources and training to effectively use equipment and technology in furtherance of their departmental goals. The division also assists with providing research and information for Public Records Requests.

Emergency Services Division

Mission

The mission of the Emergency Services Division is to assist residents and businesses, along with other Coastside communities and City staff to be prepared for and better respond to emergencies and disasters.

Description

The Emergency Services Division works in partnership with the San Mateo County Office of Emergency Services to prepare staff, Coastside agencies and residents to effectively respond to emergencies. The Division develops and updates the general emergency operations plans and the Hazard Mitigation Plan, trains staff in emergency operations procedures, and serves as the City's representative on the Coastside Emergency Action Program and the San Mateo County Emergency Managers Association to assist with local and regional emergency preparedness efforts.

Contracts Management Division

Mission

The mission of the Contract Management Division is to negotiate and manage contracts that provide essential services to residents, businesses, visitors, and city staff in compliance with local, state and federal regulations.

Description

The Contracts Management Division is responsible for negotiating and managing contracts that impact a variety of departments including public access television, use of land, rents, website, printer service, mediations, licenses, outside labor counsel and software licenses that support the IT Division and Finance Department. The Division also collaborates with other departments to ensure contracts are managed effectively and are renewed, renegotiated and processed in a timely manner.

Fiscal Year 2017-2018 Accomplishments

- Recruited for a total of 30 permanent, interim and temporary positions.
- Created onboarding process to effectively educate and orient new staff.
- Created or revised seven job classifications and reclassified two positions
- Launched the redesigned City website with portions translated in Spanish.
- Installed redundant ATT Fiber broadband connection to back up phone and web-based software in the event of an outage
- Updated the five-year Hazard Mitigation Plan to ensure the City's eligibility for SMC Pre-Disaster Mitigation, and Flood Mitigation Assistance grant programs.
- Collaborated with the Office of Emergency Services to reestablish the Coastside Emergency Corp.
- Conducted citywide Incident Command System 100 and 700 training to ensure staff preparedness in an event of activation of an emergency operation center.
- Hosted a table top exercise at the Emergency Operations Center with collaboration of the OES, Human Service Agency, Red Cross and Ham radio club.
- Conducted Website Emergency Operations Center training to send out San Mateo County alerts.
- Secured and outfitted an emergency container at the City Corporation Yard to outfit shelters at Pescadero and Half Moon Bay High Schools with cots.
- Implemented VIA Campus, a wireless presentation system and mounted a projector at the Ted Adcock center to improve council meeting technology.
- Purchased and installed new parking meter at the Poplar Beach parking lot.
- Remodeled a conference room at the Ted Adcock Community Center with new monitor, chairs and tables.
- Expanded desktop support services and technology training to staff.
- Audited the citywide phone lines and created an updated phone inventory, resulting in significant savings due to elimination of underutilized or obsolete lines

- Received two Budget Excellence Awards from the California Society of Municipal Finance Officers and Distinguished Budget Presentation Award from the Government Finance Officers Association (GFOA) for the FY 17-18 Operating and Capital Budget documents, representing compliance with the highest principles of excellence in financial management, state, and nationally recognized guidelines to produce informative and transparent budget documents.
- Prepared the Budget in-brief document designed to be readily accessible and easily understandable to general public.
- Completed interim and final financial audits, prepared the City's Comprehensive Annual Financial Report (CAFR), and received a clean audit opinion and management letter from the independent auditors.
- Received a Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA), as a result of continued improvements to internal control.
- Prepared the City's first Popular Annual Financial Report (PAFR) and received the Outstanding Achievement award from the GFOA.
- Completed implementation of the OpenGov financial platform to ensure transparency and accountability of financial reporting.
- Completed mandated State Controller's and other financial reports in a timely manner.
- Processed 120 journal entries, 2068 vendor checks, 708 payroll checks, over 4,100 invoices, 12 special event permits and 1,246 business license applications.
- Selected a vendor and negotiated a contract for the new Enterprise Resource Planning (ERP) software system and hired a project manager consultant for the ERP implementation.
- Completed bi-annual actuarial valuation study for other post-employment benefits (OPEB).
- Expanded the full-service TOT management services program to include short-term vacation rental properties within city limits and collected nearly \$100,000 in additional TOT tax revenues.

Fiscal Year 2018-2019 Goals / Strategic Plan Elements

- Implement and train staff on electronic file naming conventions and organize file structure (Inclusive Governance).
- Complete implementation of DocuSign cloud software platform to allow the City to securely manage approvals of contracts, purchase orders, and other workflows that may require digital / electronic signature (Fiscal Sustainability, Inclusive Governance).
- Continue revising the City's Personnel Policies and Procedures (Inclusive Governance).
- Upgrade the City's remote user access program (Infrastructure and Environment).
- Explore boosting cellular service for city facilities (Infrastructure and Environment).
- Revise employee evaluation procedure to ensure compliance with Personnel Policies and Procedures (Inclusive Governance).
- Incorporate social media, intranet and website as primary means of communications (Inclusive Governance).

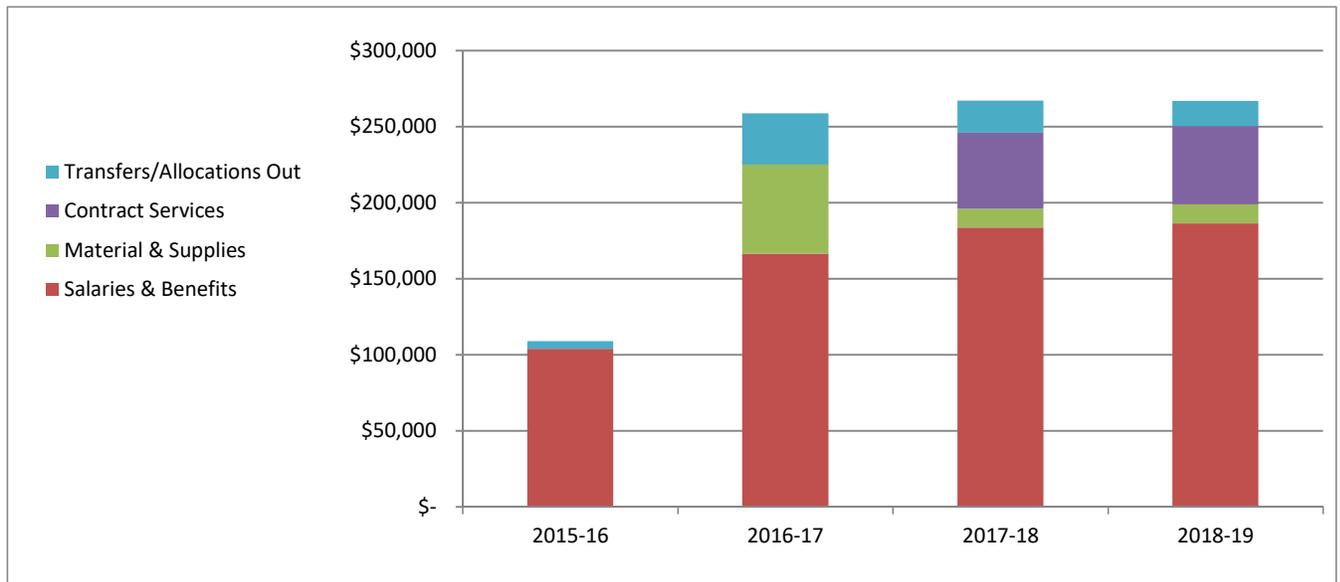
- Continue adding features and functions on the City website (Infrastructure and Environment, Inclusive Governance).
- Coordinate and plan training exercises with partnering agencies to help increase awareness in fire safety and flood preparedness (Infrastructure and Environment, Healthy Communities and Public Safety).
- Identify and organize a Community Emergency Response Team (Healthy Communities and Public Safety, Inclusive Governance).
- Communicate to CERT team members monthly on available emergency preparedness training and exercise opportunities (Healthy Communities and Public Safety, Inclusive Governance).
- Support the City Council's Strategic Plan Elements and Initiatives as they relate to the City's Financial Operations (Infrastructure and Environment, Healthy Communities and Public Safety, Fiscal Sustainability, Inclusive Governance).
- Continue implementation of an Enterprise Resource Planning system implementation (Infrastructure and Environment, Fiscal Sustainability, Inclusive Governance).
- Develop funding policy options related to pension unfunded actuarial liability with CalPERS for City Council's consideration (Fiscal Sustainability, Inclusive Governance)
- Continue to work with HdL and Community Development Department on developing the short-term vacation rental ordinance and expanding the TOT management services program within city limits (Fiscal Sustainability).
- Continue to train employees and consultants on the City's purchasing policy and other financial and administrative matters (Fiscal Sustainability, Inclusive Governance).



**City of Half Moon Bay
FY 2018-19 Budget**

Administrative Services (01-18)

	Audited Actual 2015-16	Audited Actual 2016-17	Revised Budget 2017-18	Adopted Budget 2018-19
Expenditures				
Salaries & Benefits	\$ 104,055	\$ 166,572	\$ 183,636	\$ 186,341
Material & Supplies	-	58,459	12,400	12,600
Contract Services	-	86	50,000	51,500
Transfers/Allocations Out	4,923	33,655	21,155	16,426
Total	\$ 108,978	\$ 258,772	\$ 267,191	\$ 266,867
Revenue Sources				
General Fund	\$ 108,978	\$ 258,772	\$ 267,191	\$ 266,867
Full-Time Equivalent Employees *	2.60	3.20	1.40	1.40

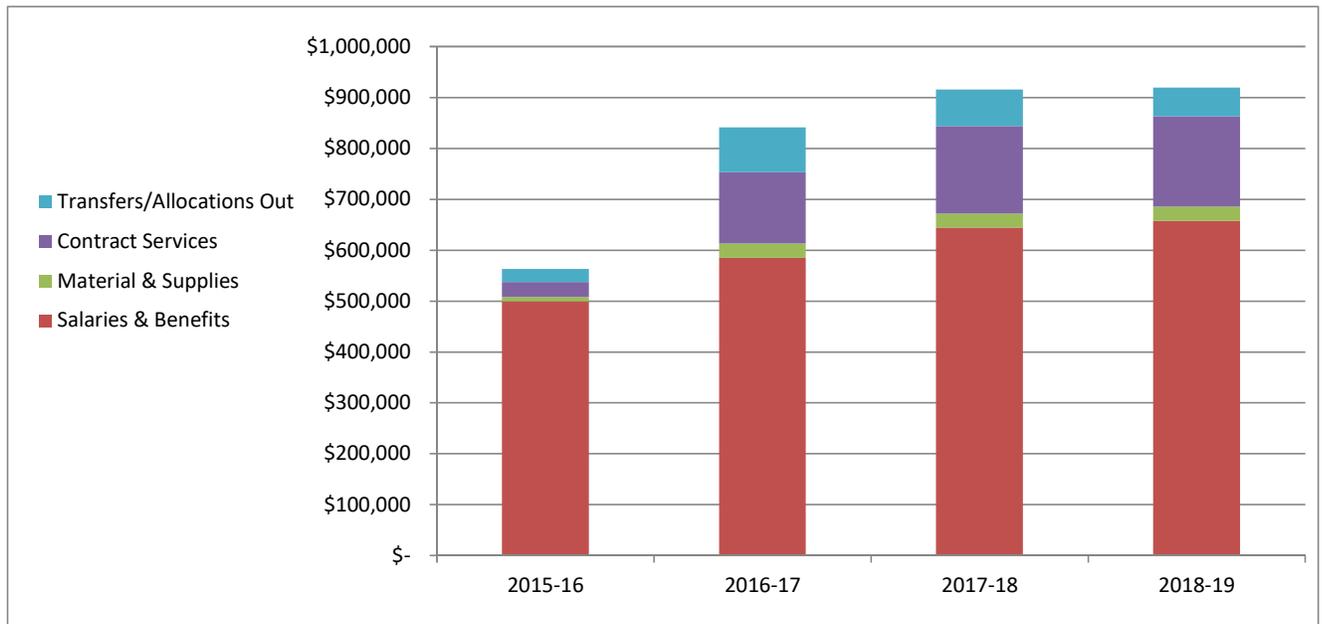


* Beginning in FY 2017-18, the City is presenting the divisions of the Administrative Services Department separately. The full time equivalent breakdown for prior years is not available.

**City of Half Moon Bay
FY 2018-19 Budget**

Finance (01-16)

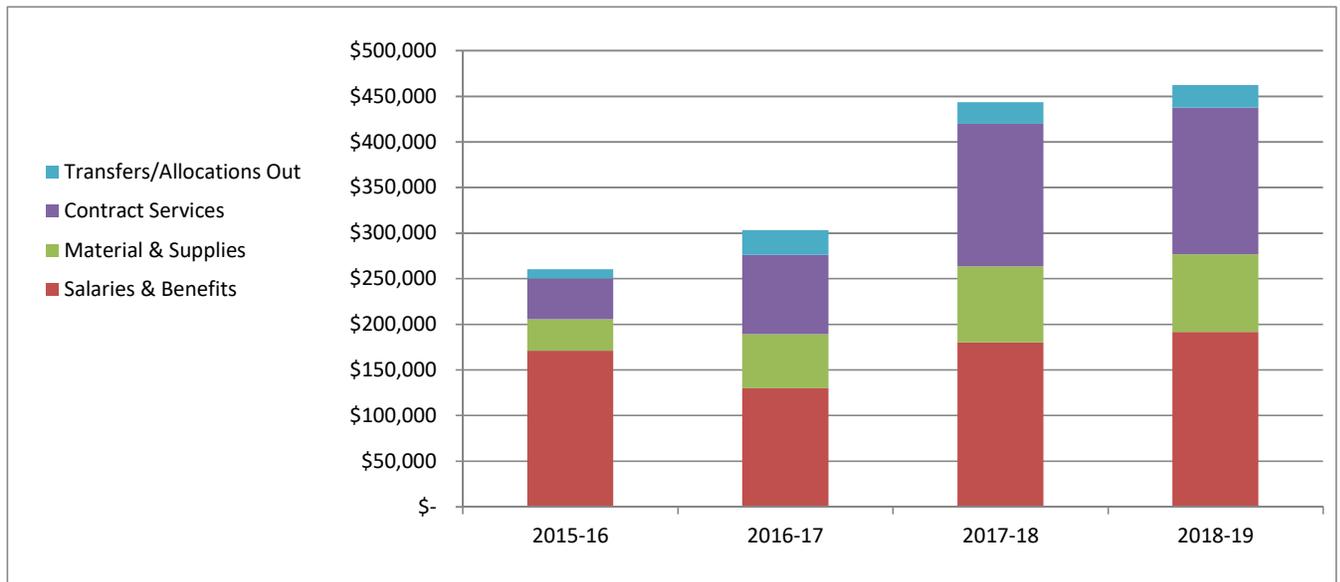
	Audited Actual 2015-16	Audited Actual 2016-17	Revised Budget 2017-18	Adopted Budget 2018-19
Expenditures				
Salaries & Benefits	\$ 498,854	\$ 584,536	\$ 643,988	\$ 657,546
Material & Supplies	8,857	28,256	27,500	28,100
Contract Services	29,735	140,132	172,380	177,600
Transfers/Allocations Out	25,713	88,388	71,879	55,868
Total	\$ 563,160	\$ 841,312	\$ 915,747	\$ 919,114
Revenue Sources				
Business License Tax	\$ 263,826	\$ 293,223	\$ 301,700	\$ 320,000
General Fund	299,333	548,088	614,047	599,114
Full-Time Equivalent Employees	4.00	4.65	4.60	4.60



**City of Half Moon Bay
FY 2018-19 Budget**

Human Resources (01-17)

	Audited Actual 2015-16	Audited Actual 2016-17	Revised Budget 2017-18	Adopted Budget 2018-19
Expenditures				
Salaries & Benefits	\$ 171,314	\$ 130,219	\$ 180,201	\$ 191,839
Material & Supplies	34,323	59,286	83,600	85,200
Contract Services	44,846	86,832	156,000	160,700
Transfers/Allocations Out	9,943	27,086	23,935	24,563
Total	\$ 260,426	\$ 303,423	\$ 443,736	\$ 462,302
Revenue Sources				
General Fund	\$ 260,426	\$ 303,423	\$ 443,736	\$ 462,302
Full-Time Equivalent Employees *			1.20	1.20

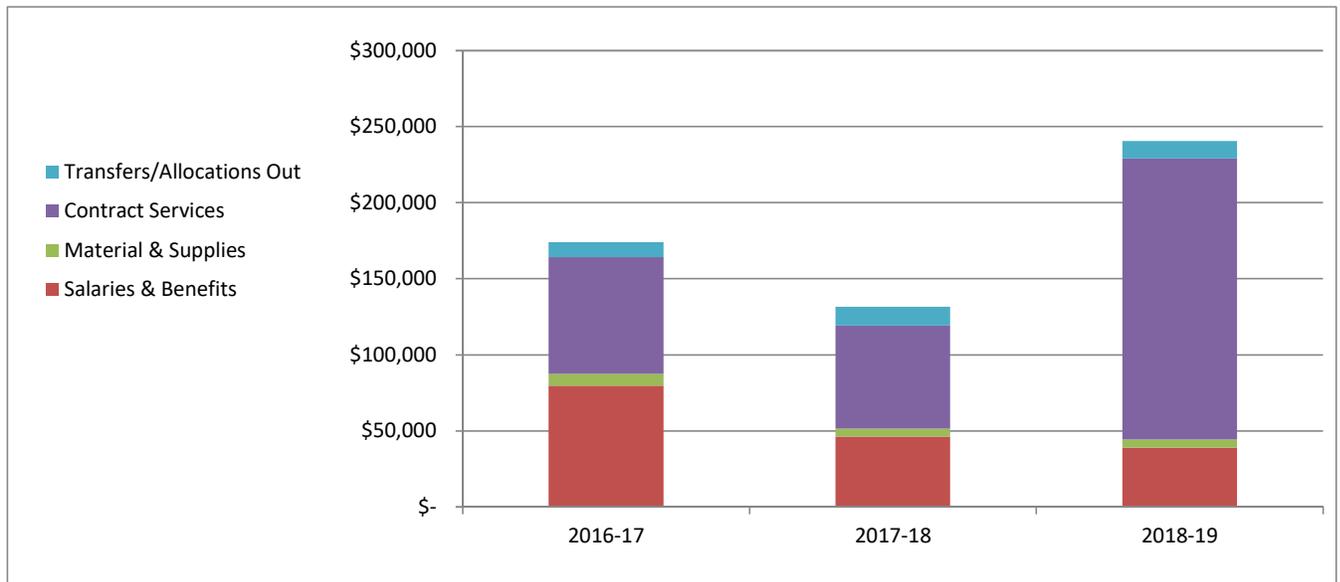


* Beginning in FY 2017-18, the City is presenting the divisions of the Administrative Services Department separately. The full time equivalent breakdown for prior years is not available.

**City of Half Moon Bay
FY 2018-19 Budget**

Information Technology (01-19)

	Audited Actual 2015-16	Audited Actual 2016-17	Revised Budget 2017-18	Adopted Budget 2018-19
Expenditures				
Salaries & Benefits	\$ -	\$ 79,772	\$ 46,382	\$ 39,074
Material & Supplies	-	7,742	5,200	5,300
Contract Services	-	76,772	67,800	184,800
Transfers/Allocations Out	-	9,959	12,357	11,435
Total	\$ -	\$ 174,245	\$ 131,740	\$ 240,610
Revenue Sources				
General Fund	\$ -	\$ 174,245	\$ 131,740	\$ 240,610
Full-Time Equivalent Employees *			0.20	0.20

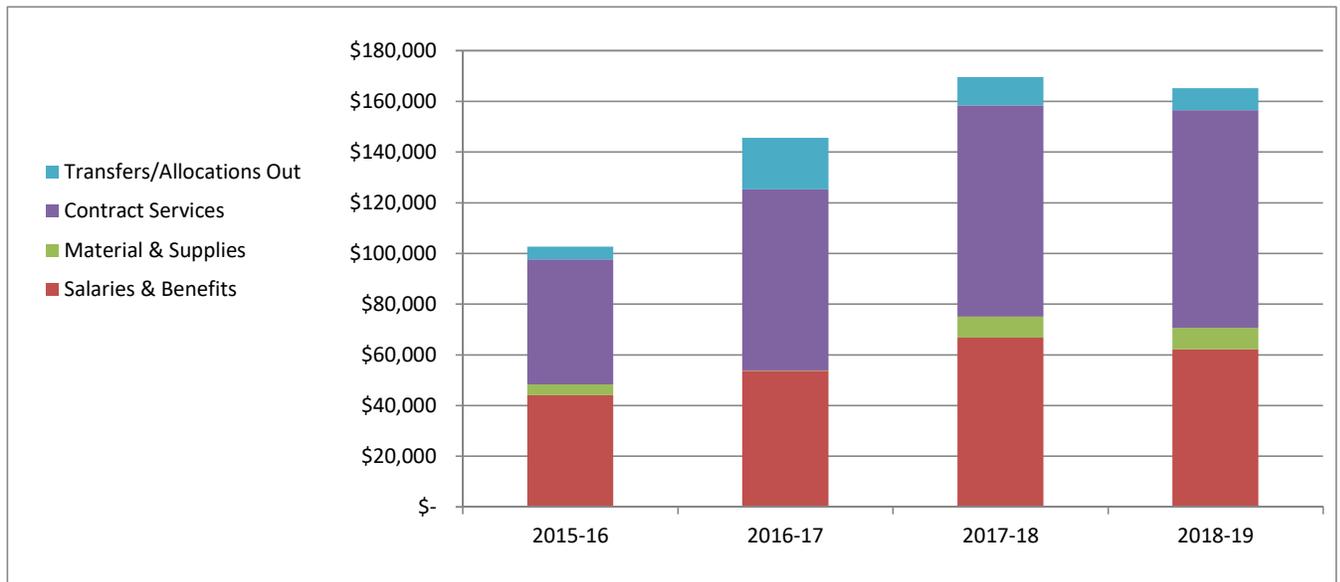


* Beginning in FY 2017-18, the City is presenting the divisions of the Administrative Services Department separately. The full time equivalent breakdown for prior years is not available.

**City of Half Moon Bay
FY 2018-19 Budget**

Emergency Services (01-42)

	Audited Actual 2015-16	Audited Actual 2016-17	Revised Budget 2017-18	Adopted Budget 2018-19
Expenditures				
Salaries & Benefits	\$ 44,065	\$ 53,683	\$ 66,766	\$ 62,140
Material & Supplies	4,240	144	8,300	8,500
Contract Services	49,322	71,418	83,300	85,800
Transfers/Allocations Out	5,057	20,296	11,208	8,682
Total	\$ 102,684	\$ 145,541	\$ 169,574	\$ 165,123
Revenue Sources				
General Fund	\$ 102,684	\$ 145,541	\$ 169,574	\$ 165,123
Full-Time Equivalent Employees *			0.40	0.40



* Beginning in FY 2017-18, the City is presenting the divisions of the Administrative Services Department separately. The full time equivalent breakdown for prior years is not available.



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CITY OF HALF MOON BAY

Risk Management



Risk Management



Risk Management

Mission

The mission of Risk Management is to enhance safety and protect citizens, employees, and assets of the City by fostering a culture of proactive risk management to effectively forecast, control, and mitigate the City's risk through effective loss prevention, claims management, and risk financing.

Description

The Risk Management Department is comprised of two programs: General Liability and Workers Compensation. Risk Management implements safety policies, and best practices and procedures, to mitigate the City's risk exposure. The Risk Management Program protects City assets, provides liability insurance and claims management services, and promotes the safety and well-being of City employees. The program includes managing liability, property and auto claims, and insurance programs. It also develops risk reduction policies and procedures, ensures compliance with the City's risk management operational best practices, and safety standards and regulations as defined by OSHA and the City's Injury and Illness Prevention Program (IIPP). The budget provides for premiums as well as operating funds for legal and other cost resulting from claims against the City.

The City is a member of the PLAN JPA (Pooled Liability Assurance Network Joint Powers) is comprised of 28 greater Bay Area municipalities and is currently administered by Bickmore staff under the direction of a Board of Directors, represented by its member cities. The Acting Deputy City Manager for Administrative Services and Finance is a member of the PLAN JPA Board of Directors and serves on the Board's Risk Management and Finance Committees.

The City's Workers Compensation program is self-funded through membership in a five-city JPA (Joint Powers Authority – The Cities Group). The JPA was formed to administer workers compensation and safety programs. The Cities Group programs are augmented by City-sponsored training, a City-wide safety committee, and workplace injury prevention assessments.

Service Priorities

- Ensure the City has adequate insurance coverage for its operations.
- Undertake and complete timely claims management.
- Promote policies and programs to reduce risk exposure.
- Develop safety policies and procedures and implement risk management best practices.

Staffing

The City's General Liability Risk Management and Workers Compensation Program is currently supported by Acting Deputy City Manager for Administrative Services and Finance, Acting Administrative Services Manager, and Senior Management Analyst.

Service Level Changes

There are no service level changes to the Risk Management Program for FY 18-19.

Budget Highlights / Summary of Changes

The Risk Management Program is budgeted in the Internal Service Fund and is allocated to various City programs and budget units. The Program will continue to receive direct full-time equivalent allocation of 1.15 FTE in the FY 18-19 budget.

Fiscal Year 2017-2018 Accomplishments

- Worked closely with a PLAN JPA consultant to review the City's operational best practices scorecard, reached 89% compliance in Risk Management Framework and Operational Best Practices, which is a 10% improvement from the prior year.
- Developed a Cash Handling Policy and completed a citywide training for the front-line personnel.
- Created an anonymous safety suggestion box for employees to provide safety-related recommendations in the work place.
- Developed policy options and received the City Council's approval for the citywide sidewalk active maintenance program compliant with risk management best practices and state law.
- Completed a citywide street tree assessment in preparation for development of the City's urban tree management plan and policy statement.
- Held regular meetings of the City's Executive Risk Management Committee to provide oversight, coordination, and direction for the City's safety and risk management programs.
- Received \$8,775 in risk management grants from the PLAN JPA.
- Ensured compliance with State-mandated safety trainings and provided ongoing training for City employees in areas of ergonomics, job hazard prevention, driver safety, contract selection and risk transfer, recreation risks, and other aspects of general liability matters, sponsored by The Cities Group and PLAN JPA.
- Conducted sexual harassment training to remain in compliance with AB 1825.
- Conducted bike safety training to allow staff participate in the City bike program.
- Organized a National Shake out day to better prepare for earthquake response.
- Installed key card system to better secure the Ted Adcock and Emergency Operation Center facilities.
- Completed a Vehicle Use Policy to comply with vehicle operations best practices and state requirements.
- Issued an RFP and selected a consultant to prepare a citywide ADA Transition Plan to comply with the Americans with Disabilities Act.
- Continued quarterly cross-departmental Safety Committee meetings to review hazardous conditions within City departments and implementation of action plans for safe ways to complete work duties.

Fiscal Year 2018-2019 Goals / Strategic Plan Elements

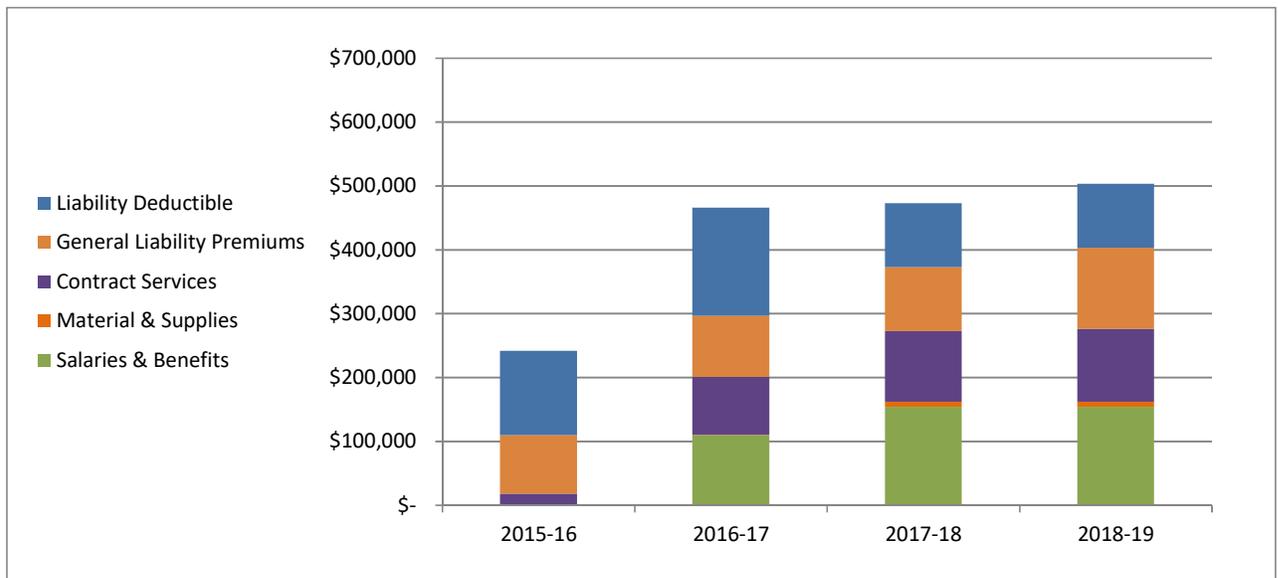
- Support the City Council's Strategic Elements and Initiatives as they relate to the City's Risk Management Program (Infrastructure and Environment, Healthy Communities and Public Safety, Fiscal Sustainability, Inclusive Governance).
- Comply with OSHA standards, regulations, and requirements to prevent work-related injuries and illnesses (Healthy Communities and Public Safety).
- Complete a citywide ADA Transition Plan to comply with the Americans with Disabilities Act and ensure that City facilities, programs, and services are accessible to disabled citizens and employees (Fiscal Sustainability, Inclusive Governance, Healthy Communities and Public Safety).
- Provide citywide training for employees and supervisors on Risk Management Program, including general liability and workers compensation procedures (Fiscal Sustainability, Inclusive Governance, Healthy Communities and Public Safety).
- Complete enrollment of City employees and officials in the DMV Pull Notice Program to comply with vehicle operations policy and best practices (Fiscal Sustainability, Inclusive Governance, Healthy Communities and Public Safety).
- Implement new risk management and safety policies and procedures to ensure the City's compliance with risk management best practices framework and eligibility for grants (Inclusive Governance, Fiscal Sustainability).
- Process and handle general liability and workers compensation claims in a timely manner, so that the risks to public and employees, claim expenses and legal costs can be minimized (Fiscal Sustainability, Inclusive Governance,).
- Execute the complete urban tree management plan report citywide (Healthy Communities and Public Safety, Infrastructure and Environment).
- Continue to efficiently manage claims and seek recovery of costs when actions of a third-party cause damages to City property (Healthy Communities and Public Safety, Fiscal Sustainability).
- Develop a risk management webpage to educate and advise the public on the City's Risk Management Program and residents' responsibilities regarding sewer, facility rental, sidewalks, tree maintenance, etc. (Inclusive Governance).
- Continue to identify and reduce risks to the City (Healthy Communities and Public Safety, Fiscal Sustainability).



**City of Half Moon Bay
FY 2018-19 Budget**

Risk Management - General Liability (63-20)

	Audited Actual 2015-16	Audited Actual 2016-17	Revised Budget 2017-18	Adopted Budget 2018-19
Expenditures				
Salaries & Benefits	\$ -	\$ 110,189	\$ 154,469	\$ 154,493
Material & Supplies	-	500	7,700	7,900
Contract Services	18,204	90,263	110,800	114,100
General Liability Premiums	91,901	95,863	100,000	127,100
Liability Deductible	131,656	169,380	100,000	100,000
Transfers/Allocations Out	-	-	-	-
Total	\$ 241,761	\$ 466,194	\$ 472,969	\$ 503,593
Revenue Sources				
Various Funds	408,500	466,194	472,969	503,593
Full-Time Equivalent Employees	0.00	0.80	0.85	0.85

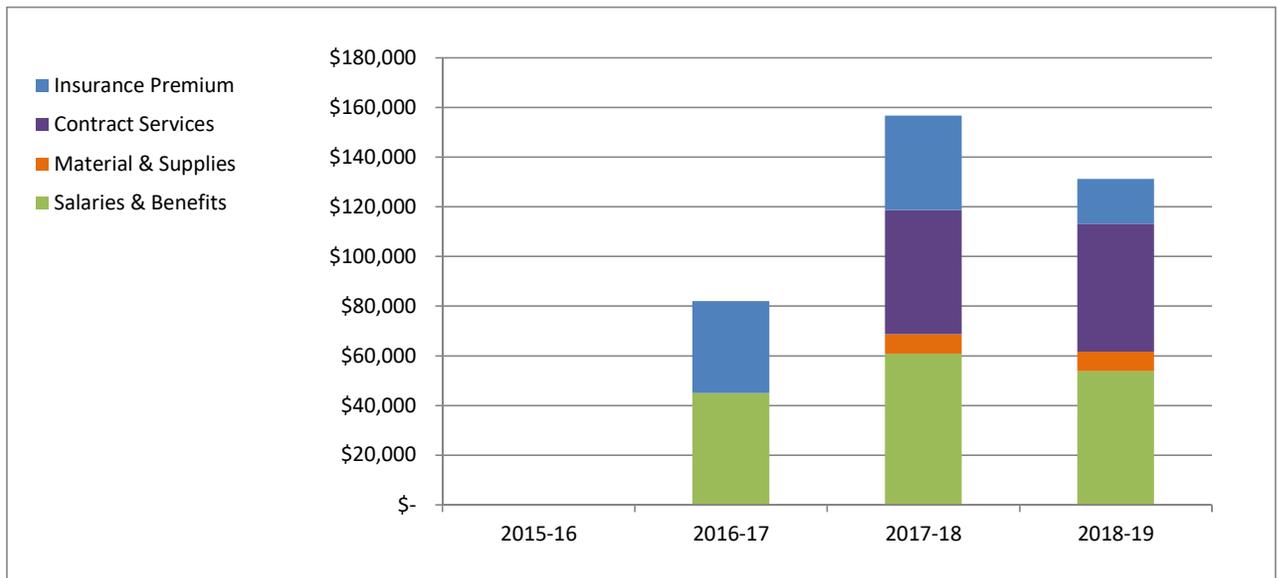


* The Risk Management- General Liability program accounts for activities related to general liability claims against the City and insurance premiums in the FY 2017-2018 Budget. The program operates on a full cost reimbursement basis from other departments.

**City of Half Moon Bay
FY 2018-19 Budget**

Risk Management - Workers' Compensation (63-21)

	Audited Actual 2015-16	Audited Actual 2016-17	Revised Budget 2017-18	Adopted Budget 2018-19
Expenditures				
Salaries & Benefits	\$ -	\$ 45,128	\$ 61,030	\$ 53,877
Material & Supplies	-	-	7,700	7,900
Contract Services	-	-	50,000	51,500
Insurance Premium	-	36,965	38,074	18,000
Total	\$ -	\$ 82,093	\$ 156,804	\$ 131,277
Revenue Sources				
Various Funds	\$ -	\$ 82,093	\$ 156,804	\$ 131,277
Full-Time Equivalent Employees	0.00	0.30	0.30	0.30



* The Risk Management - Worker's Compensation program was moved from the City-wide and Human Resources Departments. The program will account for activities related to worker's compensation claims and insurance premiums. The program operates on a full cost reimbursement basis from other departments.



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CITY OF HALF MOON BAY

Public Safety



Public Safety



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Public Safety

Mission

The mission of the Public Safety Department is to work in partnership with City departments and the community to protect life and property, enhance health and safety, and improve the quality of life of all residents, businesses, and visitors to Half Moon Bay.

Description

The City contracts with the County of San Mateo Sheriff's Office for law enforcement services including regular patrols, dispatch responses to emergency and 911 calls, investigative services, community policing, and specialized law enforcement services as needed. The San Mateo County Sheriff's Office is dedicated to the preservation of public safety by providing innovative and progressive service in partnership with the Half Moon Bay community. Animal control services are also provided through the County.

Service Priorities

- Deliver 24-hour emergency response.
- Coordinate emergency preparedness efforts.
- Detect and reduce crime.
- Enforce traffic laws.
- Manage records and reporting.
- Provide community policing.
- Coordinate the annual Youth Summit.
- Coordinate the Sheriff's Activity League on the Coastsides.

Staffing

The Public Safety budget consists of key contracts for services with San Mateo County for law enforcement, dispatch, and animal control, as well as contracts with agencies that provide other related services such as citation processing. A new commanding officer was appointed to the City of Half Moon Bay/Coastsides that will help establish relationship with the Spanish speaking community.

Service Level Changes

There are no service level changes to Public Safety for FY 18-19.

Budget Highlights / Summary of Changes

The Law Enforcement budget includes a cost of living adjustment. The Dispatch Services budget also includes a contractually negotiated increase, while the Animal Control budget includes a reduction due to an increase in pet licensing fees.

Fiscal Year 2017-2018 Accomplishments

- Held 7th Annual Youth Summit at Cunha Middle School targeted to 8th graders.
- Provided incident command and public safety for community events:
 - Pumpkin Festival
 - Night of Lights
 - Half Moon Bay Triathlon
 - 4th of July Parade
 - Chamarita Parade
- New deputy positions focused on downtown community policing and outreach.
- Utilized School Resource Deputies and Sheriff's Activities League (SAL) to facilitate activities, educational programs, crime prevention, and anti-bullying efforts, and to work with school officials on safety issues.
- Participated in Gang Task Force with deployments to Half Moon Bay.
- Participated in San Mateo County Saturation Traffic Enforcement Program (STEP) with deployments to Half Moon Bay.
- Continued the Empowering Young Women Group to engage and facilitate positive outcomes in young women.
- Continued work with the Homeless Outreach Team to address homeless issues.
- Conducted, in partnership with the Sheriff's Office CARON group, numerous events were held, which were attended by over 200 residents.

Fiscal Year 2018-2019 Goals / Strategic Plan Elements

- Continue to make community policing a priority and generate additional community events (Healthy Communities and Public Safety).
- Continue to work with the City regarding homeless issues (Healthy Communities and Public Safety).
- Participate in the Gang Task Force (Healthy Communities and Public Safety).
- Utilize the Sheriff's Office Bicycle Unit and off-road motorcycle unit to patrol downtown and coastal trails (Healthy Communities and Public Safety).
- Continue traffic safety by utilizing the Sheriff's Office Motorcycle Unit (Healthy Communities and Public Safety).
- Educate and disseminate prevention information regarding phone scams, burglary trends, and other crimes of opportunity (Healthy Communities and Public Safety).
- Create non-enforcement bi-lingual educational programs that create greater trust in the community (Healthy Communities and Public Safety).

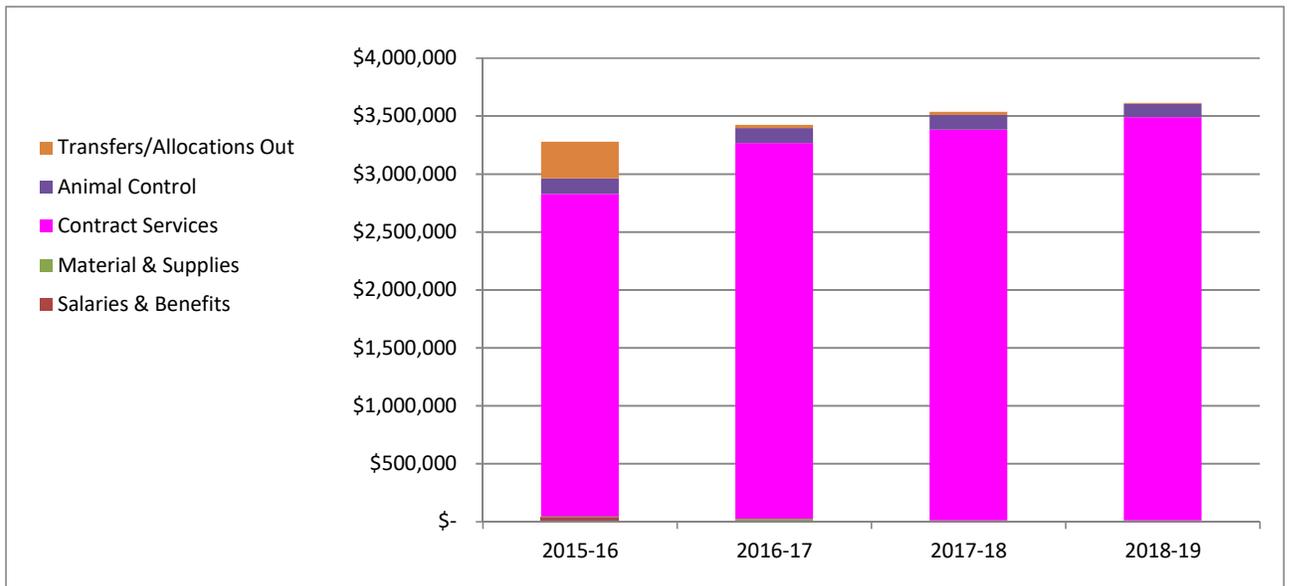


**City of Half Moon Bay
FY 2018-19 Budget**

Public Safety (01-41)

	Audited Actual 2015-16	Audited Actual 2016-17	Revised Budget 2017-18	Adopted Budget 2018-19
Expenditures				
Salaries & Benefits	\$ 35,262	\$ -	\$ -	\$ -
Material & Supplies	10,768	24,965	11,900	12,100
Contract Services	2,783,361	3,244,010	3,370,709	3,477,087
Animal Control	132,771	129,074	126,204	115,731
Transfers/Allocations Out	316,494	26,386	27,177	10,008
Total	\$ 3,278,657	\$ 3,424,435	\$ 3,535,990	\$ 3,614,926
Revenue Sources				
Police Fees	\$ 172,284	\$ 120,546	\$ 161,775	\$ 162,000
¹ County Credit Reimbursements	382,951	555,822	541,121	535,548
General Fund	2,723,422	2,748,066	2,833,094	2,917,378
Full-Time Equivalent Employees	-	-	-	-

¹ The credit amount paid in FY 2017-2018 by the San Mateo County Sheriff's Office toward annual pension cost is \$541,121.

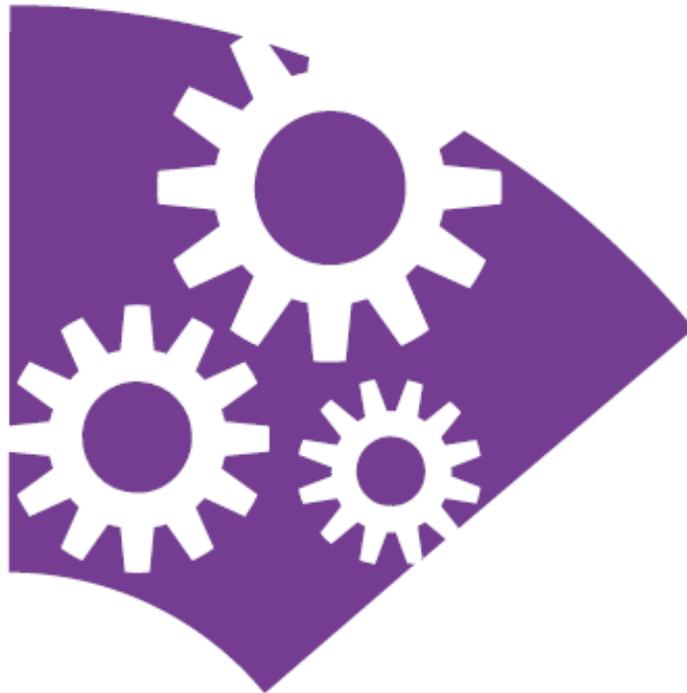






CITY OF HALF MOON BAY

Public Works



Public Works



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Public Works Department

Mission

The mission of the Public Works Department is dedicated to excellence, integrity, and environmental stewardship. We promote safety and livability through effective management of streets, parks, facilities, and utilities.

Vision

Making Half Moon Bay the premier place to vivir (live), trabajar (work) and jugar (play)!

Description

The Public Works Department coordinates and manages maintenance, replacement, and enhancement of City infrastructure, including streets, street lights, street and regulatory markings and signage, medians, parkways, the storm water collection and conveyance system, the sewer collection system, parks and trails, as well as public facilities. The Department develops, manages, and implements the City's Five-Year Capital Improvement Program (CIP), reviews private development applications, coordinates with Caltrans on Highways 1 and 92, manages and oversees the City's solid waste franchise agreement, develops and implements sustainability programs, and ensures private and public compliance with local, state, and federal regulations, including the Federal Clean Water Act, National Pollutant Discharge Elimination System, and the endangered species acts. The Department also serves as liaison to the Sewer Authority Mid-Coastside (SAM).

Service Priorities

- Protect and enhance the public health, safety, and welfare of the community.
- Maintain critical City infrastructure, parks, trails, and public facilities.
- Develop and implement the City's Five-Year Capital Improvement Program (CIP).
- Implement preventive maintenance efforts where possible to reduce pre-mature and costly replacement.
- Implement complete streets and neighborhood traffic calming to enhance quality of life in existing and new neighborhoods.
- Encourage multi-modal transportation.
- Incorporate green infrastructure, watershed management, and habitat enhancement / protection into capital infrastructure planning and design efforts.
- Identify and implement sustainability programs as directed by the City Council.
- Maintain City compliance with CalRecycle.
- Monitor and manage the City's new 10-year solid waste franchise agreement.

Staffing

The Public Works Department consists of a Director, the City Engineer, Public Works Superintendent, Management Analyst, Associate Engineer, Assistant Engineer, Administrative Assistant, three Maintenance Worker II positions, two Maintenance Worker I positions, a part

time sewer engineer, and contract engineers for public works inspection and management of capital projects.

Service Level Changes

The department was formed in FY 2017-18 through reorganization of the former Community Development Department and merger of the Public Works-Facilities Maintenance Division from the City Manager's Office. Additionally, one Maintenance Worker I position was added to further manage the City's maintenance requirements.

Budget Highlights / Summary of Changes

The department budget includes funding for personnel-related costs and consultant services as well as management and operation of departmental programs. In FY 2018-19 Administration and Sustainability division was created to provide support to the other Public Works division.

The Department is comprised of the following divisions:

Administration and Sustainability

Mission

The mission of Administration and Sustainability is to provide support to each of the other three divisions: 1) the Engineering Division; 2) the Capital Projects Division 3) the Infrastructure and Facilities Maintenance Division. Duties include ensuring each division is fulfilling their respective duties to protect public health, safety, welfare, and improve the quality of life of residents and visitors alike.

Description

Administration and Sustainability serves as the primary point of contact with the City Manager, City Council, SAM, the Community Development Department and other departments and agencies. The Division generally serves as the Public Information Officer (PIO) for issues pertaining to Public Works. The Division is responsible for identification, assessment, and implementation of sustainability programs, participating in the CalRecycle program, and oversight of the solid waste agreement and franchisee. The Division collaborates and coordinates projects and programs with the Community Development Department including future updates of the City's Greenhouse Gas inventory and in preparation of the Climate Action Plan. The Division is also responsible for oversight of public outreach efforts including coordination of CIP and managing Public Works information on the website. The Public Works Director serves as principal liaison to SAM staff, the SAM Board of Directors and City SAM Board representatives. The Division is responsible for the department's budget preparation, including the capital budget and oversight, management of public procurement, and accounts receivable for the department.

Engineering Division

Mission

The mission of the Engineering Division is to protect public health and safety, and improve the quality of life of residents and visitors by ensuring safe and functional streets, bridges,

intersections, and infrastructure that is designed, inspected, and maintained in accordance with best practices and applicable local, state, and federal regulations and laws.

Description

The Engineering Division is responsible for review of private development, issuance of applicable permits, assisting with environmental reviews, coordination with other divisions, consultant engineers, and other utility providers in the design and construction of new public and privately funded projects and infrastructure. This division serves as lead on the preparation of studies and master plans of the City's streets, buildings and grounds, and sewage and drainage systems. The Division is also responsible for managing the Traffic Safety Committee and related traffic safety regulations.

Capital Projects Division

Mission

The mission of the Capital Projects Division is to protect public health and safety, and improve the quality of life of residents and visitors by ensuring public infrastructure and facilities are designed, built, and inspected in accordance with the City Council approved Five-Year Capital Improvement Program (CIP).

Description

The Capital Projects Division is responsible for preparing and seeking annual approval from the City Council of the Five-Year Capital Improvement Program (CIP) and one-year capital budget. The Division identifies capital improvement needs in consultation with other divisions and departments, coordinates with non-City utility providers on design and implementation of the CIP, and oversees design, permitting, bidding, bid award, and construction of projects identified in the CIP. Division staff assist the Engineering Division in the preparation of studies and master plans for streets, parks, trails, buildings and grounds, and sewer and storm drainage systems.

Infrastructure and Facilities Maintenance Division

Mission

The mission of the Infrastructure and Facilities Maintenance Division is to proactively maintain and enhance City streets, parks, trails, facilities and infrastructure to ensure compliance with local, state, and federal laws, and continued functional and safe operations and use.

Description

The Infrastructure and Facilities Maintenance Division provides cost-effective and timely maintenance of City utilities including the sewer collection system, storm drain system, streets, sidewalks, street trees, and parks, as well as City-owned and operated buildings to enhance and protect the health, safety, and welfare of residents and visitors alike.

Fiscal Year 2017-2018 Accomplishments

- Finished construction of the new Half Moon Bay Library.
- Completed the Correas Street Underground Utility District. This project involves reconstruction of the pavement of Correas Street from Purissima Street to Chruuch Street

with full-depth pavement section. The project also includes bulb-outs at the corner of Purrissima Street and Correas Street, incorporation of green infrastructure, and crosswalk markings.

- Accomplished negotiations with a new 10-year solid waste franchise agreement with Republic Services following an 18-month solicitation and negotiation process.
- Completed of the collection system maintenance RFP and contract services negotiation.
- Hired two new Maintenance Worker I staff, City Engineer, an Assistant Engineer and an Administrative Assistant.
- Completed Main Street Pavement Repair and Pedestrian Safety Projects. This project includes cutting, excavation, soil stabilization, and repaving of portions of Main Street from Pilarcitos Creek to Correas Street (approximately 1,700 feet) where the trench for the storm drain system has experienced differential settling.
- Awarded FHWA Grant for rehabilitation of Main Street Bridge.
- Assisted with Homeless Encampment Cleanup efforts.
- Finalized design and bid specifications for 2018 Street Rehabilitation Project, circulated RFP and awarded contract for construction.
- Completed design and bid specifications for City Parking Lot Repair Project, circulated RFP, awarded contract for construction and completed work.
- Completed interim improvements at Poplar Beach including installation of: new parking pay station. big belly compactor/bins. picnic tables, signage, fencing and parking lot/accessibility improvements.
- Submitted 12 grant applications and was awarded 5 grants covering EV charge stations, multi-purpose bicycle/pedestrian path extensions, Safe Routes to School/Green Infrastructures, energy efficiency, and Poplar Complete Streets Project.
- Implemented new contract for NPDES related inspections.
- Completed City Street Tree Assessment.
- Finalized Temporary Seymour Ditch Repair in advance of rainy season.
- Assisted in the solicitation and selection of Enterprise Resource Planning software.
- Collaborated with CDD on Parks Master Plan and the Bicycle and Pedestrian Master Plan. Local Coastal Land Use Plan and General Plan.
- Completed Main Street Pavement repair in advance of HMB Pumpkin Festival.
- Supported community events including Night of Lights, Pumpkin Festival and July Fourth Parade.

Fiscal Year 2018-2019 Goals / Strategic Plan Elements

- Maintain storm water conveyance ditches annually in conformance with the State Streambed Alteration Permit (Infrastructure and Environment).
- Coordinate and collaborate with Coastside emergency preparedness efforts (Healthy Communities and Public Safety, Infrastructure and Environment).
- Collaborate on the preparation of ADA Transition Plan and prioritization of implementation (Infrastructure and Environment).

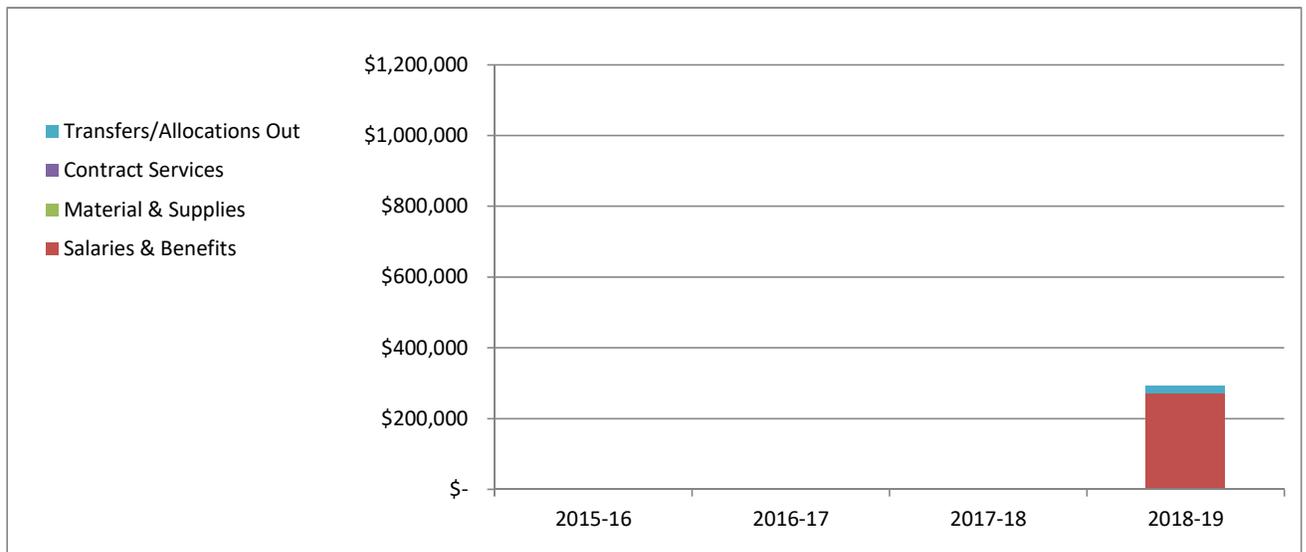
- Initiate discussions with the City Council and Main Street business / property owners on potential improvements, enhancements, and funding options for Main Street (Fiscal Sustainability, Healthy Communities and Public Safety).
- Update and prioritize the City's Five-Year Capital Improvement Program for presentation and consideration by City Council (Fiscal Sustainability, Healthy Communities and Public Safety, Infrastructure and Environment, Inclusive Governance).
- Complete capital projects designated for FY 17-18 (Fiscal Sustainability, Healthy Communities and Public Safety, Infrastructure and Environment, Inclusive Governance).
- Develop a preventive maintenance schedule for public facilities and infrastructure (Infrastructure and Environment).
- Monitor and manage the City's 10-year Solid Waste Franchise Agreement (Fiscal Sustainability, Infrastructure and Environment).
- Evaluate opportunities to enhance / expand parks, multi-use trails, and path opportunities (Healthy Communities and Public Safety).
- Manage the new solid waste franchise agreement (Fiscal Sustainability, Healthy Communities and Public Safety).
- Evaluate and propose sustainability programs for inclusion by the City Council in FY 18-19 (Healthy Communities and Public Safety).
- Complete pump station replacements at Pelican Point and Ocean Colony (Infrastructure and Environment).



**City of Half Moon Bay
FY 2018-19 Budget**

Public Works - Administration (01-50)

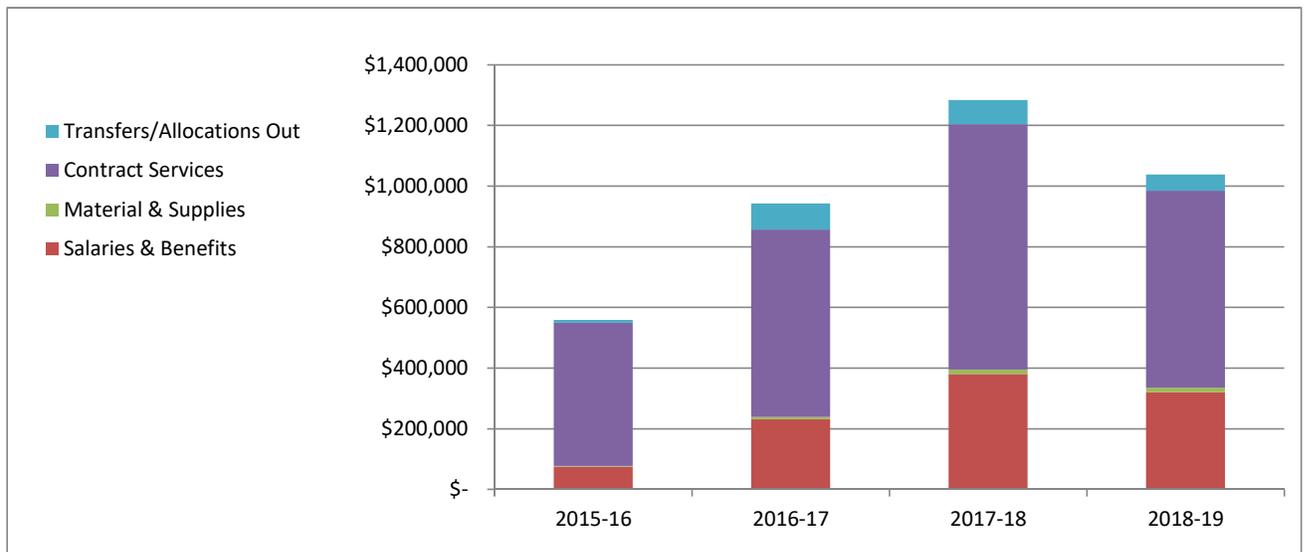
	Audited Actual 2015-16	Audited Actual 2016-17	Revised Budget 2017-18	Adopted Budget 2018-19
Expenditures				
Salaries & Benefits	\$ -	\$ -	\$ -	\$ 272,573
Material & Supplies	-	-	-	-
Contract Services	-	-	-	-
Transfers/Allocations Out	-	-	-	19,190
Total	\$ -	\$ -	\$ -	\$ 291,763
Revenue Sources				
Engineering Fees	\$ -	\$ -	\$ -	\$ -
AB 939 Recycling Funding	-	-	-	-
General Fund	-	-	-	291,763
Full-Time Equivalent Employees	-	-	-	1.85



**City of Half Moon Bay
FY 2018-19 Budget**

Public Works - Engineering (01-51)

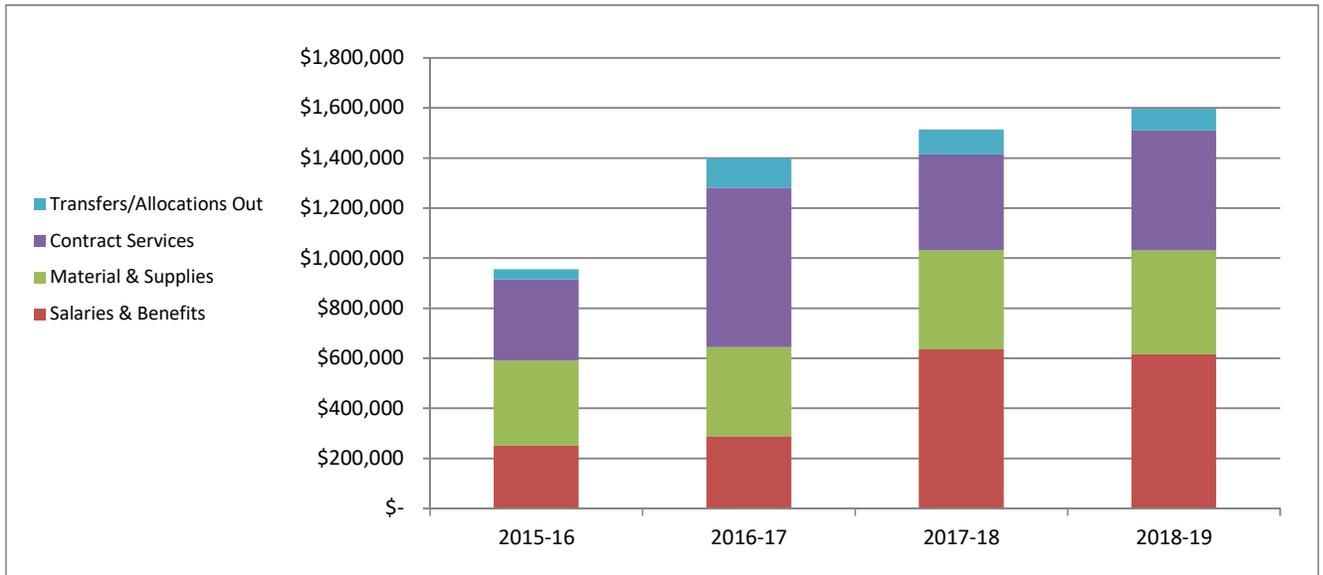
	Audited Actual 2015-16	Audited Actual 2016-17	Revised Budget 2017-18	Adopted Budget 2018-19
Expenditures				
Salaries & Benefits	\$ 74,970	\$ 232,486	\$ 380,812	\$ 321,196
Material & Supplies	1,435	7,050	14,500	14,800
Contract Services	473,303	617,539	809,500	649,500
Transfers/Allocations Out	9,294	86,225	79,844	53,556
Total	\$ 559,002	\$ 943,301	\$ 1,284,656	\$ 1,039,052
Revenue Sources				
Engineering Fees	\$ 155,475	\$ 140,287	\$ 118,600	\$ 118,600
AB 939 Recycling Funding	37,970	18,691	91,945	91,945
General Fund	365,558	784,322	1,074,111	828,507
Full-Time Equivalent Employees	2.85	2.50	3.40	2.10



**City of Half Moon Bay
FY 2018-19 Budget**

Public Works - Facilities Maintenance (01-55)

	Audited Actual 2015-16	Audited Actual 2016-17	Revised Budget 2017-18	Adopted Budget 2018-19
Expenditures				
Salaries & Benefits	\$ 249,876	\$ 288,031	\$ 635,923	\$ 616,463
Material & Supplies	340,745	356,571	395,823	414,900
Contract Services	324,692	637,231	382,362	478,300
Transfers/Allocations Out	40,137	117,390	100,219	86,984
Total	\$ 955,450	\$ 1,399,223	\$ 1,514,327	\$ 1,596,647
Revenue Sources				
General Fund	\$ 955,450	\$ 1,399,223	\$ 1,514,327	\$ 1,596,647
Full-Time Equivalent Employees	2.30	3.15	5.60	5.30





CITY OF HALF MOON BAY

Community Development



Community Development Department



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Community Development Department

Mission

The mission of the Community Development Department is to protect public health, safety, and welfare; enhance the community through long range and current planning; support affordable housing and economic development initiatives; and ensure building safety and code compliance while providing for inclusive and transparent planning and policy making processes that encourage participation from the community.

Description

The Community Development Department coordinates and manages the City's development-related functions such as long-range planning, development review, entitlement and permit processing, building inspection services, and code compliance. The Department serves as a "clearinghouse" for all development-related housing and economic development services. It also functions as the environmental coordinator for the City, ensuring compliance with the California Coastal Act, California Environmental Quality Act (CEQA), and the National Environmental Policy Act (NEPA). The Department functions as the disabled access coordinator, ensuring safe and reasonable access for all citizens under the Americans with Disabilities Act (ADA) and California Title 24.

The Department provides staff support to the City Council, Planning Commission, the Bicycle and Pedestrian Advisory Committee, and other ad hoc committees, and monitors and participates with regional organizations including the City/County Association of Governments (C/CAG) and the Association of Bay Area Governments (ABAG).

Service Priorities

- Implement the Local Coastal Program (LCP) and the California Coastal Act through protection of coastal resources and maximization of coastal access.
- Protect and enhance the public health, safety, and welfare of community members.
- Create safe, livable, connected, and walkable neighborhoods.
- Enhance employment and economic development opportunities for residents and businesses.
- Be responsive to residents, Councilmembers, Commissioners, staff, and the community.

Staffing

The department consists of a Director, Planning and Development Services Manager (to be held vacant), Senior Planner, two Associate Planners, Administrative Assistant, Permit Technician, Contract Building Inspector, Part-Time Contract Building Official, and one Part-Time Contract Planning Analyst.

Service Level Changes

The budget includes freezing the vacated Planning Manager position and establishing a second full-time Associate Planner position. This change will provide for improved customer service and reduced entitlement review processing time and will also support completion of the LCP update.

Budget Highlights / Summary of Changes

The budget consists of personnel-related costs and contract services to cover staffing and related services. The contract planning portion of the contract services budget continues to be reduced as the planning function is returning to City staffing. Funding continues to be included for biological consultant services to address identified needs.

The department consists of the following divisions:

Building Division

Mission

The mission of the Building Division is to protect public health and safety through the issuance of required building permits; and inspection of buildings, properties, and facilities in compliance with the California Building Standards, the Half Moon Bay Municipal Code, and other federal, state, and local requirements.

Description

The Building Division staffs the City Permit Center which coordinates intake of building, engineering, and planning permits, provides building plan check services, building inspection services, and zoning and other Municipal Code-related code compliance services. Division staff also provide responsive services including same-day inspections and issuance of over-the-counter permits for ministerial matters. Division staff spend significant time in the field and their firsthand knowledge of community conditions is essential to department operations as a whole.

Planning Division

Mission

The mission of the Planning Division is to protect public health and safety, safeguard coastal resources, and improve the quality of life of community members by ensuring residences, businesses, and other uses are developed and operated in accordance with the requirements of the LCP, Zoning Ordinance, General Plan, California Environmental Quality Act (CEQA), and other applicable local, state, and federal laws and regulations.

Description

The Planning Division serves residents and businesses by overseeing and implementing the City's development-related regulations, Local Coastal Land Use Plan, and General Plan, in accordance with state law. The Division provides support to the City's Planning Commission, whose role is to consider current development proposals and provide recommendations on

land use-related issues to the City Council. Planning staff strive to provide professional, courteous, responsive, and accountable public service to the community, and to implement Council-directed policy regarding the City's regulatory and environmental framework. The division works closely with the Public Works Department and the Bicycle and Pedestrian Advisory Committee (BPAC).

Fiscal Year 2017-2018 Accomplishments

- Advanced the LCP Update project, including:
 - Established and served a Planning Commission ad hoc committee;
 - Completed four LCP chapters for Planning Commission review;
 - Completed initial biological mapping and policy framework for the update;
 - Established and managed contract services with specialized LCP policy and biological resources consultants.
- Supported the Engineering and Capital Projects Division of the Public Works Department.
- Hired an in-house Associate and Senior Planner.
- Managed the contract for planning services.
- Managed the contract for building inspection, plan check and code compliance services.
- Completed final drafts of the Parks Master Plan and the Bicycle and Pedestrian Master Plan.
- Prepared, in collaboration with the City Attorney, draft accessory dwelling unit ordinance and reduced process time and cost associated with permitting accessory dwelling units.
- Prepared, in collaboration with the City Attorney, policy paper for Planning Commission consideration of short-term rentals.
- Secured a Coastal Development Permit and completed environmental review for the Highway 1 South signalization project.
- Held "Shrinking Shores" sea level rise public education demonstration project at Poplar Beach.
- Initiated assessment of permit software for development-related services.
- Initiated preparation to establish a new GIS system.
- Implemented bylaws, study sessions and other procedural improvements for the Planning Commission.
- Supported community engagement for and preparation of a cannabis nursery starts ordinance.

Fiscal Year 2018-2019 Goals / Strategic Plan Elements

- Complete LCP Land Use Plan Update for City Council approval and Coastal Commission consideration (Infrastructure and Environment).
- Complete environmental review of the Draft Parks Master Plan and Draft Bicycle and Pedestrian Master Plan to enable City Council adoption of the plans (Healthy Communities and Public Safety, Infrastructure and Environment).

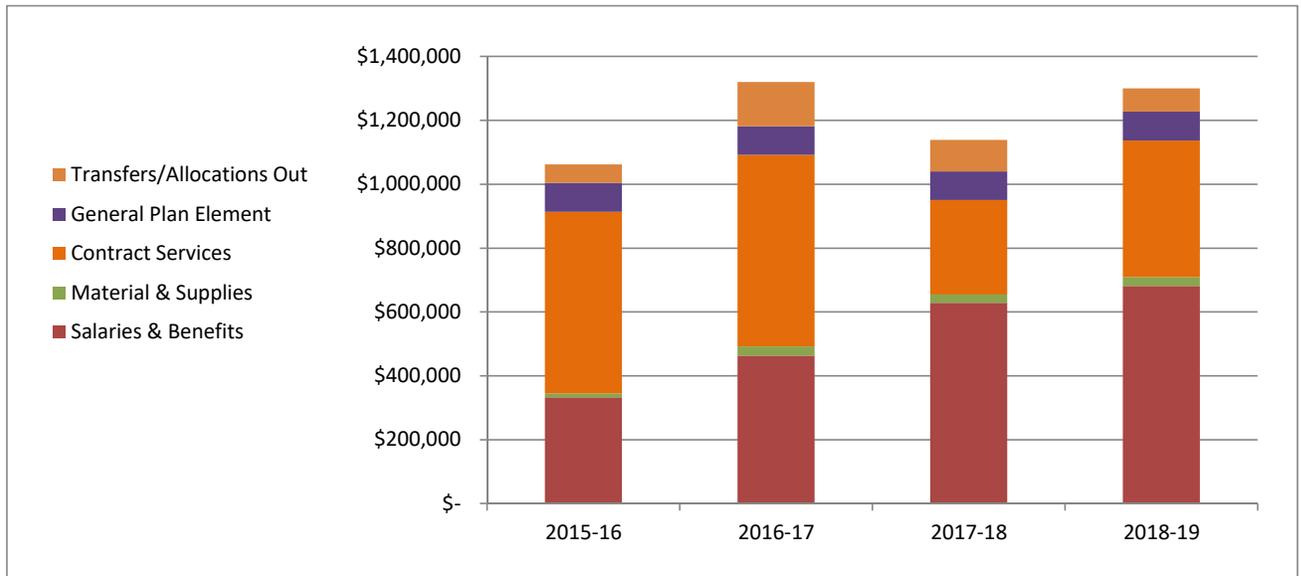
- Establish an affordable housing oversight function to effectively implement the City’s Housing Element and seek opportunities to produce new and protect existing affordable dwelling units (Healthy Communities and Public Safety, Infrastructure and Environment).
- Implement a comprehensive approach to facilitate suitable development in the Downtown that:
 - Incorporates improvements to the environmental and design review processes;
 - Updates and utilizes parking regulations appropriate to a mixed-use downtown environment;
 - Studies and initiates new approaches to water policy for the mixed-use downtown core area; and
 - Analyzes and addresses market conditions, cost to develop, and the potential for job creation and match for coastside residents (Infrastructure and Environment, Healthy Communities and Public Safety, and Fiscal Sustainability)
- Complete ordinances regulating accessory dwelling units, short-term rentals, small-lot infill development, and heritage tree protection (Healthy Communities and Public Safety, Infrastructure and Environment).
- Continue to streamline processing of accessory dwelling units and establish improved processing for infill development projects that conform to the City’s LCP (Healthy Communities and Public Safety, Infrastructure and Environment).
- Support Public Works with projects included in the FY 2018-19 Capital Budget including the Poplar Gateways and Poplar Complete Streets Plans (Healthy Communities and Public Safety, Infrastructure and Environment).
- Continue to assist Public Works in the annual review of the City’s Five-Year CIP document and ensure Planning Commission review of the capital projects for General Plan consistency (Healthy Communities and Public Safety, Infrastructure and Environment).
- Hire the second Associate Planner (Inclusive Governance).
- Explore transitioning Code Compliance in-house to improve responsiveness (Healthy Communities and Public Safety).
- Provide for community engagement and transparency in current planning processing of development proposals (Healthy Communities and Public Safety, Infrastructure and Environment, and Inclusive Governance).



**City of Half Moon Bay
FY 2018-19 Budget**

Community Development - Planning Services (01-71)

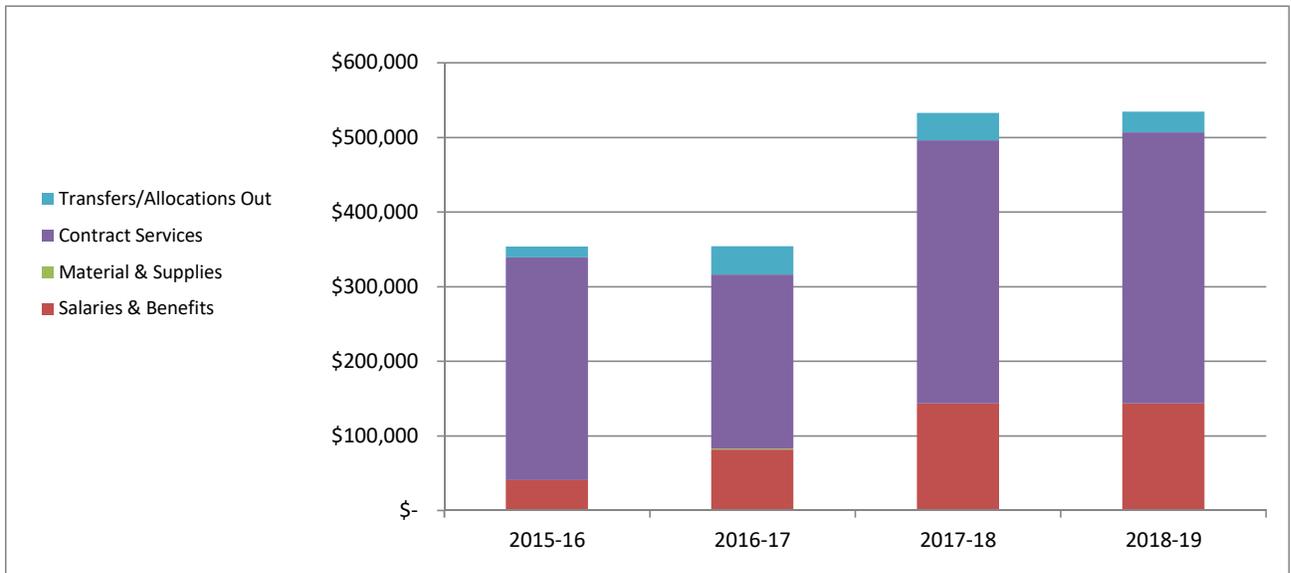
	Audited Actual 2015-16	Audited Actual 2016-17	Revised Budget 2017-18	Adopted Budget 2018-19
Expenditures				
Salaries & Benefits	\$ 332,531	\$ 462,627	\$ 627,972	\$ 681,287
Material & Supplies	11,808	29,500	26,500	27,100
Contract Services	569,222	598,907	295,449	428,300
General Plan Element	90,000	90,000	90,000	90,000
Transfers/Allocations Out	57,699	138,922	98,698	72,616
Total	\$ 1,061,260	\$ 1,319,956	\$ 1,138,620	\$ 1,299,302
Revenue Sources				
Planning/Zoning Fees + Grants	\$ 99,586	\$ 114,029	\$ 167,763	\$ 167,763
General Fund	961,674	1,205,927	970,857	1,131,539
Full-Time Equivalent Employees	2.90	4.05	4.25	4.75



**City of Half Moon Bay
FY 2018-19 Budget**

Community Development - Building and Code Enforcement (01-52)

	Audited Actual 2015-16	Audited Actual 2016-17	Revised Budget 2017-18	Adopted Budget 2018-19
Expenditures				
Salaries & Benefits	\$ 40,575	\$ 81,369	\$ 143,501	\$ 143,364
Material & Supplies	63	1,529	-	-
Contract Services	298,505	232,971	352,500	363,100
Transfers/Allocations Out	14,294	38,151	36,545	28,125
Total	\$ 353,437	\$ 354,020	\$ 532,545	\$ 534,590
Revenue Sources				
Building Permits	\$ 295,499	\$ 401,324	\$ 360,895	\$ 360,895
General Fund	57,938	(47,305)	171,650	173,695
Full-Time Equivalent Employees	0.40	0.65	0.90	1.05





CITY OF HALF MOON BAY

Special Revenue and Capital Funds





Special Revenue and Capital Project Funds

Special Revenue Funds and Capital Project Funds are used to account for the proceeds of specific revenue sources that are legally or contractually restricted as to their use in most instances. In some cases, these funds pay for specialized services in the operating budget.

An exception is the Capital General Fund (Fund 25) that is fully funded by transfers from the General Fund (Fund 01) and these proceeds can be used for any governmental purpose or project. The Capital General Fund proceeds are unrestricted.



In most cases these funds cover Capital Improvement Program projects for infrastructure improvements and maintenance. The capital improvement projects that are funded in FY 2018-19 are detailed in a separate Five Year Capital Improvement Program budget document.

STORM DRAIN MAINTENANCE & OPERATIONS (FUND 07)

The Storm Drain Operating Fund (Fund 7) is a restricted fund that provides for the maintenance of the existing storm drain system. The storm drain system includes existing collectors, culverts, ditches, and streams. This fund is primarily supported by transfers from the General Fund.

Goals and Objectives

- Ensure existing storm water drainage systems remain clear and free of debris and contaminants.
- Annually clear debris from existing drainage systems and maintain them.
- Comply with the National Pollution Discharge Elimination System (NPDES) requirements.

MAIN STREET BRIDGE FUND (FUND 09)

The Main Street Bridge Fund is a restricted fund. It provides funding for a project that is a large, multi-year project to construct a new bridge in downtown Half Moon Bay. Contributions to the Main Street Bridge Fund (Fund 09) come from the Gas Tax, Federal and SMCTA grants and contributions from the General Fund.

Goals and Objectives

- Ensure Main Street Bridge is constructed to meet safety standards and incorporates aesthetic and functional features that will serve the community and its visitors.
- Maximize use of Federal, State, County and local governmental agency grants.

GAS TAX FUND (FUND 10)

The Gas Tax Fund is a restricted fund. Gas tax revenue is allocated to cities from the State in accordance with the Streets and Highways Code sections 2105, 2106, and 2107. The City uses these tax proceeds mainly for streets and road maintenance and minor improvements.

Goals and Objectives

- Maintain City streets and roads, including gutters and sidewalks, in accordance with the City's Pavement Management Program.
- Give priority to the safety of the public who use the City's streets, roads, and sidewalks.



STREETS AND ROADS FUND (Fund 11)

The Streets and Roads Fund is a restricted fund. The fund accounts for the expenditures made for streets and roads and is funded by grants and other special revenues.

Goals and Objectives

- Maximize use of Federal, State, County and local government agency grants.
- Implement programs that are defined to meet needs for improved infrastructure.

MEASURE A FUND (Fund 12)



The Measure A Fund is a restricted fund. Measure A was originally approved by the San Mateo County voters to levy a ½% sales and use tax within the County to fund local transportation-related maintenance and capital improvements beginning in 1988. In 2004, the voters approved a measure to continue the levy of the tax for an additional 25 years beginning in 2009. These funds are restricted for use in maintenance and improvement of City streets and roads.

Goals and Objectives

- Maintain City streets and roads, including gutters and sidewalks, in accordance with the City's Pavement Management Program.
- Give priority to the safety of the public who use the City's streets, roads, and sidewalks.

TRAFFIC MITIGATION (Fund 13)

The Traffic Mitigation Fund is a restricted fund. Traffic mitigation fees defray the cost of constructing road improvements to mitigate the impacts of new developments in Half Moon Bay. These funds are used by the City to reduce traffic congestion and provide for safety and street improvements such as signals, lighting, and signage within the City.

Goals and Objectives:

- Maximize utilization of Federal, State, County and local governmental agency grants.
- Recover costs associated with development.
- Implement programs that are defined to meet needs for improved infrastructure.

STORM DRAIN IMPROVEMENTS (Fund 14)

The Storm Drain Improvements Fund is a restricted fund. It is used to account for all proceeds from storm drain improvement fees which are assessed on new or remodeled construction and are used for drainage improvements.

Goals and Objectives

- Recover storm drain mitigating costs associated with developments.
- Maximize utilization of Federal, State, County and local governmental agency grants.

LIBRARY SERVICES OPERATING (Fund 15)

The Library Services Operating Fund is a restricted fund. The City, as part of the Countywide Library Joint Powers Authority (JPA), has assumed responsibility for the maintenance of the Half Moon Bay Branch Library structure and grounds. The County contributes to the annual maintenance costs of the library in recognition that it serves residents of the unincorporated Coastside area near Half Moon Bay. The City provides additional fiscal support. Maintenance is provided by Public Works staff or through contract resources.



Goals and Objectives

- Provide facilities maintenance for the library.
- Assess and meet long-term library facility needs for the library facility.

LIBRARY CAPITAL (Fund 16)

The Library Capital Fund is a restricted fund. The Library Capital Fund includes revenue, grants, and other contributions that will be used to build a new library for Half Moon Bay.

Goals and Objectives

- Provide funding for the new library for Half Moon Bay.
- Receive grant funds, funding from the County, and donations for the new library.
- Provide funding for ongoing improvements and refreshes of the library.

PARKS DEVELOPMENT (Fund 17)

The Parks Development Fund is a restricted fund. Development impact fees and Federal, State, and County grants fund the Parks Development Fund. This fund is used for the acquisition, development and capital improvements of the City's parks and trails.



Goals and Objectives

- Assess and develop improvement plans for infrastructure needs on City park and trail projects.
- Maximize utilization of Federal, State, County, and local governmental agency grants.
- Recover park mitigation costs associated with developments.

AFFORDABLE HOUSING FUND (Fund 19)

The Affordable Housing Fund is a restricted fund. The City receives funds for Affordable Housing from new developments. These funds are used for the development of affordable housing programs in Half Moon Bay.

Goals and Objectives

- Develop a plan to institute affordable housing programs.
- Provide affordable housing programs that meet statutory requirements and the needs of the community.

POLICE SERVICES (Fund 22)

The Police Services Fund is a restricted fund. The City receives funds for police services from Federal, State, County and local governmental agencies. These funds are designated for specific police services, activities, and capital equipment. The source of revenue in FY 2016-17 is the COPS grant.



Goals and Objectives

- Maximize utilization of grants from Federal, State, County, and local governmental agencies.

- Continue to seek funding from the Association of Bay Area Governments (ABAG) for training, equipment, and risk management needs.

GENERAL CAPITAL (Fund 25)

The General Capital Fund is an unrestricted fund. The General Capital Fund includes funds transferred from the General Operating Fund (Fund 01) to fund general Capital Improvement Program projects, including construction, technology, and other infrastructure improvements.

Goals and Objectives

- Provide funding for CIP projects from the General Operating Fund (Fund 01).
- Provide unrestricted funds for a variety of desired Capital projects.

PUBLIC FACILITIES (Fund 48)

The Public Facilities Funds is an unrestricted fund. These funds are received from various contractual agreements that are on-time in nature and not otherwise specifically dedicated. The City plans to use this revenue for various public facility projects that are needed and as the City Council directs.



Goals and Objectives

- Implement programs that meet the need for improved infrastructure.
- Maximize utilization of Federal, State, County, and local governmental agency grants.

LAND ASSETS (Fund 79)

In 2015, the City Council established a new restricted fund for City Land Assets. The Land Assets Fund includes the Beechwood Properties that were acquired by the City as part of the settlement of the Yamagiwa litigation in 2007.

With the receipt of the Insurance Settlement payments, the Beechwood properties are no longer a necessary asset to help pay for the retirement of the Judgment Obligation Bonds. There are no changes to Land Assets Fund in FY 2017-17 Budget

Goals and Objectives

- Accounts for land assets owned by the City.
- Provides for funds, revenue, and expenses related to these land assets.

City of Half Moon Bay
Storm Drain Operating Fund (07)
Statement of Revenue, Expenditures and Changes in Fund Balance

	<u>Actual 2015-16</u>	<u>Actual 2016-17</u>	<u>Revised Budget 2017-18</u>	<u>Adopted Budget 2018-19</u>
Revenue				
Interest	\$ 567	\$ 1,248	\$ 600	\$ 600
Total Revenue	<u>\$ 567</u>	<u>\$ 1,248</u>	<u>\$ 600</u>	<u>\$ 600</u>
Expenditures				
Operation & Maintenance				
Salaries & Benefits	\$ 66,741	\$ 2,758	\$ -	\$ -
Contract Services	18,753	11,193	51,200	52,800
Total Operation & Maintenance	<u>\$ 85,494</u>	<u>\$ 13,951</u>	<u>\$ 51,200</u>	<u>\$ 52,800</u>
Total Expenditures	<u>\$ 85,494</u>	<u>\$ 13,951</u>	<u>\$ 51,200</u>	<u>\$ 52,800</u>
Excess revenue over (under) expenditures	<u>\$ (84,928)</u>	<u>\$ (12,703)</u>	<u>\$ (50,600)</u>	<u>\$ (52,200)</u>
Other financing sources (uses)				
Transfers in/(out)				
Contribution from General Fund	\$ 125,000	\$ 50,000	\$ 50,000	\$ 50,000
Vehicle / Equipment / Risk	<u>(3,782)</u>	<u>(10,309)</u>	<u>-</u>	<u>-</u>
Total financing sources (uses)	<u>\$ 121,218</u>	<u>\$ 39,691</u>	<u>\$ 50,000</u>	<u>\$ 50,000</u>
Excess revenue and other sources over (under) expenditures and other uses	<u>\$ 36,290</u>	<u>\$ 26,988</u>	<u>\$ (600)</u>	<u>\$ (2,200)</u>
Beginning Fund Balance, July 1	<u>\$ 113,165</u>	<u>\$ 149,456</u>	<u>\$ 176,443</u>	<u>\$ 175,843</u>
Ending Fund Balance, June 30	<u><u>\$ 149,456</u></u>	<u><u>\$ 176,443</u></u>	<u><u>\$ 175,843</u></u>	<u><u>\$ 173,643</u></u>

**City of Half Moon Bay
Main Street Bridge Fund (09)
Statement of Revenue, Expenditures and Changes in Fund Balance**

	<u>Actual 2015-16</u>	<u>Actual 2016-17</u>	<u>Revised Budget 2017-18</u>	<u>Adopted Budget 2018-19</u>
Revenue				
Interest	\$ 3,685	\$ 5,085	\$ 3,700	\$ 3,700
Grants	(23,567)	-	1,200,000	1,142,922
Total Revenue	<u>\$ (19,882)</u>	<u>\$ 5,085</u>	<u>\$ 1,203,700</u>	<u>\$ 1,146,622</u>
Expenditures				
Capital Projects				
Main Street Bridge	\$ 93,185	\$ 46,762	\$ 1,200,000	\$ 140,000
Total Capital Projects	<u>\$ 93,185</u>	<u>\$ 46,762</u>	<u>\$ 1,200,000</u>	<u>\$ 140,000</u>
Total Expenditures	<u>\$ 93,185</u>	<u>\$ 46,762</u>	<u>\$ 1,200,000</u>	<u>\$ 140,000</u>
Excess revenue over (under) expenditures	<u>\$ (113,067)</u>	<u>\$ (41,677)</u>	<u>\$ 3,700</u>	<u>\$ 1,006,622</u>
Other financing sources (uses)				
Transfers in/(out)				
From Traffic in Lieu (13)	\$ 100,000	\$ -	\$ -	\$ -
Total financing sources (uses)	<u>\$ 100,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Excess revenue and other sources over (under) expenditures and other uses	<u>\$ (13,067)</u>	<u>\$ (41,677)</u>	<u>\$ 3,700</u>	<u>\$ 1,006,622</u>
Beginning Fund Balance, July 1	<u>\$ 620,342</u>	<u>\$ 607,275</u>	<u>\$ 565,598</u>	<u>\$ 569,298</u>
Ending Fund Balance, June 30	<u><u>\$ 607,275</u></u>	<u><u>\$ 565,598</u></u>	<u><u>\$ 569,298</u></u>	<u><u>\$ 1,575,920</u></u>

**City of Half Moon Bay
Gas Tax Fund (10)
Statement of Revenue, Expenditures and Changes in Fund Balance**

	<u>Actual 2015-16</u>	<u>Actual 2016-17</u>	<u>Revised Budget 2017-18</u>	<u>Adopted Budget 2018-19</u>
Revenue				
Interest	\$ 2,729	\$ 1,749	\$ 2,700	\$ 2,700
Gas Tax	272,736	251,423	249,900	473,095
Total Revenue	<u>\$ 275,465</u>	<u>\$ 253,172</u>	<u>\$ 252,600</u>	<u>\$ 475,795</u>
Expenditures				
Operation & Maintenance				
Salaries & Benefits	\$ 98,128	\$ 4,159	\$ -	\$ -
Material & Supplies	78,226	72,079	80,100	81,700
Contract Services	9,578	8,878	20,200	20,800
Total Operation & Maintenance	<u>\$ 185,932</u>	<u>\$ 85,117</u>	<u>\$ 100,300</u>	<u>\$ 102,500</u>
Total Expenditures	<u>\$ 185,932</u>	<u>\$ 85,117</u>	<u>\$ 100,300</u>	<u>\$ 102,500</u>
Excess revenue over (under) expenditures	<u>\$ 89,532</u>	<u>\$ 168,056</u>	<u>\$ 152,300</u>	<u>\$ 373,295</u>
Other financing sources (uses)				
Transfers in/(out)				
Contribution from General Fund	\$ -	\$ -	\$ 120,000	\$ -
To General Fund (01)	(96,252)	(46,252)	(12,302)	(12,600)
To Streets & Roads Fund (11)	(200,000)	-	(190,000)	(543,095)
Vehicle / Equipment / Risk	(6,062)	(8,143)	(6,619)	(4,817)
Total financing sources (uses)	<u>\$ (302,314)</u>	<u>\$ (54,395)</u>	<u>\$ (88,921)</u>	<u>\$ (560,512)</u>
Excess revenue and other sources over (under) expenditures and other uses	<u>\$ (212,782)</u>	<u>\$ 113,661</u>	<u>\$ 63,379</u>	<u>\$ (187,217)</u>
Beginning Fund Balance, July 1	<u>\$ 322,055</u>	<u>\$ 109,273</u>	<u>\$ 222,934</u>	<u>\$ 286,313</u>
Ending Fund Balance, June 30	<u>\$ 109,273</u>	<u>\$ 222,934</u>	<u>\$ 286,313</u>	<u>\$ 99,096</u>

**City of Half Moon Bay
Streets and Roads Fund (11)
Statement of Revenue, Expenditures and Changes in Fund Balance**

	Actual 2015-16	Actual 2016-17	Revised Budget 2017-18	Adopted Budget 2018-19
Revenue				
Interest	\$ 24,574	\$ 37,411	\$ 24,600	\$ 24,600
Grants	(247,500)	-	9,836,679	7,200,000
Measure M	78,447	86,270	75,000	77,000
Other Fees	-	74,925	-	-
Miscellaneous	1,000	-	-	-
Total Revenue	\$ (143,479)	\$ 198,606	\$ 9,936,279	\$ 7,301,600
Expenditures				
Operation & Maintenance				
Salaries & Benefits	\$ -	\$ 81,301	\$ 184,318	\$ 202,781
Material & Supplies	3,927	1,378	-	-
Contract Services	15,916	4,234	77,700	80,000
Total Operation & Maintenance	\$ 19,843	\$ 86,913	\$ 262,018	\$ 282,781
Capital Projects	\$ 655,285	\$ 841,236	\$ 11,153,679	\$ 2,795,000
Total Expenditures	\$ 675,128	\$ 928,148	\$ 11,415,697	\$ 3,077,781
Excess revenue over (under) expenditures	\$ (818,607)	\$ (729,542)	\$ (1,479,418)	\$ 4,223,819
Other financing sources (uses)				
Transfers in				
Contribution from General Fund (01)	\$ 1,535,000	\$ 86,500	\$ -	\$ -
From Gas Tax Fund (10)	-	-	390,000	543,095
Measure J (01)	-	-	(34,905)	-
Transfers (out)				
Vehicle/Equipment/Risk	(2,671)	(19,549)	(140,999)	(18,118)
Capital General Fund (25)	-	(288,600)	-	-
Total financing sources (uses)	\$ 1,532,329	\$ (221,649)	\$ 214,096	\$ 524,977
Excess revenue and other sources over (under) expenditures and other uses	\$ 713,722	\$ (951,191)	\$ (1,265,323)	\$ 4,748,796
Beginning Fund Balance, July 1	\$ 3,915,068	\$ 4,628,790	\$ 3,677,599	\$ 2,412,277
Ending Fund Balance June 30	\$ 4,628,790	\$ 3,677,599	\$ 2,412,277	\$ 7,161,075

**City of Half Moon Bay
Measure A Fund (12)
Statement of Revenue, Expenditures and Changes in Fund Balance**

	<u>Actual 2015-16</u>	<u>Actual 2016-17</u>	<u>Revised Budget 2017-18</u>	<u>Adopted Budget 2018-19</u>
Revenue				
Interest	\$ 2,117	\$ 2,416	\$ 2,100	\$ 2,100
Measure A	248,676	285,179	268,400	274,000
Total Revenue	<u>\$ 250,794</u>	<u>\$ 287,595</u>	<u>\$ 270,500</u>	<u>\$ 276,100</u>
Expenditures				
Operation & Maintenance				
Salaries & Benefits	\$ 109,920	\$ 48,076	\$ 67,090	\$ 79,591
Material & Supplies	-	10	2,000	2,000
Total Operation & Maintenance	<u>\$ 109,920</u>	<u>\$ 48,086</u>	<u>\$ 69,090</u>	<u>\$ 81,591</u>
Total Expenditures	<u>\$ 109,920</u>	<u>\$ 48,086</u>	<u>\$ 69,090</u>	<u>\$ 81,591</u>
Excess revenue over (under) expenditures	<u>\$ 140,874</u>	<u>\$ 239,508</u>	<u>\$ 201,410</u>	<u>\$ 194,509</u>
Other financing sources (uses)				
Transfers in/(out)				
Vehicle/Equipment/Risk	\$ (2,873)	\$ (4,576)	\$ (5,754)	\$ (5,904)
To Streets & Roads Fund (11)	(220,000)	(220,000)	(200,000)	-
Total financing sources (uses)	<u>\$ (222,873)</u>	<u>\$ (224,576)</u>	<u>\$ (205,754)</u>	<u>\$ (5,904)</u>
Excess revenue and other sources over (under) expenditures and other uses	<u>\$ (81,999)</u>	<u>\$ 14,932</u>	<u>\$ (4,344)</u>	<u>\$ 188,606</u>
Beginning Fund Balance, July 1	<u>\$ 232,298</u>	<u>\$ 150,299</u>	<u>\$ 165,231</u>	<u>\$ 160,887</u>
Ending Fund Balance, June 30	<u>\$ 150,299</u>	<u>\$ 165,231</u>	<u>\$ 160,887</u>	<u>\$ 349,493</u>

**City of Half Moon Bay
Traffic Mitigation Fund (13)
Statement of Revenue, Expenditures and Changes in Fund Balance**

	Actual 2015-16	Actual 2016-17	Revised Budget 2017-18	Adopted Budget 2018-19
Revenue				
Interest	\$ 2,445	\$ 4,487	\$ 2,400	\$ 2,400
Traffic Mitigation Impact Fees	218,108	282,784	858,215	48,178
Total Revenue	<u>\$ 220,553</u>	<u>\$ 287,271</u>	<u>\$ 860,615</u>	<u>\$ 50,578</u>
Expenditures				
Operation & Maintenance				
Contract Services	\$ 30,903	\$ 31,155	\$ 24,900	\$ 25,600
Traffic Signal Coordination	\$ 45,730	\$ (20,500)	\$ -	\$ -
Kelly/SR 1 Intersection Improvement	\$ 612	\$ 27,503	\$ -	\$ -
Total Operation & Maintenance	<u>\$ 77,245</u>	<u>\$ 38,158</u>	<u>\$ 24,900</u>	<u>\$ 25,600</u>
Total Expenditures	<u>\$ 77,245</u>	<u>\$ 38,158</u>	<u>\$ 24,900</u>	<u>\$ 25,600</u>
Excess revenue over (under) expenditures	<u>\$ 143,308</u>	<u>\$ 249,113</u>	<u>\$ 835,715</u>	<u>\$ 24,978</u>
Other financing sources (uses)				
Contribution from Measure A	\$ -	\$ 220,000	\$ -	\$ -
Total financing sources (uses)	<u>\$ -</u>	<u>\$ 220,000</u>	<u>\$ -</u>	<u>\$ -</u>
Excess Revenue and other sources over (under) expenditures and other uses	<u>\$ 143,308</u>	<u>\$ 469,113</u>	<u>\$ 835,715</u>	<u>\$ 24,978</u>
Beginning Fund Balance, July 1	<u>\$ 237,672</u>	<u>\$ 380,980</u>	<u>\$ 850,093</u>	<u>\$ 1,685,808</u>
Ending Fund Balance, June 30	<u><u>\$ 380,980</u></u>	<u><u>\$ 850,093</u></u>	<u><u>\$ 1,685,808</u></u>	<u><u>\$ 1,710,786</u></u>

**City of Half Moon Bay
Storm Drain Capital Project Fund (14)
Statement of Revenue, Expenditures and Changes in Fund Balance**

	Actual 2015-16	Actual 2016-17	Revised Budget 2017-18	Adopted Budget 2018-19
Revenue				
Interest	\$ 3,604	\$ 4,430	\$ 3,600	\$ 3,600
Storm Drain Fees	5,817	11,687	7,000	4,582
Grants	-	-	625,000	-
Total Revenue	\$ 9,420	\$ 16,117	\$ 635,600	\$ 8,182
Expenditures				
Capital Projects	\$ 232,643	\$ 101,099	\$ 850,000	\$ 790,000
Total Capital Projects	\$ 232,643	\$ 101,099	\$ 850,000	\$ 790,000
Salaries & Benefits	-	92,240	35,444	34,102
Contract Services	-	-	10,600	10,900
Total Expenditures	\$ 232,643	\$ 193,339	\$ 896,044	\$ 835,002
Excess revenue over (under) expenditures	<u>\$ (223,222)</u>	<u>\$ (177,222)</u>	<u>\$ (260,444)</u>	<u>\$ (826,820)</u>
Other financing sources (uses)				
Transfers in/(out)				
Contribution from General Fund	\$ 200,000	\$ 462,700	\$ 535,000	\$ 292,495
Vehicle/Equipment/Risk	-	(4,689)	(3,161)	(2,292)
Total financing sources (uses)	\$ 200,000	\$ 458,011	\$ 531,839	\$ 290,203
Excess revenue and other sources over (under) expenditures and other uses	<u>\$ (23,222)</u>	<u>\$ 280,789</u>	<u>\$ 271,395</u>	<u>\$ (536,617)</u>
Beginning Fund Balance, July 1	<u>\$ 578,654</u>	<u>\$ 555,431</u>	<u>\$ 836,220</u>	<u>\$ 1,107,615</u>
Ending Fund Balance, June 30	<u><u>\$ 555,431</u></u>	<u><u>\$ 836,220</u></u>	<u><u>\$ 1,107,615</u></u>	<u><u>\$ 570,998</u></u>

**City of Half Moon Bay
Library Fund (15)
Statement of Revenue, Expenditures and Changes in Fund Balance**

	<u>Actual 2015-16</u>	<u>Actual 2016-17</u>	<u>Revised Budget 2017-18</u>	<u>Adopted Budget 2018-19</u>
Revenue				
Interest	\$ 669	\$ 967	\$ 700	\$ 700
County Contribution	41,980	-	-	-
Miscellaneous	99	-	-	-
Total Revenue	<u>\$ 42,748</u>	<u>\$ 967</u>	<u>\$ 700</u>	<u>\$ 700</u>
Expenditures				
Operation & Maintenance				
Material & Supplies	\$ 37,350	\$ 26,376	\$ 36,600	\$ 37,400
Contract Services	6,419	7,084	35,400	67,400
Total Operation & Maintenance	<u>\$ 43,769</u>	<u>\$ 33,460</u>	<u>\$ 72,000</u>	<u>\$ 104,800</u>
Total Expenditures	<u>\$ 43,769</u>	<u>\$ 33,460</u>	<u>\$ 72,000</u>	<u>\$ 104,800</u>
Excess of revenue over (under) expenditures	<u>\$ (1,021)</u>	<u>\$ (32,493)</u>	<u>\$ (71,300)</u>	<u>\$ (104,100)</u>
Other financing sources (uses)				
Transfers in/(out)				
Contribution from General Fund	\$ 10,000	\$ 10,000	\$ 40,000	\$ 70,000
Total financing sources (uses)	<u>\$ 10,000</u>	<u>\$ 10,000</u>	<u>\$ 40,000</u>	<u>\$ 70,000</u>
Excess revenue and other sources over (under) expenditures and other uses	<u>\$ 8,979</u>	<u>\$ (22,493)</u>	<u>\$ (31,300)</u>	<u>\$ (34,100)</u>
Beginning Fund Balance, July 1	<u>\$ 117,135</u>	<u>\$ 126,114</u>	<u>\$ 103,621</u>	<u>\$ 72,321</u>
Ending Fund Balance, June 30	<u>\$ 126,114</u>	<u>\$ 103,621</u>	<u>\$ 72,321</u>	<u>\$ 38,221</u>

**City of Half Moon Bay
Library Capital Fund (16)
Statement of Revenue, Expenditures and Changes in Fund Balance**

	<u>Actual 2015-16</u>	<u>Actual 2016-17</u>	<u>Revised Budget 2017-18</u>	<u>Adopted Budget 2018-19</u>
Revenue				
Interest	\$ 32,242	\$ 83,690	\$ 32,200	\$ 32,200
Grants	6,000,000	131,900	4,311,755	-
Loans	-	-	2,926,855	-
Total Revenue	<u>\$ 6,032,242</u>	<u>\$ 215,590</u>	<u>\$ 7,270,810</u>	<u>\$ 32,200</u>
Expenditures				
Operation & Maintenance				
Material & Supplies	\$ 101	\$ -	\$ -	\$ -
Contract Services	\$ 2,226	\$ -	\$ 22,700	\$ 23,400
Total Operation & Maintenance	<u>\$ 2,327</u>	<u>\$ -</u>	<u>\$ 22,700</u>	<u>\$ 23,400</u>
Capital Project				
Mac Dutra Restroom Roof	\$ -	\$ -	\$ -	\$ -
Library	1,479,399	5,118,395	11,682,310	-
Total Capital Projects	<u>\$ 1,479,399</u>	<u>\$ 5,118,395</u>	<u>\$ 11,682,310</u>	<u>\$ -</u>
Total Expenditures	<u>\$ 1,481,726</u>	<u>\$ 5,118,395</u>	<u>\$ 11,705,010</u>	<u>\$ 23,400</u>
Excess of revenue over (under) expenditures	<u>\$ 4,550,515</u>	<u>\$ (4,902,805)</u>	<u>\$ (4,434,200)</u>	<u>\$ 8,800</u>
Other financing sources (uses)				
Transfers in/(out)				
Contribution from General Fund	\$ 2,333,000	\$ -	\$ -	\$ -
Total financing sources (uses)	<u>\$ 2,333,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Excess revenue and other sources over (under) expenditures and other uses	<u>\$ 6,883,515</u>	<u>\$ (4,902,805)</u>	<u>\$ (4,434,200)</u>	<u>\$ 8,800</u>
Beginning Fund Balance, July 1	<u>\$ 3,630,329</u>	<u>\$ 10,513,844</u>	<u>\$ 5,611,038</u>	<u>\$ 1,176,838</u>
Ending Fund Balance, June 30	<u>\$ 10,513,844</u>	<u>\$ 5,611,038</u>	<u>\$ 1,176,838</u>	<u>\$ 1,185,638</u>

**City of Half Moon Bay
Park Fund (17)
Statement of Revenue, Expenditures and Changes in Fund Balance**

	<u>Actual 2015-16</u>	<u>Actual 2016-17</u>	<u>Revised Budget 2017-18</u>	<u>Adopted Budget 2018-19</u>
Revenue				
Interest	\$ 790	\$ -	\$ 800	\$ 800
Park Impact & Developers' Fees	106,014	562,822	96,000	201,956
Grants	1,293,157	4,735	-	340,000
Miscellaneous	10,000	(5,000)	-	-
Total Revenue	<u>\$ 1,409,961</u>	<u>\$ 562,556</u>	<u>\$ 96,800</u>	<u>\$ 542,756</u>
Expenditures				
Capital Projects:	\$ 1,601,905	\$ 822,665	\$ 870,000	\$ 1,884,000
Total Capital Projects	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Salaries & Benefits	-	13,872	24,809	24,092
Contract Services	-	-	-	-
Total Expenditures	<u>\$ 1,601,905</u>	<u>\$ 836,537</u>	<u>\$ 894,809</u>	<u>\$ 1,908,092</u>
Excess revenue over (under) expenditures	<u>\$ (191,944)</u>	<u>\$ (273,981)</u>	<u>\$ (798,009)</u>	<u>\$ (1,365,336)</u>
Other financing sources (uses)				
Transfers in/(out)				
Contribution from General Fund	\$ (45,000)	\$ 212,890	\$ 425,000	\$ 804,000
Measure J	90,000	670,000	116,324	-
Transfer to other fund	-	-	(95,000)	-
Vehicle/Equipment/Risk	-	(781)	(616)	(517)
Total financing sources (uses)	<u>\$ 45,000</u>	<u>\$ 882,109</u>	<u>\$ 445,708</u>	<u>\$ 803,483</u>
Excess revenue and other sources over (under) expenditures and other uses	<u>\$ (146,944)</u>	<u>\$ 608,128</u>	<u>\$ (352,302)</u>	<u>\$ (561,853)</u>
Beginning Fund Balance, July 1	<u>\$ 553,655</u>	<u>\$ 406,711</u>	<u>\$ 1,014,840</u>	<u>\$ 662,538</u>
Ending Fund Balance, June 30	<u>\$ 406,711</u>	<u>\$ 1,014,840</u>	<u>\$ 662,538</u>	<u>\$ 100,685</u>

**City of Half Moon Bay
Affordable Housing Fund (19)
Statement of Revenue, Expenditures and Changes in Fund Balance**

	<u>Actual 2015-16</u>	<u>Actual 2016-17</u>	<u>Revised Budget 2017-18</u>	<u>Adopted Budget 2018-19</u>
Revenue				
Development Fee	\$ 392,717	\$ 327,264	\$ -	\$ -
Interest	11,146	16,770	11,100	11,100
Total Revenue	<u>\$ 403,862</u>	<u>\$ 344,034</u>	<u>\$ 11,100</u>	<u>\$ 11,100</u>
Expenditures				
Salaries & Benefits	\$ -	\$ -	\$ 16,682	\$ -
Contract Services	-	-	159,000	102,000
Total Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 175,682</u>	<u>\$ 102,000</u>
Excess of revenue over (under) expenditures	<u>\$ 403,862</u>	<u>\$ 344,034</u>	<u>\$ (164,582)</u>	<u>\$ (90,900)</u>
Beginning Fund Balance, July 1	<u>\$ 1,391,883</u>	<u>\$ 1,795,745</u>	<u>\$ 2,139,779</u>	<u>\$ 1,975,198</u>
Ending Fund Balance, June 30	<u><u>\$ 1,795,745</u></u>	<u><u>\$ 2,139,779</u></u>	<u><u>\$ 1,975,198</u></u>	<u><u>\$ 1,884,298</u></u>

**City of Half Moon Bay
Police Grant Fund (22)
Statement of Revenue, Expenditures and Changes in Fund Balance**

	<u>Actual 2015-16</u>	<u>Actual 2016-17</u>	<u>Revised Budget 2017-18</u>	<u>Adopted Budget 2018-19</u>
Revenue				
Interest	\$ 1,692	\$ 1,902	\$ 1,700	\$ 1,700
COPS Grants - State Grants	125,052 225	129,534 -	102,000 -	100,000 -
Total Revenue	<u>\$ 126,969</u>	<u>\$ 131,436</u>	<u>\$ 103,700</u>	<u>\$ 101,700</u>
Expenditures				
COPS Program - State Grants:				
SMC - SLESF Technology	\$ 15,373	\$ -	\$ -	\$ -
Material & Supplies	-	736	-	-
Contract Services	132,935	86,702	103,000	106,100
Total Expenditures	<u>\$ 148,308</u>	<u>\$ 87,438</u>	<u>\$ 103,000</u>	<u>\$ 106,100</u>
Excess of revenue over (under) expenditures	<u>\$ (21,339)</u>	<u>\$ 43,998</u>	<u>\$ 700</u>	<u>\$ (4,400)</u>
Beginning Fund Balance, July 1	<u>\$ 214,968</u>	<u>\$ 193,629</u>	<u>\$ 237,627</u>	<u>\$ 238,327</u>
Ending Fund Balance, June 30	<u>\$ 193,629</u>	<u>\$ 237,627</u>	<u>\$ 238,327</u>	<u>\$ 233,927</u>

**City of Half Moon Bay
General Capital Fund (25)
Statement of Revenue, Expenditures and Changes in Fund Balance**

	<u>Actual 2015-16</u>	<u>Actual 2016-17</u>	<u>Revised Budget 2017-18</u>	<u>Adopted Budget 2018-19</u>
Revenue				
Grants	\$ -	\$ 39,827	\$ 1,361,284	\$ -
Total Revenue	<u>\$ -</u>	<u>\$ 39,827</u>	<u>\$ 1,361,284</u>	<u>\$ -</u>
Expenditures				
Capital Projects	\$ -	\$ 461,474	\$ 2,384,077	\$ 875,000
Total Capital Projects	<u>\$ -</u>	<u>\$ 461,474</u>	<u>\$ 2,384,077</u>	<u>\$ 875,000</u>
Total Expenditures	<u>\$ -</u>	<u>\$ 461,474</u>	<u>\$ 2,384,077</u>	<u>\$ 875,000</u>
Excess revenue over (under) expenditures	<u>\$ -</u>	<u>\$ (421,647)</u>	<u>\$ (1,022,793)</u>	<u>\$ (875,000)</u>
Other financing sources (uses)				
Transfers In	\$ -	\$ 2,148,943	\$ 993,582	\$ 12,210
Transfers Out	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (34,905)</u>	<u>\$ -</u>
Total financing sources (uses)	<u>\$ -</u>	<u>\$ 2,148,943</u>	<u>\$ 958,677</u>	<u>\$ 12,210</u>
Excess revenue and other sources over (under) expenditures and other uses	<u>\$ -</u>	<u>\$ 1,727,296</u>	<u>\$ (64,116)</u>	<u>\$ (862,790)</u>
Beginning Fund Balance, July 1	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,727,296</u>	<u>\$ 1,663,180</u>
Ending Fund Balance, June 30	<u><u>\$ -</u></u>	<u><u>\$ 1,727,296</u></u>	<u><u>\$ 1,663,180</u></u>	<u><u>\$ 800,390</u></u>

**City of Half Moon Bay
Public Facilities Capital Project Fund (48)
Statement of Revenue, Expenditures and Changes in Fund Balance**

	<u>Actual 2015-16</u>	<u>Actual 2016-17</u>	<u>Revised Budget 2017-18</u>	<u>Adopted Budget 2018-19</u>
Revenue				
Interest	\$ 3,540	\$ 4,645	\$ 3,500	\$ 3,500
Park Impact & Developers' Fees	630	406	-	-
Grants	108,300	-	-	125,000
Total Revenue	<u>\$ 112,470</u>	<u>\$ 5,051</u>	<u>\$ 3,500</u>	<u>\$ 128,500</u>
Expenditures				
Capital Projects	\$ 325,693	\$ 368,148	\$ 1,730,000	\$ 995,000
Salaries & Benefits	-	13,868	-	-
Contract Services	250	-	25,900	26,700
Total Expenditures	<u>\$ 325,943</u>	<u>\$ 382,017</u>	<u>\$ 1,755,900</u>	<u>\$ 1,021,700</u>
Excess revenue over (under) expenditures	<u>\$ (213,474)</u>	<u>\$ (376,965)</u>	<u>\$ (1,752,400)</u>	<u>\$ (893,200)</u>
Other financing sources (uses)				
Operating transfers in	\$ 428,500	\$ 219,500	\$ 1,730,000	\$ 810,000
Operating transfers out	\$ -	\$ (300,781)	\$ (150,000)	\$ -
Total financing sources (uses)	<u>\$ 428,500</u>	<u>\$ (81,281)</u>	<u>\$ 1,580,000</u>	<u>\$ 810,000</u>
Excess revenue and other sources over (under) expenditures and other uses	<u>\$ 215,026</u>	<u>\$ (458,246)</u>	<u>\$ (172,400)</u>	<u>\$ (83,200)</u>
Beginning Fund Balance, July 1	<u>\$ 538,191</u>	<u>\$ 753,218</u>	<u>\$ 294,972</u>	<u>\$ 122,572</u>
Ending Fund Balance, June 30	<u><u>\$ 753,218</u></u>	<u><u>\$ 294,972</u></u>	<u><u>\$ 122,572</u></u>	<u><u>\$ 39,372</u></u>

**City of Half Moon Bay
Land Assets Fund (79)
Statement of Revenue, Expenditures and Changes in Fund Balance**

	Actual 2015-16	Actual 2016-17	Revised Budget 2017-18	Adopted Budget 2018-19
Revenue				
Total Revenue	\$ -	\$ -	\$ -	\$ -
Expenditures				
Total Expenditures	\$ -	\$ -	\$ -	\$ -
Excess revenue over (under) expenditures	\$ -	\$ -	\$ -	\$ -
Other financing sources (uses)				
Transfers in/(out)				
Transfers In	\$ -	\$ -	\$ -	\$ -
Total financing sources (uses)				
Excess revenue and other sources over (under) expenditures and other uses	\$ -	\$ -	\$ -	\$ -
Beginning Fund Balance, July 1	\$ 26,823,920	\$ 26,823,920	\$ 26,823,920	\$ 26,823,920
Ending Fund Balance, June 30	<u>\$ 26,823,920</u>	<u>\$ 26,823,920</u>	<u>\$ 26,823,920</u>	<u>\$ 26,823,920</u>

Note 1: Land Fund 79 created as part of Amended FY 2014-15 Budget and includes transfer of the land assets from funds 77 and 78 for the full value of the Beechwood land of \$17,906,420

Note 2: Assessed value of Glenree property is transferred from General Fund



CITY OF HALF MOON BAY

Debt Service Funds





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Debt Service Funds

Debt Service Funds are restricted funds. They are used to account for the payment of principal and interest on long-term debt of the City. They are also used to maintain cash reserves as required under debt covenants.



JUDGMENT OBLIGATION DEBT SERVICE FUNDS SERIES 2009A (FUND 77) and SERIES 2009B (FUND 78)

In July 2009, the City issued Series 2009A and 2009B Judgment Obligation Bonds (JOB) in the amount of \$5.8 million and \$10.9 million, respectively. The proceeds were used to settle the City’s judgment obligation (legal settlement) on the Yamagiwa case.

2009A and 2009B Series Bonds

The Series 2009A are tax exempt bonds that were originally scheduled to mature in 2025 with interest paid semi-annually and principal paid annually by the General Fund. Interest rates on the Series 2009A bonds range from 3% to 5.375%.

The Series 2009B are Build America Bonds issued under the provisions of the Federal American Recovery and Reinvestment Act of 2009. The Series 2009B bonds were originally set to mature in 2040, with interest due semiannually, until 2027 when principal is also due annually. Interest rates range from 8.5% to 8.65%. The City receives a Federal interest subsidy on the Build America Bonds equal to approximately 26.5% of the annual payments.

The original bond covenant required that the City maintain cash reserves in the amount of \$1.2 million (rounded). These reserves are accounted for in Fund 77 (Series 2009A Bonds) and Fund 78 (Series 2009B Bonds).

Insurance Settlements & Early Retirement

The City has received insurance settlements from ABAG Plan and ICW in connection with the Yamagiwa case. In 2013, the City Council adopted a resolution and an agreement with the Bond Trustee to retire the Judgment Obligation Bonds early (the 2009A Bonds were retired on 8/1/2014 and the 2009B Bonds will be retired on 8/1/2019).

The retirement of the 2009A Series Bonds during the 2014-15 fiscal year resulted in a reduction in debt service expenses in the General Fund of over \$425,000 per year. The balance of the Judgment Obligation Bond expenses in the General Fund will end August 1, 2019.





The Government Code of the State of California provides for a legal debt limit of 15% of gross assessed valuation. However, this provision was enacted when assessed valuation was based upon 25% of market value.

Effective with the 1981-82 fiscal year, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for the parcel).

The computations shown above reflect a conversion of assessed valuation data for each fiscal year from the current full valuation perspective to the 25 % level that was in effect at the time that

the legal debt margin was enacted by the State of California for local governments located within the state.

The legal debt limit for the City of Half Moon Bay for the 2017-18 fiscal year is \$102,496,582 based on a total assessed valuation of \$2,733,242,180. As of June 30, 2017, the City's applicable long-term debt balance of \$10,915,000 is approximately 10.6% of the legal debt limit.



City of Half Moon Bay
Debt Service Fund - Judgment Obligation Bond - Series A (77)
Statement of Revenue, Expenditures and Changes in Fund Balance

	<u>Actual 2015-16</u>	<u>Actual 2016-17</u>	<u>Revised Budget 2017-18</u>	<u>Adopted Budget 2018-19</u>
Revenue				
Miscellaneous	\$ -	\$ 4,104	\$ -	\$ -
Total Revenue	<u>\$ -</u>	<u>\$ 4,104</u>	<u>\$ -</u>	<u>\$ -</u>
Expenditures				
Excess revenue over (under) expenditures	<u>\$ -</u>	<u>\$ 4,104</u>	<u>\$ -</u>	<u>\$ -</u>
Other financing sources (uses)				
Transfers in/(out)				
Contribution from General Fund	\$ -	\$ -	\$ -	\$ 1,341
Total financing sources (uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,341</u>
Excess revenue and other sources over (under) expenditures and other uses	<u>\$ -</u>	<u>\$ 4,104</u>	<u>\$ -</u>	<u>\$ 1,341</u>
Beginning Fund Balance, July 1	<u>\$ (5,445)</u>	<u>\$ (5,445)</u>	<u>\$ (1,341)</u>	<u>\$ (1,341)</u>
Ending Fund Balance, June 30	<u><u>\$ (5,445)</u></u>	<u><u>\$ (1,341)</u></u>	<u><u>\$ (1,341)</u></u>	<u><u>\$ -</u></u>

City of Half Moon Bay
Debt Service Fund - Judgment Obligation Bond - Series B (78)
Statement of Revenue, Expenditures and Changes in Fund Balance

	<u>Actual 2015-16</u>	<u>Actual 2016-17</u>	<u>Revised Budget 2017-18</u>	<u>Adopted Budget 2018-19</u>
Revenue				
Interest	\$ 252,785	\$ 253,359	\$ 252,800	\$ 252,800
Investment Income/(Loss)	403,800	34,764	2,000	2,000
Total Revenue	<u>\$ 656,585</u>	<u>\$ 288,123</u>	<u>\$ 254,800</u>	<u>\$ 254,800</u>
Expenditures				
Debt Service- Interest	\$ 937,704	\$ 937,704	\$ 937,704	\$ 937,704
To Fiscal Agent	-	-	2,900	3,000
Total Expenditures	<u>\$ 937,704</u>	<u>\$ 937,704</u>	<u>\$ 940,604</u>	<u>\$ 940,704</u>
Excess revenue over (under) expenditures	<u>\$ (281,119)</u>	<u>\$ (649,580)</u>	<u>\$ (685,804)</u>	<u>\$ (685,904)</u>
Other financing sources (uses)				
Transfers in/(out)				
Contribution from General Fund	\$ 690,198	\$ 690,198	\$ 690,198	\$ 690,198
Total financing sources (uses)	<u>\$ 690,198</u>	<u>\$ 690,198</u>	<u>\$ 690,198</u>	<u>\$ 690,198</u>
Excess revenue and other sources over (under) expenditures and other uses	<u>\$ 409,079</u>	<u>\$ 40,618</u>	<u>\$ 4,394</u>	<u>\$ 4,294</u>
Beginning Fund Balance, July 1	<u>\$ 10,828,045</u>	<u>\$ 11,237,124</u>	<u>\$ 11,277,742</u>	<u>\$ 11,282,136</u>
Ending Fund Balance, June 30	<u><u>\$ 11,237,124</u></u>	<u><u>\$ 11,277,742</u></u>	<u><u>\$ 11,282,136</u></u>	<u><u>\$ 11,286,430</u></u>

Note 1: Insurance proceeds totaling \$13.15 million were received in the Insurance Company of the West matter. This amount was prorated between the Series A (Fund 77) and Series B (Fund 78) funds.

Note 2: Fund Balance includes the Cabrillo Highway property land.

See Debt Service Schedule for payment schedule.



CITY OF HALF MOON BAY

Internal Service Funds





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Internal Service Funds

Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments for the City on a cost-reimbursement basis. The four Internal Service Funds are Vehicle Replacement Fund, Equipment Replacement Fund, Risk Management Fund, and Retirement Stabilization Fund.

VEHICLE REPLACEMENT FUND (Fund 61)

The Vehicle Replacement Fund is an unrestricted fund. It covers the cost of repair, maintenance, and replacement of City vehicles. Revenue for this fund is derived from internal service charges to City departments. This Fund acts as a pass-through entity.

Goals and Objectives

- Provide timely repair and maintenance for vehicles and for purchase of new vehicles as necessary.
- Constantly review the mode of operation for the efficient utilization of the City's fleet.



EQUIPMENT REPLACEMENT FUND (Fund 62)

The Equipment Replacement Fund is an unrestricted fund, which provides for the service, maintenance, and replacement of all information technology (hardware and software), office equipment (copiers, postage meters), furniture and other equipment. Revenue for this fund is derived from internal service charges to City departments, based on a percentage of their overall budget.

Goals and Objectives

- Provide departments with efficient and effective information technology (IT) operation.
- Minimize down time and maximize response time to address citywide equipment service needs.
- Further assess future equipment needs citywide and develop applicable strategies to meet them.
- Continue using new technological solutions to improve the City's efficiency.



RISK MANAGEMENT FUND (Fund 63)



The Risk Management Fund is an unrestricted fund. The Risk Management Fund covers the cost of the City's insurance policies and payments liability claims against the City. The risk management program goal is to reduce insurance-related costs whenever possible, maintain appropriate levels of coverage, and build contingent loss reserves.

The City is a member of the ABAG PLAN Liability Risk Management Pool sponsored by the Association of Bay Area Governments (ABAG). This risk management pool covers the City's property and liability insurance. The City is self-funded when it comes to litigation and claims involving land-use issues.

In FY 2016-17, this fund was expanded to account for premiums and staff costs associated with managing the City's workers' compensation liability. The allocation methodology for this fund passes on all risk management expenses to the funds and departments that incur the liabilities. The fund will maintain a reserve balance to mitigate potential future claims.

Goals and Objectives

- Proactively reduce risk exposure and reduce liability and insurance costs.
- Maintain appropriate levels of insurance coverage.
- Train staff on risk management operational best practices, safety in workplace and maintenance operations.
- Mitigate potential risk and build contingent loss reserves.

PENSION STABILIZATION FUND (Fund 64)

The Pension Stabilization Fund is an unrestricted fund. The Pension Stabilization Fund was created to smooth out major fluctuations in annual pension costs driven by market factors and actuarial changes. Large swings have impacted the City's financials in the past, and recent changes in CalPERS actuarial assumptions and discount rate will have a significant impact on the City's current and future pension cost and contribution rates.



Goals and Objectives

- Build reserves that can be used to mitigate large swings in annual pension costs.
- Budget and pay down pension side fund liabilities to save future interest costs.

**City of Half Moon Bay
Vehicle Fund (61)
Statement of Revenue, Expenditures and Changes in Net Assets**

	Actual 2015-16	Actual 2016-17	Revised Budget 2017-18	Adopted Budget 2018-19
Revenue				
Interest	\$ 3,961	\$ 4,234	\$ 4,000	\$ 4,000
Capital Development Impact Fees	839	18,434	-	-
Total Revenue	<u>\$ 4,800</u>	<u>\$ 22,668</u>	<u>\$ 4,000</u>	<u>\$ 4,000</u>
Expenditures				
Operation & Maintenance				
Salaries & Benefits	\$ 16,180	\$ 10,967	\$ -	\$ -
Material & Supplies	28,412	20,146	54,815	119,700
Depreciation	25,424	-	28,600	28,600
Total Operation & Maintenance	<u>\$ 70,017</u>	<u>\$ 31,113</u>	<u>\$ 83,415</u>	<u>\$ 148,300</u>
Capital Purchases				
PW - Public Works Vehicles	\$ 80,902	\$ 3,761	\$ -	\$ -
Capitalization	(78,565)	-	-	-
Total Capital Purchases	<u>\$ 2,337</u>	<u>\$ 3,761</u>	<u>\$ -</u>	<u>\$ -</u>
Total Expenditures	<u>\$ 72,354</u>	<u>\$ 34,875</u>	<u>\$ 83,415</u>	<u>\$ 148,300</u>
Excess revenue over (under) expenditures	<u>\$ (67,554)</u>	<u>\$ (12,207)</u>	<u>\$ (79,415)</u>	<u>\$ (144,300)</u>
Other financing sources (uses)				
Transfers in/(out)				
Transfer from General Fund	\$ -	\$ -	\$ 11,015	\$ -
To Risk Management Fund (63)	\$ -	\$ (521)	\$ -	\$ -
Total financing sources (uses)	<u>\$ -</u>	<u>\$ (521)</u>	<u>\$ 11,015</u>	<u>\$ -</u>
Excess revenue and other sources over (under) expenditures and other uses	<u>\$ (67,554)</u>	<u>\$ (12,728)</u>	<u>\$ (68,400)</u>	<u>\$ (144,300)</u>
Beginning Net Assets, July 1	<u>\$ 747,601</u>	<u>\$ 680,047</u>	<u>\$ 667,319</u>	<u>\$ 598,919</u>
Ending Net Assets, June 30	<u><u>\$ 680,047</u></u>	<u><u>\$ 667,319</u></u>	<u><u>\$ 598,919</u></u>	<u><u>\$ 454,619</u></u>

Note: The presentation above reflects a Net Assets basis of presentation. In the Vehicle Fund, Net Assets primarily include capitalized vehicles and cash.

**City of Half Moon Bay
Equipment Fund (62)
Statement of Revenue, Expenditures and Changes in Net Assets**

	<u>Actual 2015-16</u>	<u>Actual 2016-17</u>	<u>Revised Budget 2017-18</u>	<u>Adopted Budget 2018-19</u>
Revenue				
Interest	\$ 2,959	\$ 8,227	\$ 3,000	\$ 3,000
Total Revenue	<u>\$ 2,959</u>	<u>\$ 8,227</u>	<u>\$ 3,000</u>	<u>\$ 3,000</u>
Expenditures				
Operation & Maintenance				
Salaries & Benefits	\$ 70,854	\$ 2,892	\$ -	\$ -
Material & Supplies	35,856	28,645	28,600	29,200
Contract Services	59,075	73,684	81,500	84,000
Depreciation	40,809	24,615	40,000	40,000
Total Operation & Maintenance	<u>\$ 206,594</u>	<u>\$ 129,835</u>	<u>\$ 150,100</u>	<u>\$ 153,200</u>
Capital Purchases				
Computer Hardware & Software	\$ 18,106	\$ 26,544	\$ -	\$ -
GIS Map Update	26,750	-	-	-
Translation Equip	293	-	-	-
New Accounting System	2,580	600	-	-
City Hall Annex	-	2,845	-	-
City Website Redesign	200	-	-	-
Total Capital Purchases	<u>\$ 47,929</u>	<u>\$ 29,989</u>	<u>\$ -</u>	<u>\$ -</u>
Total Expenditures	<u>\$ 254,523</u>	<u>\$ 159,825</u>	<u>\$ 150,100</u>	<u>\$ 153,200</u>
Excess revenue over (under) expenditures	<u>\$ (251,564)</u>	<u>\$ (151,597)</u>	<u>\$ (147,100)</u>	<u>\$ (150,200)</u>
Other financing sources (uses)				
Transfers in/(out)	\$ 560,000	\$ (296,063)	\$ 197,100	\$ 200,200
Total financing sources (uses)	<u>\$ 560,000</u>	<u>\$ (296,063)</u>	<u>\$ 197,100</u>	<u>\$ 200,200</u>
Excess revenue and other sources over (under) expenditures and other uses	<u>\$ 308,436</u>	<u>\$ (447,660)</u>	<u>\$ 50,000</u>	<u>\$ 50,000</u>
Beginning Net Assets, July 1	<u>\$ 831,363</u>	<u>\$ 1,139,799</u>	<u>\$ 692,139</u>	<u>\$ 742,139</u>
Ending Net Assets, June 30	<u>\$ 1,139,799</u>	<u>\$ 692,139</u>	<u>\$ 742,139</u>	<u>\$ 792,139</u>

Note: The presentation above reflects a Net Assets basis of presentation. In the Equipment Fund, Net Assets primarily include capitalized equipment and cash.

**City of Half Moon Bay
Risk Management Fund (63)
Statement of Revenue, Expenditures and Changes in Net Assets**

	Actual 2015-16	Actual 2016-17	Revised Budget 2017-18	Adopted Budget 2018-19
Revenue				
Interest	\$ 11,111	\$ 15,897	\$ 11,100	\$ 11,100
Grants	22,954	-	-	-
Miscellaneous	-	11,498	-	-
Total Revenue	<u>\$ 34,064</u>	<u>\$ 27,395</u>	<u>\$ 11,100</u>	<u>\$ 11,100</u>
Expenditures				
Operation & Maintenance				
ABAG Plan Risk Management Pool				
Salaries & Benefits	\$ -	\$ 155,317	\$ 215,499	\$ 208,370
General Liability Premiums	91,901	95,863	100,000	127,100
Insurance Premium	-	36,965	38,074	18,000
Liability Deductible	131,656	165,827	100,000	100,000
Material & Supplies	-	500	15,400	15,800
Contract Services	18,204	90,351	160,800	165,600
Total Operation & Maintenance	<u>\$ 241,761</u>	<u>\$ 544,823</u>	<u>\$ 629,773</u>	<u>\$ 634,870</u>
Total Expenditures	<u>\$ 241,761</u>	<u>\$ 544,823</u>	<u>\$ 629,773</u>	<u>\$ 634,870</u>
Excess revenue over (under) expenditures	<u>\$ (207,696)</u>	<u>\$ (517,428)</u>	<u>\$ (618,673)</u>	<u>\$ (623,770)</u>
Other financing sources (uses)				
Transfers in	\$ 400,000	\$ 827,633	\$ 629,773	\$ 634,870
Total financing sources (uses)	<u>\$ 400,000</u>	<u>\$ 827,633</u>	<u>\$ 629,773</u>	<u>\$ 634,870</u>
Excess revenue and other sources over (under) expenditures and other uses	<u>\$ 192,304</u>	<u>\$ 310,205</u>	<u>\$ 11,100</u>	<u>\$ 11,100</u>
Beginning Net Assets, July 1	<u>\$ 1,338,680</u>	<u>\$ 1,530,984</u>	<u>\$ 1,841,189</u>	<u>\$ 1,852,289</u>
Ending Net Assets, June 30	<u>\$ 1,530,984</u>	<u>\$ 1,841,189</u>	<u>\$ 1,852,289</u>	<u>\$ 1,863,389</u>

Note: The presentation above reflects a Net Assets basis of presentation. In the Risk Management Fund, Net Assets primarily represents cash less claim liabilities.

**City of Half Moon Bay
Retirement Stabilization Fund (64)
Statement of Revenue, Expenditures and Changes in Net Assets**

	Actual 2015-16	Actual 2016-17	Revised Budget 2017-18	Adopted Budget 2018-19
Revenues	\$ 4,887	\$ 5,644	\$ 4,900	\$ 4,900
Total Revenues	<u>\$ 4,887</u>	<u>\$ 5,644</u>	<u>\$ 4,900</u>	<u>\$ 4,900</u>
Expenditures				
Operation & Maintenance				
Salaries & Benefits				
Public Employees Retirement	\$ 328,408	\$ 395,439	\$ 636,219	\$ 845,000
Total Operation & Maintenance	<u>\$ 328,408</u>	<u>\$ 395,439</u>	<u>\$ 636,219</u>	<u>\$ 845,000</u>
Total Expenditures	<u>\$ 328,408</u>	<u>\$ 395,439</u>	<u>\$ 636,219</u>	<u>\$ 845,000</u>
Excess revenue over (under) expenditures	<u>\$ (323,521)</u>	<u>\$ (389,795)</u>	<u>\$ (631,319)</u>	<u>\$ (840,100)</u>
Other financing sources (uses)				
Transfers in/(out)				
Contribution from General Fund	\$ 328,408	\$ 409,947	\$ 636,219	\$ 945,000
Total financing sources (uses)	<u>\$ 328,408</u>	<u>\$ 409,947</u>	<u>\$ 636,219</u>	<u>\$ 945,000</u>
Excess revenue and other sources over (under) expenditures and other uses	<u>\$ 4,887</u>	<u>\$ 20,152</u>	<u>\$ 4,900</u>	<u>\$ 104,900</u>
Beginning Net Assets, July 1	<u>\$ 1,010,365</u>	<u>\$ 1,015,252</u>	<u>\$ 1,035,404</u>	<u>\$ 1,040,304</u>
Ending Net Assets, June 30	<u><u>\$ 1,015,252</u></u>	<u><u>\$ 1,035,404</u></u>	<u><u>\$ 1,040,304</u></u>	<u><u>\$ 1,145,204</u></u>

Note: The presentation above reflects a Net Assets basis of presentation. In the Retirement Stabilization Fund, Net Assets primarily represents cash.



CITY OF HALF MOON BAY

Enterprise Funds





Enterprise Funds

Enterprise Funds are used to account for services that are financed and operated in a manner similar to private business enterprise. The intent of the City is that the costs of providing the services to the general public on a continuing basis be financed primarily through user charges.

SEWER OPERATING (Fund 05)

The Sewer Operating Fund is a restricted fund. The Sewer Operating budget is used to account for the financial activity of the City's sewer utility. The Fund is used to account for:

1. Wastewater treatment services provided by Sewer Authority Mid-Coastside (SAM).
2. Maintenance of the sewage collection system by SAM.
3. Maintenance, rehabilitation, and repair of the wastewater collection system not provided by SAM.
4. The Sewer Operating Fund is funded by sewer user charges, which are based on four winter month water usage.



Goals and Objectives

- Protect the health and welfare of the community by ensuring the continuous uninterrupted operation of wastewater collection and transmission systems to every extent possible to meet all Federal, State and local standards.
- Provide appropriate and economical maintenance and repair of the wastewater collection and transmission system and its appurtenances.
- Fund the cost of collection and transmission of the wastewater system.
- Continue to repair and improve damaged or substandard sections of the sanitary sewer system to ensure proper operating conditions by using a program that provides cleaning, preventive maintenance, and repair of the system.
- Provide expedient response to emergency situations.

SEWER CAPITAL (Fund 06)

The Sewer Capital Fund is a restricted fund. The Sewer Capital Fund provides resources for Capital Improvement Program projects that include testing, evaluation, maintenance and repairs of the City's sanitary sewer collection network.

Sewer Capital Fund expenditures are funded by sewer usage charges.

Goals and Objectives

- Replace sewer collection lines that have infiltration or damage, and ensure integrity of the sewer collection system.
- Conduct an annual review of the capital needs and sewer rates to ensure adequate resources are available to fund requirements.

RESERVE OVERVIEW

In 2010, approval was given to increase the sewer rates over a three-year period. The rate increases were critical in improving a low reserve balance that was insufficient to fund sewer operations and critical capital improvements. As a result, the Sewer Capital Fund now has a reserve balance that is available for capital improvements and contingencies. Another rate study is scheduled to be completed during the 2018-19 fiscal year.



NET ASSET AND CASH PRESENTATION

The Sewer Fund Balance is presented on a dual basis in the budget document: Net Asset and Cash Reserves. Net Assets is the excess of assets over liabilities and is the basis of presentation prescribed by GASB Statement No. 34. Because a significant portion of Net Assets is the City's investment in the Sewer Mid-Coastside Authority (SAM) JPA, it is important to review the cash reserve balance to understand the amounts available to fund operations and capital improvements.



**City of Half Moon Bay
Sewer Operating Fund (05)
Statement of Revenue, Expenditures and Changes in Net Assets**

	Actual 2015-16	Actual 2016-17	Revised Budget 2017-18	Adopted Budget 2018-19
Revenue				
Sewer Service Charges	\$ 2,802,125	\$ 2,506,217	\$ 2,464,275	\$ 4,248,000
Interest	19,922	26,801	19,900	19,900
Other Fees	-	37,101	-	-
Total Revenue	<u>\$ 2,822,047</u>	<u>\$ 2,570,119</u>	<u>\$ 2,484,175</u>	<u>\$ 4,267,900</u>
Expenditures				
Operation & Maintenance				
Salaries & Benefits	\$ 149,259	\$ 191,820	\$ 268,219	\$ 281,300
Material & Supplies	18,317	21,305	19,600	19,900
Contract Services	14,477	50,223	628,600	404,000
SAM Authority	2,336,275	2,444,125	2,997,795	3,360,430
Other	23,267	19,783	75,000	77,000
Total Expenditures	<u>\$ 2,541,595</u>	<u>\$ 2,727,257</u>	<u>\$ 3,989,214</u>	<u>\$ 4,142,630</u>
Excess revenue over (under) expenditures	<u>\$ 280,452</u>	<u>\$ (157,138)</u>	<u>\$ (1,505,039)</u>	<u>\$ 125,270</u>
Other financing sources (uses)				
Transfers in/(out)				
Transfer from Sewer Capital	\$ -	\$ -	\$ -	\$ 300,000
Equipment / Risk	(90,113)	(239,495)	(55,959)	(197,273)
Administrative Fee (to General Fund)	(196,002)	(196,001)	(420,668)	(460,771)
Total financing sources (uses)	<u>\$ (286,115)</u>	<u>\$ (435,496)</u>	<u>\$ (476,627)</u>	<u>\$ (358,044)</u>
Excess revenue and other sources over (under) expenditures and other uses	<u>\$ (5,663)</u>	<u>\$ (592,634)</u>	<u>\$ (1,981,666)</u>	<u>\$ (232,774)</u>
Beginning Net Assets, July 1	<u>\$ 2,933,592</u>	<u>\$ 2,927,929</u>	<u>\$ 2,335,295</u>	<u>\$ 353,629</u>
Ending Net Assets, June 30	<u>\$ 2,927,929</u>	<u>\$ 2,335,295</u>	<u>\$ 353,629</u>	<u>\$ 120,855</u>

**City of Half Moon Bay
Sewer Capital Fund (06)
Statement of Revenue, Expenditures and Changes in Net Assets**

	Actual 2015-16	Actual 2016-17	Revised Budget 2017-18	Adopted Budget 2018-19
Revenue				
Interest	\$ 73,166	\$ 108,202	\$ 73,200	\$ 73,200
Sewer Rate Charges	1,879,393	1,981,040	1,771,000	103,783
Other Fees	34,397	-	-	-
Total Revenue	<u>\$ 1,986,956</u>	<u>\$ 2,089,242</u>	<u>\$ 1,844,200</u>	<u>\$ 176,983</u>
Expenditures				
Operation & Maintenance				
* Salaries & Benefits	\$ 44,634	\$ (214,407)	\$ -	\$ -
Loss on investment in SAM	-	172,939	175,000	175,000
Depreciation	99,520	99,519	100,000	100,000
Total Operation & Maintenance	<u>\$ 144,154</u>	<u>\$ 58,051</u>	<u>\$ 275,000</u>	<u>\$ 275,000</u>
Capital Projects	257,263	181,307	5,040,210	5,407,500
Total Capital Projects	<u>\$ 257,263</u>	<u>\$ 181,307</u>	<u>\$ 5,040,210</u>	<u>\$ 5,407,500</u>
Total Expenditures	<u>\$ 401,417</u>	<u>\$ 239,358</u>	<u>\$ 5,315,210</u>	<u>\$ 5,682,500</u>
Excess revenue over (under) expenditures	<u>\$ 1,585,540</u>	<u>\$ 1,849,885</u>	<u>\$ (3,471,010)</u>	<u>\$ (5,505,517)</u>
Other financing sources (uses)				
Transfers in/(out)				
Transfers Out	\$ (106,703)	(46,703)	(11,460)	(316,386)
Total financing sources (uses)	<u>\$ (106,703)</u>	<u>\$ (46,703)</u>	<u>\$ (11,460)</u>	<u>\$ (316,386)</u>
Excess revenue and other sources over (under) expenditures and other uses	<u>\$ 1,478,837</u>	<u>\$ 1,803,182</u>	<u>\$ (3,482,470)</u>	<u>\$ (5,821,903)</u>
Beginning Net Assets, July 1 ¹	<u>\$ 20,100,444</u>	<u>\$ 21,579,281</u>	<u>\$ 23,382,462</u>	<u>\$ 19,899,992</u>
Ending Net Assets, June 30	<u>\$ 21,579,281</u>	<u>\$ 23,382,462</u>	<u>\$ 19,899,992</u>	<u>\$ 14,078,089</u>

* Salaries and Benefits include adjustments made for Pension Expense according to GASB 68.



CITY OF HALF MOON BAY

Capital Improvement Program





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Capital Improvement Program

A Capital Improvement Program (CIP) is a financial planning and prioritization tool that identifies projects, assigns costs and recommends schedules for design and construction of capital improvements over a five (5) year horizon.

Capital improvements are projects which involve the purchase, improvement or construction of major fixed assets and equipment which are typically large in size, expensive, non-recurring and relatively permanent. The City capital improvement needs are a result of an aging infrastructure, significant deferred maintenance and desired construction on new and existing facilities.



The CIP identifies capital improvement programs and projects that are needed to satisfy the long-term needs, obligations and goals of the community. The current CIP has been developed in conjunction with the City Council strategic objectives to provide the long-term investment needed for the City of Half Moon Bay to serve the community's future needs.

The City's CIP program is composed of two parts:

- 1) the five (5) year capital improvement plan; and
- 2) the single year funding authorizations, referred to as the Capital Budget.

Projects are funded according to the availability of funds and the project's priority.

Drainage Improvements are investments in the City's storm drain system and are essential to protect homes, businesses, public facilities and infrastructure. Major storm drains projects for FY 2018-19 include the implementation of the Storm Drain Master Plan and repair of erosion at the Seymour Ditch.

Economic Development projects include the General Plan and Local Coastal Program Update and the addition of additional Vehicle Charging Stations. These projects aim to enhance and expand the City's local economy.

Operational Improvements include major capital investments to enhance the internal operational efficiencies of the City. These projects will help the City staff to perform more efficiently and be responsive to citizens' requests in a timely manner. These projects include the selection and implementation of new Enterprise Resource Planning software and programs for permit tracking and asset management.





Parks Improvements are critical to augment the health and livability of Half Moon Bay through the development and maintenance of the City's parks. Parks projects included in the 5-year CIP include new play structures for a number of City Parks, and improvements to Smith Field.

The **Public Facilities and Building Improvements** category includes the Library project, which is the largest infrastructure project in the City's history. Other projects include renovations to allow greater Americans with Disabilities Act (ADA) accessibility in City buildings and programs to manage the City's sidewalks and trees.

The City's **Sewer** infrastructure, which includes neighborhood sewer pipelines, larger interceptor pipelines, and lift stations, requires ongoing repair as components reach the end of their service lives. The City's Sewer CIP includes substantial programs to maintain, repair and replace sewer infrastructure.

Street Improvements include projects related to crosswalks, pavement, highway safety and rehabilitation of the Main Street Bridge. Proper funding of these capital programs helps the City to achieve long-term cost savings and reduce future liabilities.

The City is tasked with completing numerous **Trail Improvements**, as the City's trails are characteristically important to residents and visitors alike. The City's planned trail improvements efforts in FY 2018-19 focus on expansion of various pedestrian and bike paths including Ocean Colony and Poplar Beach and Costal Trails.



FIVE-YEAR SUMMARY - CAPITAL IMPROVEMENT PROGRAM

EXPENDITURE

PROJECT CATEGORIES	PRIOR YEARS ACTUALS	ENCUMBERED TO DATE	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	TOTAL ALL FY
DRAINAGE IMPROVEMENTS	-	625,000	790,000	2,030,000	1,945,000	6,274,250	170,000	\$ 11,834,250
ECONOMIC DEVELOPMENT	1,022,800	377,811	200,000	264,000	-	150,000	-	\$ 2,014,611
OPERATIONAL IMPROVEMENTS	-	250,000	200,000	50,000	-	-	-	\$ 500,000
PARKS IMPROVEMENTS	130,000	35,000	898,000	1,550,000	200,000	200,000	200,000	\$ 3,213,000
PUBLIC FACILITIES	-	50,000	1,470,000	1,350,000	1,683,000	675,000	675,000	\$ 5,903,000
SEWER IMPROVEMENTS	-	-	5,407,500	3,162,500	3,292,500	3,392,500	3,392,500	\$ 18,647,500
STREET IMPROVEMENTS	565,000	1,846,000	2,935,000	8,715,922	13,243,657	185,000	1,090,000	\$ 28,580,579
TRAILS IMPROVEMENTS	47,730	597,270	986,000	2,530,500	1,607,500	405,000	665,000	\$ 6,839,000
UNFUNDED	-	-	-	-	-	-	-	\$ -
T O T A L	\$ 1,765,530	\$ 3,781,081	\$ 12,886,500	\$ 19,652,922	\$ 21,971,657	\$ 11,281,750	\$ 6,192,500	\$ 77,531,940

REVENUE

FUNDING SOURCES	PRIOR YEARS ACTUALS	ENCUMBERED TO DATE	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	TOTAL ALL FY
Measure A	-	220,000	-	-	220,000	-	-	\$ 440,000
Measure J	50,000	199,324	-	-	-	-	-	\$ 249,324
Measure M	-	-	-	-	-	-	-	\$ -
Gas Tax	50,000	-	543,095	540,000	545,000	545,000	545,000	\$ 2,768,095
Sewer Fund	-	-	5,407,500	3,162,500	3,292,500	3,392,500	3,392,500	\$ 18,647,500
County Contribution	-	200,000	75,000	-	-	-	-	\$ 275,000
County Loan	-	200,000	-	-	-	-	-	\$ 200,000
Park In Lieu Fee	-	33,676	290,000	110,000	-	-	150,000	\$ 583,676
San Mateo County Contribution	-	500,000	-	250,000	-	-	-	\$ 750,000
Grant - Measure A	375,000	950,000	6,865,000	-	-	-	-	\$ 8,190,000
Grant - State	-	10,200	25,000	1,387,500	2,676,800	5,954,250	-	\$ 10,053,750
Grant - Federal	-	-	1,142,922	2,539,500	8,168,158	-	-	\$ 11,850,580
Grant - C/CAG	-	-	50,000	-	-	-	-	\$ 50,000
Grant - Coastal Commission	75,000	85,000	-	-	-	-	-	\$ 160,000
Grant - Ocean Protection Council	53,214	-	-	-	-	-	-	\$ 53,214
Developer Funds	-	2,350,000	650,000	-	-	-	-	\$ 3,000,000
Donations	10,000	-	-	-	-	-	-	\$ 10,000
PG&E In-Lieu	-	66,576	-	-	-	-	-	\$ 66,576
Correas Street UUD	-	39,375	-	-	-	-	-	\$ 39,375
Private - Deferred Street Agmt	-	9,728	-	-	-	-	-	\$ 9,728
C/CAG SRTS-GS Grant	-	153,000	-	-	-	-	-	\$ 153,000
Fund Reserves	190,000	637,321	1,093,805	2,350,000	1,475,000	300,000	210,000	\$ 6,256,126
General Fund	2,620,792	1,065,000	1,918,705	2,548,578	2,562,921	1,360,000	1,350,000	\$ 13,425,996
Property Owner Contribution	-	-	-	300,000	-	-	-	\$ 300,000
T O T A L	\$ 3,424,006	\$ 6,719,200	\$ 18,061,027	\$ 13,188,078	\$ 18,940,379	\$ 11,551,750	\$ 5,647,500	\$ 77,531,940

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM EXPENDITURES

DESCRIPTION	FUND	PROJECT	PY ACTUALS	ENC. TO DATE	FY 18-19
DRAINAGE IMPROVEMENTS					
Storm Drain Master Plan Implementation	14	563	\$ -	\$ -	\$ 590,000
Seymour Ditch Erosion Permanent Repair	14	TBD	\$ -	\$ -	\$ 200,000
Arroyo de en Medio Erosion Repair - Mirada Road	14	579	\$ -	\$ 625,000	\$ -
Keohoe Ditch Implementation	14	534	\$ -	\$ -	\$ -
Roosevelt Ditch Improvements	14	TBD	\$ -	\$ -	\$ -
TOTAL DRAINAGE IMPROVEMENTS			\$ -	\$ 625,000	\$ 790,000
ECONOMIC DEVELOPMENT					
General Plan and Local Coastal Program Update	25	564	\$ 990,611	\$ 85,000	\$ 100,000
Electric Vehicle Charging Station(s)	25	537	\$ 20,789	\$ 54,211	\$ -
Wayfinding and Entry Signs (Phase 2)	25	559	\$ 11,400	\$ 238,600	\$ 100,000
Downtown Gateway Arch - North	25	534	\$ -	\$ -	\$ -
Town Center Master Plan	25	TBD	\$ -	\$ -	\$ -
TOTAL ECONOMIC DEVELOPMENT IMPROVEMENTS			\$ 1,022,800	\$ 377,811	\$ 200,000
OPERATIONAL IMPROVEMENTS					
Financial Software - Enterprise Resource Planning	25	555	\$ -	\$ 250,000	\$ 50,000
GIS Implementation	25	586	\$ -	\$ -	\$ 150,000
TOTAL OPERATIONAL IMPROVEMENTS			\$ -	\$ 250,000	\$ 200,000
PARKS					
Parks Master Plan Implementation Program	17	TBD	\$ -	\$ -	\$ 258,000
Parks Master Plan	17	583	\$ 130,000	\$ 35,000	\$ 45,000
Permanent Restrooms - Ocean View Park	17	TBD	\$ -	\$ -	\$ 300,000
Carter Park Improvements	17	TBD	\$ -	\$ -	\$ 165,000
Smith Field Site Assessment and Master Plan	17	TBD	\$ -	\$ -	\$ 45,000
Train Depot and Johnston House Site Plan	17	TBD	\$ -	\$ -	\$ 85,000
Johnston House Improvements	17	TBD	\$ -	\$ -	\$ -
TOTAL PARKS			\$ 130,000	\$ 35,000	\$ 898,000
PUBLIC FACILITIES AND BUILDINGS IMPROVEMENTS					
Emergency Response Program	48	604	\$ -	\$ -	\$ 250,000
ADA Transition Plan and Implementation Program	25	601	\$ -	\$ -	\$ 100,000
Sidewalk Replacement and Repair Program	25	562	\$ -	\$ -	\$ 200,000
Urban Forest Management Program	25	598	\$ -	\$ -	\$ 125,000
Municipal Energy Efficiency Upgrades	48	TBD	\$ -	\$ -	\$ 75,000
Ted Adcock Community Center Remodel	48	TBD	\$ -	\$ -	\$ 250,000
Sheriff Substation Facility Assessment	48	605	\$ -	\$ -	\$ 75,000
Restoration and Watershed Protection of City Parcel	48	TBD	\$ -	\$ -	\$ 160,000
Annual Community Enhancement Project	25	TBD	\$ -	\$ 50,000	\$ 50,000
Streetlight Upgrades on Main Street	48	TBD	\$ -	\$ -	\$ 100,000
Community Center Site Plan	48	TBD	\$ -	\$ -	\$ 85,000
Sheriff Substation Project	48	TBD	\$ -	\$ -	\$ -
Cunha Parking Lot Expansion for Library	16	545	\$ -	\$ -	\$ -
Re-roofs of City Facilities	48	TBD	\$ -	\$ -	\$ -
TOTAL PUBLIC FACILITIES AND BUILDING IMPROVEMENTS			\$ -	\$ 50,000	\$ 1,470,000
SEWER					
Sewer Maintenance Program	06	506	\$ -	\$ -	\$ 562,500
Sewer Main Repair Program	06	516	\$ -	\$ -	\$ 2,430,000
Pump Station and Force Main Repair and Replacement Program	06	507	\$ -	\$ -	\$ 2,415,000
TOTAL SEWER IMPROVEMENTS			\$ -	\$ -	\$ 5,407,500
STREET IMPROVEMENTS					
Crosswalks and ADA Retrofit Program	11	572	\$ -	\$ -	\$ 70,000
Pavement Management and Traffic Safety Program	11	514	\$ -	\$ -	\$ 1,325,000
Correas Street Reconstruction Project	11	TBD	\$ -	\$ 580,000	\$ -
Highway 1 Safety - North	11	538	\$ -	\$ 760,000	\$ 150,000
Highway 1 Safety - South	11	523	\$ 525,000	\$ 100,000	\$ 1,250,000
Main Street Bridge Project	09	759	\$ -	\$ -	\$ 140,000
Poplar Complete Street Project	11	593	\$ -	\$ 156,000	\$ -
Highway 1/Kelly Avenue Intersection Improvement Project	13	571	\$ 40,000	\$ 250,000	\$ -
TOTAL STREET IMPROVEMENTS			\$ 565,000	\$ 1,846,000	\$ 2,935,000
TRAIL IMPROVEMENTS					
Bicycle and Pedestrian Master Plan Implementation	17	TBD	\$ -	\$ -	\$ 160,000
Bicycle and Pedestrian Master Plan	17	580	\$ 43,730	\$ 81,270	\$ 36,000
Poplar Gateways Master Plan and Implementation	17	TBD	\$ 4,000	\$ 216,000	\$ 140,000
Coastal Bluff Preservation	17	TBD	\$ -	\$ -	\$ 150,000
Vertical Access at Poplar Beach	17	597	\$ -	\$ -	\$ 150,000
Bikeway Connectivity Project- North	17	TBD	\$ -	\$ -	\$ 350,000
Highway 1 Bicycle/Pedestrian Trail Extension (North)	17	595	\$ -	\$ 300,000	\$ -
Stair Replacement at Cañada Verde Creek	17	TBD	\$ -	\$ -	\$ -
Walkway Extension - Cameron's to Smith Field	17	564	\$ -	\$ -	\$ -
TOTAL TRAIL IMPROVEMENTS			\$ 47,730	\$ 597,270	\$ 986,000
TOTAL FY ALLOCATIONS			\$ 1,765,530	\$ 3,781,081	\$ 12,886,500

FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM EXPENDITURES

FY 19-20	FY 20-21	FY 21-22	FY 22-23	TOTAL
DRAINAGE IMPROVEMENTS				
\$ 250,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 1,290,000
\$ 910,000	\$ 60,000	\$ 20,000	\$ 20,000	\$ 1,210,000
\$ -	\$ -	\$ -	\$ -	\$ 625,000
\$ 750,000	\$ 1,000,000	\$ 6,104,250	\$ -	\$ 7,854,250
\$ 120,000	\$ 735,000	\$ -	\$ -	\$ 855,000
\$ 2,030,000	\$ 1,945,000	\$ 6,274,250	\$ 170,000	\$ 11,834,250
ECONOMIC DEVELOPMENT				
\$ -	\$ -	\$ -	\$ -	\$ 1,175,611
\$ -	\$ -	\$ -	\$ -	\$ 75,000
\$ -	\$ -	\$ -	\$ -	\$ 350,000
\$ 264,000	\$ -	\$ -	\$ -	\$ 264,000
\$ -	\$ -	\$ 150,000	\$ -	\$ 150,000
\$ 264,000	\$ -	\$ 150,000	\$ -	\$ 2,014,611
OPERATIONAL IMPROVEMENTS				
\$ -	\$ -	\$ -	\$ -	\$ 300,000
\$ 50,000	\$ -	\$ -	\$ -	\$ 200,000
\$ 50,000	\$ -	\$ -	\$ -	\$ 500,000
PARKS				
\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 658,000
\$ -	\$ -	\$ -	\$ -	\$ 210,000
\$ -	\$ -	\$ -	\$ -	\$ 300,000
\$ 1,100,000	\$ -	\$ -	\$ -	\$ 1,265,000
\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 445,000
\$ -	\$ -	\$ -	\$ -	\$ 85,000
\$ 250,000	\$ -	\$ -	\$ -	\$ 250,000
\$ 1,550,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 3,213,000
PUBLIC FACILITIES AND BUILDINGS IMPROVEMENTS				
\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 1,250,000
\$ 100,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 425,000
\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 1,000,000
\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 525,000
\$ -	\$ -	\$ -	\$ -	\$ 75,000
\$ -	\$ -	\$ -	\$ -	\$ 250,000
\$ -	\$ -	\$ -	\$ -	\$ 75,000
\$ -	\$ 825,000	\$ -	\$ -	\$ 985,000
\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 300,000
\$ -	\$ -	\$ -	\$ -	\$ 100,000
\$ -	\$ -	\$ -	\$ -	\$ 85,000
\$ 250,000	\$ -	\$ -	\$ -	\$ 250,000
\$ 400,000	\$ -	\$ -	\$ -	\$ 400,000
\$ -	\$ 183,000	\$ -	\$ -	\$ 183,000
\$ 1,350,000	\$ 1,683,000	\$ 675,000	\$ 675,000	\$ 5,903,000
SEWER				
\$ 562,500	\$ 562,500	\$ 562,500	\$ 562,500	\$ 2,812,500
\$ 2,430,000	\$ 2,560,000	\$ 2,660,000	\$ 2,660,000	\$ 12,740,000
\$ 170,000	\$ 170,000	\$ 170,000	\$ 170,000	\$ 3,095,000
\$ 3,162,500	\$ 3,292,500	\$ 3,392,500	\$ 3,392,500	\$ 18,647,500
STREET IMPROVEMENTS				
\$ 65,000	\$ 65,000	\$ 65,000	\$ 65,000	\$ 330,000
\$ 120,000	\$ 1,025,000	\$ 120,000	\$ 1,025,000	\$ 3,615,000
\$ -	\$ -	\$ -	\$ -	\$ 580,000
\$ 3,500,000	\$ 3,500,000	\$ -	\$ -	\$ 7,910,000
\$ 2,250,000	\$ -	\$ -	\$ -	\$ 4,125,000
\$ 1,142,922	\$ 7,283,657	\$ -	\$ -	\$ 8,566,579
\$ 1,598,000	\$ -	\$ -	\$ -	\$ 1,754,000
\$ 40,000	\$ 1,370,000	\$ -	\$ -	\$ 1,700,000
\$ 8,715,922	\$ 13,243,657	\$ 185,000	\$ 1,090,000	\$ 28,580,579
TRAIL IMPROVEMENTS				
\$ 150,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 610,000
\$ -	\$ -	\$ -	\$ -	\$ 161,000
\$ 110,000	\$ -	\$ -	\$ -	\$ 470,000
\$ 390,000	\$ 215,000	\$ 215,000	\$ 215,000	\$ 1,185,000
\$ -	\$ -	\$ 90,000	\$ 350,000	\$ 590,000
\$ -	\$ -	\$ -	\$ -	\$ 350,000
\$ 1,537,500	\$ 762,500	\$ -	\$ -	\$ 2,600,000
\$ 75,000	\$ 530,000	\$ -	\$ -	\$ 605,000
\$ 268,000	\$ -	\$ -	\$ -	\$ 268,000
\$ 2,530,500	\$ 1,607,500	\$ 405,000	\$ 665,000	\$ 6,839,000
\$ 19,652,922	\$ 21,971,657	\$ 11,281,750	\$ 6,192,500	\$ 77,531,940

**City of Half Moon Bay
Capital Improvement Program
Fund Summary**

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Revised	FY 2017-18 Projected
Main Street Bridge Fund - Fund 09				
Beginning Fund Balance	620,342	607,275	565,598	565,598
Operating Revenues	3,685	5,085	3,700	3,700
Total Transfers in	100,000	-	-	-
Outside Funding for Capital Projects	(23,567)	-	1,200,000	
Capital Projects	(93,185)	(46,762)	(1,200,000)	
Net Change in Fund Balance	(13,067)	(41,677)	3,700	3,700
Street Fund - Estimated Ending Balance	607,275	565,598	569,298	569,298
Street Fund - Fund 011				
Beginning Fund Balance	3,915,068	4,628,790	3,677,599	3,677,599
Operating Revenues	104,021	198,607	99,600	99,600
Encumbered from Prior Years				
Total Transfers in	1,535,000	86,500	355,095	49,095
Operating Expenses	(19,843)	(86,913)	(262,018)	(262,018)
Outside Funding for Capital Projects	(247,500)	-	9,836,679	3,968,679
Capital Projects	(655,285)	(841,236)	(11,153,679)	(1,020,704)
Net Transfers & Allocations to other funds	(2,671)	(308,149)	(140,999)	(140,999)
Net Change in Fund Balance	713,722	(951,191)	(1,265,322)	2,693,653
Street Fund - Estimated Ending Balance	4,628,790	3,677,599	2,412,277	6,371,252
Traffic Mitigation - Fund 013				
Beginning Fund Balance	237,672	380,980	850,093	850,093
Operating Revenues	220,553	287,271	860,615	860,615
Total Transfers in	-	220,000	-	-
Operating Expenses	(30,903)	(31,155)	(24,900)	(24,900)
Outside Funding for Capital Projects	-	-	-	-
Capital Projects	(46,342)	(7,003)	-	(10,444)
Net Change in Fund Balance	143,308	469,113	835,715	825,271
Street Fund - Estimated Ending Balance	380,980	850,093	1,685,808	1,675,364
Sewer Capital Fund - Fund 06				
Beginning Fund Balance	20,100,444	21,579,280	23,382,462	23,382,462
Operating Revenues *	1,986,956	2,089,242	1,844,200	1,844,200
General Operating Expenses	(144,154)	114,889	(100,000)	(100,000)
Investment in SAM Authority	-	(172,939)	(175,000)	(175,000)
Capital Projects	(257,263)	(181,307)	(5,040,210)	(220,116)
Net Transfers & Allocations to other funds	(106,703)	(46,703)	(11,460)	(11,460)
Net Change in Fund Balance	1,478,836	1,803,182	(3,482,470)	1,337,624
Wastewater Fund - Est. Ending Balance	21,579,280	23,382,462	19,899,992	24,720,086
Drainage Fund - Fund 14				
Beginning Fund Balance	578,654	555,431	836,220	836,220
Operating Revenues	9,420	16,117	10,600	10,600
Encumbered from Prior Years				
Trsfr from General Fund	200,000	462,700	535,000	535,000
Total Transfers in	200,000	462,700	535,000	535,000
Outside Funding for Capital Projects	-	-	625,000	500,000
General Operating Expenses	-	(92,240)	(46,044)	(46,044)
Capital Projects	(232,643)	(101,099)	(850,000)	(655,880)
Net Transfers & Allocations to other funds	-	(4,689)	(3,161)	(3,161)
Net Change in Fund Balance	(23,223)	280,789	271,395	340,515
Drainage Fund - Est. Ending Balance	555,431	836,220	1,107,615	1,176,735

**City of Half Moon Bay
Capital Improvement Program
Fund Summary**

FY 2018-19 Budget	FY 2019-20 CIP	FY 2020-21 CIP	FY 2021-22 CIP	FY 2022-23 CIP
569,298	1,575,920	534,850	(59,378)	(55,452)
3,700	3,774	3,849	3,926	4,005
-	98,078	279,921	-	-
1,142,922	-	6,405,658	-	-
(140,000)	(1,142,922)	(7,283,657)	-	-
1,006,622	(1,041,070)	(594,229)	3,926	4,005
1,575,920	534,850	(59,378)	(55,452)	(51,447)
6,371,252	10,540,048	4,840,837	1,083,931	1,228,254
101,600	103,632	105,705	107,819	109,975
(580,000)				
543,095	540,000	1,045,000	545,000	545,000
(282,781)	(288,437)	(294,205)	(300,089)	(306,091)
7,200,000	1,502,000	-	-	-
(2,795,000)	(7,533,000)	(4,590,000)	(185,000)	(1,090,000)
(18,118)	(23,406)	(23,406)	(23,406)	(23,406)
4,168,796	(5,699,211)	(3,756,907)	144,323	(764,522)
10,540,048	4,840,837	1,083,931	1,228,254	463,732
1,675,364	1,700,342	1,685,563	1,561,026	1,586,726
50,578	51,590	52,621	53,674	54,747
-	-	220,000	-	-
(25,600)	(26,368)	(27,159)	(27,974)	(28,813)
-	-	1,000,000	-	-
-	(40,000)	(1,370,000)	-	-
24,978	(14,778)	(124,538)	25,700	25,934
1,700,342	1,685,563	1,561,026	1,586,726	1,612,660
24,720,086	18,898,183	15,622,328	12,217,537	8,713,827
176,983	180,523	184,133	187,816	191,572
(100,000)	(102,000)	(104,040)	(106,121)	(108,243)
(175,000)	(175,000)	(175,000)	(175,000)	(175,000)
(5,407,500)	(3,162,500)	(3,292,500)	(3,392,500)	(3,392,500)
(316,386)	(16,878)	(17,384)	(17,905)	(18,443)
(5,821,903)	(3,275,855)	(3,404,791)	(3,503,710)	(3,502,614)
18,898,183	15,622,328	12,217,537	8,713,827	5,211,213
1,176,735	15,118	21,057	27,126	33,321
8,182	8,300	8,500	8,700	8,900
(625,000)				
292,495	642,500	360,000	320,000	170,000
292,495	642,500	360,000	320,000	170,000
-	1,387,500	1,585,000	5,954,250	-
(45,002)				-
(790,000)	(2,030,000)	(1,945,000)	(6,274,250)	(170,000)
(2,292)	(2,361)	(2,432)	(2,505)	(2,580)
(536,617)	5,939	6,068	6,195	6,320
15,118	21,057	27,126	33,321	39,642

**City of Half Moon Bay
Capital Improvement Program
Fund Summary**

	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Revised	FY 2017-18 Projected
Capital Projects Fund - Fund 25 Unrestricted				
Beginning Fund Balance	-	-	1,727,296	1,727,296
Encumbered from Prior Years	-	405,958	-	-
ERAF Rebate	-	405,958	-	-
Total Transfers in	-	2,148,943	993,582	993,582
Outside Funding for Capital Projects	-	39,827	1,361,284	1,361,284
Capital Projects	-	(461,474)	(2,384,077)	(1,041,512)
Net Transfers & Allocations to other funds	-	-	(34,905)	-
Net Change in Fund Balance	-	1,727,296	(64,116)	1,313,354
Capital Fund - Est Unrestricted Ending Balance	-	1,727,296	1,663,180	3,040,650
Park & Trail Fund - Fund 017				
Beginning Fund Balance	553,655	406,711	1,014,840	1,014,840
Operating Revenues	116,804	557,822	96,800	96,800
Encumbered from Prior Years	-	-	-	-
Trsfr. from General Fund	(45,000)	212,890	425,000	425,000
Trsfr. From Measure J	90,000	670,000	116,324	116,324
Total Transfers in	45,000	882,890	541,324	541,324
Operating Expenses	-	(13,872)	(24,809)	(24,809)
Outside Funding for Capital Projects	1,293,157	4,735	-	-
Capital Projects	(1,601,905)	(822,665)	(870,000)	(145,421)
Net Transfers & Allocations to other funds	(45,000)	(781)	(95,616)	(95,616)
Net Change in Fund Balance	(146,944)	608,129	(352,301)	913,602
Park & Trail Fund - Est Ending Balance	406,711	1,014,840	662,539	1,928,441
Public Facilities Fund - Fund 048				
Beginning Fund Balance	538,192	753,219	294,973	294,973
Operating Revenues	4,170	5,051	3,500	3,500
Total Transfers in	428,500	219,500	1,730,000	1,730,000
Operating Expenses	(250)	(13,868)	(25,900)	-
Outside Funding for Capital Projects	108,300	-	-	-
Capital Projects	(325,693)	(368,148)	(1,730,000)	(1,375,359)
Net Transfers & Allocations to other funds	-	(300,781)	(150,000)	(150,000)
Net Change in Fund Balance	215,027	(458,246)	(172,400)	208,141
Public Facilities - Est Ending Balance	753,219	294,973	122,573	503,114
Library Capital Fund 016				
Beginning Fund Balance	3,630,329	10,513,844	5,611,039	5,611,039
Operating Revenues	32,242	83,690	32,200	32,200
Total Transfers in	2,333,000	-	-	-
Operating Expenses	(2,327)	-	(22,700)	(22,700)
Outside Funding for Capital Project	6,000,000	131,900	4,311,755	5,726,855
SMC Loan	-	-	2,926,855	5,726,855
Capital Projects	(1,479,400)	(5,118,395)	(11,682,310)	(16,659,181)
Net Change in Fund Balance	6,883,515	(4,902,805)	(4,434,200)	(5,195,971)
Library Improvements - Est Ending Balance	10,513,844	5,611,039	1,176,839	415,068

**City of Half Moon Bay
Capital Improvement Program
Fund Summary**

FY 2018-19 Budget	FY 2019-20 CIP	FY 2020-21 CIP	FY 2021-22 CIP	FY 2022-23 CIP
3,040,650 (522,811)	1,655,049	1,141,049	992,849	692,849
12,210	250,000	275,000	275,000	275,000
-	-	1,800	-	-
(875,000)	(764,000)	(425,000)	(575,000)	(425,000)
(1,385,601)	(514,000)	(148,200)	(300,000)	(150,000)
1,655,049	1,141,049	992,849	692,849	542,849
1,928,441	1,250,318	(2,972)	117,372	216,423
202,756	206,811	210,947	215,166	219,470
(116,270)				
804,000	1,308,000	515,000	515,000	655,000
804,000	1,308,000	515,000	515,000	655,000
(24,092)	(24,574)	(25,065)	(25,567)	(26,078)
340,000	1,337,500	1,227,500	-	-
(1,884,000)	(4,080,500)	(1,807,500)	(605,000)	(865,000)
(517)	(527)	(538)	(549)	(560)
(678,123)	(1,253,290)	120,344	99,051	(17,168)
1,250,318	(2,972)	117,372	216,423	199,255
503,114	419,914	396,784	373,725	350,739
3,500	3,570	3,641	3,714	3,789
810,000	250,000	633,000	250,000	250,000
(26,700)	(26,700)	(26,700)	(26,700)	(26,700)
125,000	250,000	625,000	-	-
(995,000)	(500,000)	(1,258,000)	(250,000)	(250,000)
-				
(83,200)	(23,130)	(23,059)	(22,986)	(22,911)
419,914	396,784	373,725	350,739	327,828
415,068	423,868	-	-	-
32,200				
-				
(23,400)	(23,868)			
-	(400,000)	-	-	-
8,800	(423,868)	-	-	-
423,868	-	-	-	-



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CITY OF HALF MOON BAY

Other Information





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CITY OF HALF MOON BAY

Investment Policy





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CITY OF HALF MOON BAY

INVESTMENT POLICY

RESOLUTION No. C-2018-55

**A RESOLUTION OF THE CITY OF HALF MOON BAY APPROVING THE
CITY OF HALF MOON BAY INVESTMENT POLICY**

WHEREAS, the investment policy is reviewed each year by City Council in accordance with the City of Half Moon Bay's Investment Policy;

WHEREAS, the investment policy has been reviewed to ensure any necessary updates have been incorporated;

WHEREAS, there is no change in the investment policy at this time;

NOW, THEREFORE, BE IT RESOLVED THAT

The City Council of the City of Half Moon Bay hereby approves the City of Half Moon Bay's Investment Policy as contained in Exhibit A attached hereto.

I, the undersigned, hereby certify that the forgoing Resolution was duly passed and adopted on the 5th day of June, 2018 by the City Council of Half Moon Bay by the following vote:

AYES; Councilmembers: EISEN, KOWALCZYK, RUDDOCK, RARBACK, PENROSE

NOES, Councilmembers:

ABSENT, Councilmembers:

ABSTAIN, Councilmembers:

ATTEST:



Jessica Blair, City Clerk

APPROVED:



Deborah Penrose, Mayor

CITY OF HALF MOON BAY INVESTMENT POLICY POLICY OVERVIEW

PURPOSE

The purpose of this policy is to establish guidelines for the management and investment of the unexpended funds of City of Half Moon Bay (the City) under authority granted by the City Council. This policy is in compliance with the provisions of California Government Code Sections 53600 through 53684, governing investments for municipal governments.

INVESTMENT OBJECTIVES

The primary objectives of this investment policy, in order of priority, are safety, liquidity, and yield:

- 1. Safety** - Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. This objective shall be accomplished by mitigating credit risk and market risk.

- 2. Liquidity** - The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This objective shall be accomplished by structuring the portfolio so that securities mature concurrently with anticipated needs. The portfolio shall consist largely of securities with active secondary or resale market. Furthermore, a portion of the portfolio may be placed in money market mutual funds or the Local Agency Investment Fund (LAIF) which offer same-day liquidity for short-term funds.

- 3. Yield** - The objective of the investment portfolio is designed to attain a market rate of return throughout budgetary and economic cycles, taking into consideration the investment risk constraints and liquidity needs. Investment performance shall be continually monitored and evaluated by the City Treasurer in comparison with other portfolio benchmark yields.

SCOPE

The investment policy applies to all financial assets of the City as accounted for in the Basic Financial Statements. It includes, but is not limited to, the funds listed below:

- General Fund
- Special Revenue Funds
- Capital Projects Funds
- Debt Service Fund

- Enterprise Funds
- Internal Service Funds
- Trust and Agency Funds
- Any new fund created by the City, unless specifically exempted, with the exception of the following:
 1. The City's Deferred Compensation Plan, which is excluded because it is managed by a third-party administrator and invested by individual plan participants.
 2. Proceeds of debt issuance shall be invested in accordance with the investment objectives of this policy. However, such proceeds are generally invested in accordance with permitted investment provisions of their specific bond indentures. If, in the opinion of the City Treasurer, the matching of bond reserve or escrow defeasance funds with the maturity schedule of an individual bond issue is prudent, the investment policy authorizes an extension beyond the five-year maturity limitation as outlined in this document.

USE OF STATE INVESTMENT GUIDELINES

California Government Code Sections 53600 through 53692 regulates the investment practices of public entities. It is the policy of the City to use the State's provisions for local government investments as the basis for developing and implementing the City's investment policies and practices.

STANDARDS OF CARE

- 1. Prudence** - The City's investment officials shall act as fiduciary agents subject to the Prudent Investor Standard. Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. The City Manager, City Treasurer (Finance Manager), and other individuals assigned to manage the investment portfolio, acting within the intent and scope of the investment policy and other written procedures and exercising due diligence, shall be relieved of personal responsibility and liability for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely manner and appropriate action is taken to control adverse developments.
- 2. Ethics and Conflict of Interest** - Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program or could impair their ability to make impartial investment decisions. City employees involved in the investment process shall disclose

to the City Clerk in writing any material financial interest in financial institutions that conduct business within the jurisdiction. They shall further disclose any large personal financial/investment positions that could be related to the performance of the investment portfolio.

3. Delegation of Authority - Authority to manage the investment program is granted to the City Manager and City Treasurer (designee Finance Manager) and derived from Chapter 2.12 and 2.16 of the City of Half Moon Bay Municipal Code. Under the oversight of the City Manager and the City Treasurer, specified responsibility for the operation of the investment program may be delegated to the Senior Accounting Technician, who shall act in accordance with established written procedures and internal controls consistent with the investment policy. The City Treasurer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate staff members. The internal controls system includes separation of duties, custodial safekeeping, avoidance of physical delivery securities, development of wire transfer agreement, and clear delegation of authority to subordinate staff members.

The City may delegate its investment authority to an investment advisor registered under the Investment Advisers Act of 1940, so long as it can be demonstrated that these services produce a net financial advantage or necessary financial protection of the City's financial resources. The adviser shall follow this policy, and any other written instructions.

INVESTMENT GUIDELINES

SAFETY OF PRINCIPAL

Safety of principal is the primary objective of the City of Half Moon Bay. Each investment transaction shall seek to ensure that capital losses are avoided, whether from securities default, broker/dealer default or erosion of market value. The City shall seek to preserve principal by mitigating the two types of risk: credit risk and market risk.

Credit risk, defined as the risk of loss due to failure of the issuer of a security, shall be mitigated by investing in investment grade securities and by diversifying the investment portfolio so that the failure of any one issuer does not unduly harm the City's capital base and cash flow.

Market risk, defined as market value fluctuations due to overall changes in the general level of interest rates, shall be mitigated by limiting the average maturity of the City's investment portfolio to two years, the maximum maturity of any one security to five years, structuring the portfolio based on historic and current cash flow analysis eliminating the need to sell securities prior to maturity and avoiding the purchase of long term securities for the sole purpose of short term speculation.

LIQUIDITY

The City's financial portfolio shall be structured in a manner to ensure that the securities mature concurrent with anticipated cash demands. The portfolio should consist largely of securities with an active secondary or resale market to meet any unanticipated cash demands. A portion of the portfolio may be placed in money market mutual funds or LAIF, which offer same day liquidity for short- term funds.

It is the full intent of the City to hold all investments until maturity to ensure the return of all invested principal. However, securities may be sold prior to maturity under the following circumstances:

- To minimize loss of principal for a security with declining credit.
- When liquidity needs of the portfolio require that the security is sold.

INVESTMENT PARAMETERS

1. **Diversification** - The City shall diversify its investments within the parameters of this policy to avoid incurring unreasonable risks inherent in over-investing in specific instruments, individual financial institutions or maturities. Nevertheless, the asset allocation in the investment portfolio should be flexible depending upon the outlook for the economy, the securities markets, and the City's anticipated cash flow needs.

The investments shall be diversified by:

- Limiting investments in securities to avoid over concentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities);
- Limiting investment in securities that have higher credit risks;
- Investing in securities with varying maturities; and
- Continuously investing a portion of the portfolio in readily available funds such as LAIF or money market mutual funds to ensure that appropriate liquidity is maintained in order to meet unanticipated cash demands.

- 2. Maximum Maturities-** To the extent possible, the City shall attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow of bond proceeds or bond defeasance escrow, the City will not directly invest in securities maturing more than five (5) years from the date of purchase. As a general rule, the weighted average maturity of the investment portfolio will not exceed two years.

Reserve or escrow funds established by the issuance or defeasance of bonds and other funds with longer-term investment horizons may be invested in securities exceeding five years if the maturities of such investments are made to coincide with the expected use of funds. The intent to invest in securities with longer maturities shall be disclosed in writing to the City Council.

- 3. Competitive Bidding** - It is the policy of the City to encourage competitive bidding for investment transactions that are not classified as "new issue" securities. For the purchase of non "new issue" securities and the sale of all securities at least three bidders must be contacted. However, it is understood that certain time constraints and broker portfolio limitations exist which will not accommodate the competitive bidding process. If a time or portfolio constraining condition exists, the pricing of the investment should be verified to current market conditions and documented for auditing purposes.

PERFORMANCE EVALUATION AND BENCHMARK

Investment performance is continually monitored and evaluated by the City Treasurer. The investment portfolio benchmark yield shall be the average yield on the U.S. Treasury security that most closely corresponds to the portfolio's weighted average final maturity.

PROTECTION OF SECURITIES

To protect against fraud, embezzlement, or losses caused by the collapse of an individual securities dealer:

- All securities owned by the City shall be held in safekeeping by a third party bank trust department, acting as agent for the City under the terms of a custody agreement or master repurchase agreement. All trades executed by a dealer will settle delivery vs. payment (DVP) through the City's safekeeping agent.
- Or-
- All securities owned by the City shall be insured by a third party insurer and the City shall be named as insured on that policy.

Securities held in custody for the City shall be independently audited on an annual basis to verify investment holdings.

INTERNAL CONTROL

The City Treasurer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits to be derived and that the valuation of costs and benefits requires estimates and judgments by management.

If the City's investment portfolio includes more than pooled investments, an external auditor shall conduct an annual independent review to assure compliance with policies and procedures. The internal controls shall address the following points:

- Control of collusion
- Separation of transaction authority from accounting and record keeping
- Custodial safekeeping
- Avoidance of physical delivery securities
- Clear delegation of authority to subordinate staff members
- Written confirmation of transactions for investments and wire transfers
- Development of a wire transfer agreement with the lead bank and third-party custodian

INVESTMENT REPORTS

The City Treasurer shall review investments and render quarterly reports to the City Manager and City Council. These reports shall include:

- The par amount of the investment, the classification of the investment, the percentage of the total portfolio which each type of investment represents, the name of the institution or entity, the rate of interest, the maturity date, the current market value, and the source of the market value.
- A statement that the projected cash flow is adequate to meet expected obligations over the next six months.
- The weighted average maturity of the portfolio.
- The average weighted yield to maturity of the portfolio as compared to the applicable benchmark.
- Statement of compliance with the investment policy.

This report is due within 45 days of the end of the quarter. The City Manager may, at his/her discretion, require this report on a monthly basis based upon market conditions.

QUALIFIED BANKS AND BROKER/DEALERS

The City shall transact business with financial institutions that qualify as a depository of public funds in the State of California as defined in California Government Code Section 53630.5. The institution shall be a member of the FDIC and shall secure all deposits exceeding FDIC insurance coverage in accordance with California Government Code Section 53652.

All broker/dealers who desire to do business with the City shall provide the necessary information (e.g. audited financial statements, proof of state registration, proof of National Association of Securities Dealers certification, etc.) from which the City can determine their creditworthiness, the existence of any pending legal action against the firm or the individual broker as well as an understanding of the security markets that they service. To be eligible, a firm must be licensed by the State of California as a broker/dealer as defined in Section 25004 of the California Corporations Code.

The City Treasurer shall annually send a copy of the current investment policy to all financial institutions and broker/dealers approved to do business with the City. Confirmation of receipt of this policy shall be considered evidence that the dealer understands the City's investment policies and intends to sell the City only appropriate investments authorized by this investment policy.

COLLATERAL REQUIREMENTS

Collateral is required for investments in non-negotiable certificates of deposit and

repurchase agreements. In order to reduce market risk, the collateral level shall be at least 102% of market value of principal and accrued interest and marked to market weekly. Securities that is acceptable as collateral shall be the direct obligations of the United States or any agency of the United States or shall be fully guaranteed as to principal and interest by the United States or any agency of the United States.

AUTHORIZED INVESTMENTS

Investment of City funds is governed by the California Government Code Sections 53600 etc. seq. Within the context of the limitations, the following investments are authorized, as further limited herein:

1. **United States Treasury Bills, Bonds, and Notes** or those for which the full faith and credit of the United States are pledged for payment of principal and interest. There is no percentage limitation of the portfolio, which can be invested in this category, although a five-year maturity limitation is applicable.
2. **Government Sponsored Enterprises** - Obligations issued by Federal Government agencies such as the Government National Mortgage Association (GNMA), the Federal Farm Credit Bank (FFCB), the Federal Home Loan Bank (FHLB), the Federal National Mortgage Association (FNMA), the Student Loan Marketing Association (SLMA), and the Federal Home Loan Mortgage Corporation (FHLMC). There is no percentage limitation of the portfolio, which can be invested in this category, although a five-year maturity limitation is applicable.
3. **Banker's Acceptances** - Bills of exchange or time drafts drawn on and accepted by commercial banks, otherwise known as banker's acceptances, may not exceed 180 days maturity or 20% of the cost value of the portfolio. Furthermore, no more than 5% of the cost value of the portfolio may be invested in the banker's acceptances of any one commercial bank.
4. **Commercial Paper** - Commercial paper is a short-term, unsecured promissory note issued by financial and non-financial companies to raise short term cash. Up to 15% of the City's portfolio may be invested in "prime" commercial paper of the highest ranking or of the highest letter and number rating as provided by a nationally recognized statistical rating organization (Moody's or Standard and Poor's) and with maturities not to exceed 180 days. The issuer must have total assets in excess of \$500 million, and have debt other than Commercial paper rated "A" or higher by two nationally recognized statistical rating organizations. The City may not hold more than 2% of a single issuer's outstanding paper.

5. **Negotiable Certificates of Deposit** -- Purchases of negotiable certificates of deposit issued by nationally or state chartered banks, state or federal savings institutions, or state-licensed branches of foreign banks may not exceed 30% of the cost value of the portfolio. The City may not invest in an institution where a member of City Council, City management, or City Treasurer serves on the board or committee of the institution. Funds will only be invested in Certificates of Deposits that are fully insured by the Federal Deposit Insurance Corporation (FDIC) or the Federal Savings and Loan Insurance Corporation (FSLIC) in amounts up to \$100,000. A maturity limitation of two years is applicable.
6. **Repurchase Agreements** - Repurchase agreements may be made on any investment authorized by this investment policy. The maturity of the repurchase agreements shall not exceed one year. The market value of the securities used as collateral for the repurchase agreements shall be monitored by the investment staff weekly and shall not be allowed to fall below 102% of the value of the repurchase agreement. A Master Repurchase agreement is required between the City and the dealer for all repurchase agreements transacted. No more than 5% of the City's investment portfolio may be invested with any one counter party, and the aggregate investment in repurchase agreements shall not exceed 10% of the City's total portfolio.
7. **Local Agency Investment Fund (LAIF)** - a State of California managed investment pool may be used up to the maximum permitted by California State Law.
8. **San Mateo County Investment Pool** - a County of San Mateo managed investment pool may be used up to the maximum of 100% of the cost value of the portfolio.
9. **Time Certificates of Deposit** - Time certificates of deposit, non- negotiable and collateralized in accordance with the California Government Code, may be purchased through banks or savings and loan associations. Since time deposits are not liquid, no more than 10% of the investment portfolio may be invested in this investment type. A maturity limitation of two years is applicable.
10. **Medium Term Corporate Notes** – defined as corporate and depository institution debt securities, with a maximum maturity of five years, may be purchased. Securities eligible for investment shall be rated AA or better by a nationally recognized securities rating organization (Moody's or Standard & Poor's). Purchase of medium term notes may not exceed 10% of the cost value of the portfolio and no more than 10% of the cost value of the portfolio may be invested in notes issued by one corporation. Commercial paper holdings should also be included when calculating the 10% limitation.

11. Money Market Mutual Funds - Mutual funds invested in U.S. Government securities are permitted under this policy and under California Government Code Section 53601(L). All of the following criteria must also be met: (1) The fund shall have a minimum of \$500 million in total portfolio value; (2) The fund shall be registered with the Securities and Exchange Commission, and shall have achieved the highest ranking or the highest letter and numerical rating provided by not less than two nationally recognized statistical rating organizations; (3) The fund shall have retained an advisor which is registered with the SEC, or which is exempt from such registration; Investment in such funds shall not exceed 20% of the City's total portfolio; and no more than 5% of the City's total portfolio may be invested in any one mutual fund.

12. Moneys Held By a Trustee or Fiscal Agent - Moneys held by a trustee or fiscal agent and pledged to the payment or security of bonds or other indebtedness obligation under a lease, installment sales or other agreement may be invested in accordance with the statutory provisions governing the issuance or defeasance of the bonds or obligation.

13. Prohibited/Ineligible Investments - Ineligible investments are those that are not described herein, including but not limited to, common stocks, reverse repurchase agreements, inverse floaters, range notes, mortgage derived interest only strips, derivatives securities, or any security that could result in zero interest accrual. (Sec. 53601.6)

Maximum Investment Maturity and Percentage - The following matrix of maximum maturity and percentage limits, by instrument, are established for the City's total pooled funds portfolio:

Investment Type	Maturity	Percentage
Repurchase Agreements	1 Year	0 to 100%
Local Agency Investment Fund	Upon Demand	0 to 100%
San Mateo County Investment Pool	Upon Demand	0 to 100%
U.S. Treasury Bonds/Notes/Bills	5 Years	0 to 100%
Government Sponsored Enterprises	5 Years	0 to 100%
Bankers' Acceptances	180 Days	0 to 20%
Commercial Paper	180 Days	0 to 15%
Negotiable Certificates of Deposit	2 Years	0 to 30%
Time Certificates of Deposit	2 Years	0 to 10%
Medium Term Corporate Notes	5 Years	0 to 20%
Mutual Funds/Money Market Funds	Upon Demand	0 to 20%

LEGISLATIVE CHANGES

Any State of California legislative action that further restricts allowable maturities, investment types, or percentage allocations, supersedes any and all previous applicable language in this Investment Policy.

INTEREST EARNINGS

All moneys earned and collected from investments authorized in this policy shall be allocated quarterly to various fund accounts based on the (average 13 months) cash balance in each fund as a percentage of the entire pooled portfolio.

POLICY CONSIDERATIONS

The following policy considerations apply:

1. Exemption - Any investment currently held that does not meet the guidelines of this policy shall be exempted from the requirements of this policy. At maturity or liquidation, such monies shall be reinvested only as provided by this policy.
2. Amendments - The City's investment policy shall be adopted by resolution of the City Council on an annual basis. This investment policy shall be reviewed at least annually to ensure its consistency with the overall objectives of preservation of principal, liquidity and yield, and its relevance to current law and financial and economic trends.

GLOSSARY OF TERMS

Accrued Interest - Interest earned but not yet received.

Active Deposits - Funds which are immediately required for disbursement.

Amortization - An accounting practice of gradually decreasing (increasing) an asset's book value by spreading its depreciation (accretion) over a period of time.

Arbitrage - Transactions by which securities are bought and sold in different markets at the same time for the sake of the profit arising from a yield difference in the two markets.

Asked Price - The price a broker dealer offers to sell securities.

Banker's Acceptance - A high quality, short-term money market instrument used to finance international trade. There has never been an instance of a failure to pay a banker's acceptance in full at its maturity date.

Basis Point - One basis point is one hundredth of one percent (.01).

Bid Price - The price a broker dealer offers to purchase securities.

Bond - A financial obligation for which the issuer promises to pay the bondholder a specified stream of future cash flows, including periodic interest payments and a principal repayment.

Book Value - The value at which a debt security is shown on the holder's balance sheet. Book value is acquisition cost less amortization of premium or accretion of discount.

Broker - Someone who brings buyers and sellers together and is compensated for his/her service.

Certificate of Deposit - A deposit insured up to \$100,000 by the FDIC at a set rate for a specified period of time.

Collateral - Securities, evidence of deposit or pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposit of public moneys.

Commercial Paper - Short-term, negotiable unsecured promissory notes of corporations.

Basic Financial Statements - The official annual financial report for the City in accordance with the GASB 34 format prepared in conformity with Generally Accepted Accounting Principals (GAAP).

Coupon - The annual rate of interest that a bond's issuer promises to pay the bondholder on

the bond's face value.

Credit Analysis - A critical review and appraisal of the economic and financial conditions or of the ability to meet debt obligations.

Current Yield - The interest paid on an investment expressed as a percentage of the current price of the security.

Custodian - A bank or other financial institution that keeps custody of stock certificates and other assets.

Defeased Bond Issues - Issues that have sufficient money to retire outstanding debt when due so that the agency is released from the contracts and covenants in the bond document.

Delivery vs. Payment (DVP) - Delivery of securities with a simultaneous exchange of money for the securities.

Derivative - Securities that are based on, or derived from, some underlying asset, reference date, or index.

Discount - The difference between the cost of a security and its value at maturity when quoted at lower than face value.

Diversification - Dividing investment funds among a variety of securities offering independent returns and risk profiles.

Duration - A measure of the timing of the cash flows, such as the interest payments and the principal repayment, to be received from a given fixed-income security. This calculation is based on three variables: term to maturity, coupon rate, and yield to maturity. The duration of a security is a useful indicator of its price volatility for given changes in interest rates.

Fannie Mae - Trade name for the Federal National Mortgage Association (FNMA), a U.S. sponsored corporation.

Federal Reserve System - The central bank of the U.S. which consists of a seven-member Board of Governors, 12 regional banks and 5,700 commercial banks that are members.

Federal Deposit Insurance Corporation (FDIC) - Insurance provided to customers of a subscribing bank, which guarantees deposits to a set limit (currently \$100,000) per account.

Fed Wire - A wire transmission service established by the Federal Reserve Bank to facilitate the transfer of funds through debits and credits of funds between participants within the Fed system.

Freddie Mac - Trade name for the Federal Home Loan Mortgage Corporation (FHLMC), a U.S. sponsored corporation.

Ginnie Mae - Trade name for the Government National Mortgage Association (GNMA), a direct obligation bearing the full faith and credit of the U.S. Government.

Government Accounting Standards Board (GASB) - A standard-setting body, associated with the Financial Accounting Foundation, which prescribes standard accounting practices for governmental units.

Guaranteed Investment Contracts (GICS) - An agreement acknowledging receipt of funds, for deposit, specifying terms for withdrawal, and guaranteeing a rate of interest to be paid.

Inactive Deposits - Funds not immediately needed for disbursement.

Interest Rate - The annual yield earned on an investment, expressed as a percentage.

Investment Agreements - An agreement with a financial institution to borrow public funds subject to certain negotiated terms and conditions concerning collateral, liquidity and interest rates.

Liquidity - An asset that can easily and rapidly be converted into cash without significant loss of value.

Local Agency Investment Fund (LAIF) - A pooled investment vehicle for local agencies in California sponsored by the State of California and administered by the State Treasurer.

Local Agency Investment Pool - A pooled investment vehicle, sponsored by a local agency or a group of local agencies for use by other local agencies.

Market Value - The price at which a security is trading and could presumably be purchased or sold.

Maturity - The date upon which the principal or stated value of an investment becomes due and payable.

Modified Duration - A measure of exposure to market risk of a security or a portfolio. It is the percent change in the price of a security (portfolio) or a 100 basis point change in the security's (portfolio's) yield.

Mutual Funds - An investment company that pools money and can invest in a variety of securities, including fixed-income securities and money market instruments.

Negotiable Certificate of Deposit - A large denomination certificate of deposit which can be sold in the open market prior to maturity.

New Issue - Term used when a security is originally "brought" to market.

Note - A written promise to pay a specified amount to a certain entity on demand or on a specified date.

Par Value - The amount of principal that must be paid at maturity. Also referred to as the face amount of a bond, normally quoted in \$1,000 increments per bond.

Perfected Delivery - Refers to an investment where the actual security or collateral is held by an independent third-party representing the purchasing entity.

Portfolio - Combined holding of more than one stock, bond, commodity, real estate investment, cash equivalent, or other asset. The purpose of a portfolio is to reduce risk by diversification.

Primary Dealer - A group of government securities dealers that submit daily reports of market activity and security positions held to the Federal Reserve Bank of New York and are subject to its informal oversight.

Principal - The face value or par value of a debt instrument, or the amount of capital invested in a given security.

Prospectus - A legal document that must be provided to any prospective purchaser of a new securities offering registered with the SEC that typically includes information on the issuer, the issuer's business, the proposed use of proceeds, the experience of the issuer's management, and certain certified financial statements (also known as an "official statement")

Prudent Investor Standard - A standard of conduct, where a person acts with care, skill, prudence, and diligence when investing, reinvesting, purchasing, acquiring, exchanging, selling and managing funds. The test of whether the standard is being met is if a prudent person acting in a similar situation would engage in similar conduct to ensure that investments safeguard principal and maintain liquidity.

Purchase Date - The date in which a security is purchased for settlement on that or a later date.

Rate of Return - The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond or the current income return.

Repurchase Agreement (REPO) - A transaction, where the seller agrees to buy back from the buyer (City) the securities at an agreed upon price on demand or at a specified date.

Reverse Repurchase Agreement (REVERSE REPO) - A transaction where the seller (City) agrees to buy back from the buyer the securities at an agreed upon price on demand or at a specified date.

Risk - Degree of uncertainty of return on an asset.

Rule G-37 of the Securities Rulemaking Board - Federal regulations to sever any connection between the making of political contributions and the awarding of municipal securities business.

Safekeeping Service - Offers storage and protection of assets provided by an institution serving as an agent.

Sallie Mae - Trade name for the Student Loan Marketing Association (SLMA), a U.S. sponsored corporation.

Secondary Market - A market made for the purchase and sale of outstanding issues following the initial distribution.

Securities and Exchange Commission (SEC) - The federal agency responsible for supervising and regulating the securities industry.

Settlement Date - The date on which a trade is cleared by delivery of securities against funds.

Tax and Revenue Anticipation Notes (TRANS) - Notes issued in anticipation of receiving tax proceeds or other revenues at a future date.

Time Certificate of Deposit - A non-negotiable certificate of deposit that cannot be sold prior to maturity.

Treasury Bills (T-bills) - U.S. Treasury Bills which are short-term, direct obligations of the U.S. Government issued with original maturities of 13 weeks, 26 weeks and 52 weeks; sold in minimum amounts of \$10,000 in multiples of \$5,000 above the minimum. Issued in book entry form only. T-bills are sold on a discount basis.

Trustee or trust company or trust department of a bank - A financial institution with trust powers which acts in a fiduciary capacity for the benefit of the bondholders in enforcing the terms of the bond contract.

Underwriter - A dealer that purchases a new issue of municipal securities for resale.

U.S. Government Agencies - Instruments issued by various U.S. Government Agencies, most of which are secured only by the credit worthiness of the particular agency.

U.S. Treasury Obligations - Debt obligations of the United States Government sold by the Treasury Department in the forms of Bills, Notes, and Bonds. Bills are short-term obligations that mature in one year or less and are sold on the basis of a rate of discount. Notes are obligations that mature between one year and ten years. Bonds are long-term obligations that generally mature in ten years or more.

Weighted Average Maturity (WAM) - The average maturity, of all the securities that comprise a portfolio, which is typically expressed in days or years.

Yield - The rate of annual income return on an investment, expressed as a percentage. It is obtained by dividing the current dollar income by the current market price of the security.

Yield to Maturity - The rate of income return on an investment, minus any premium or plus any discount, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond, expressed as a percentage.

Yield Curve - A graphic representation that shows the relationship at a given point in time between yields and maturity for bonds that are identical in every way except maturity.

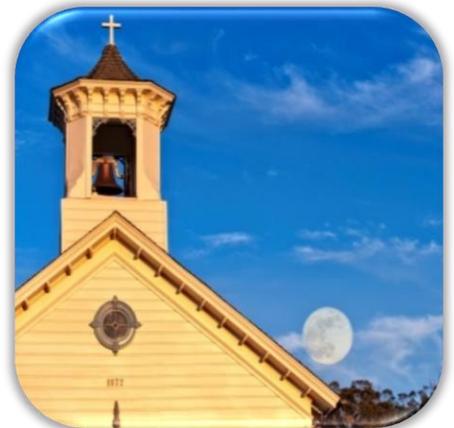


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CITY OF HALF MOON BAY

Master Fee Schedule





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Master Fee Schedule



The City of Half Moon Bay entered into an agreement with NBS Services in August 2014 to prepare a comprehensive rate and fee study and overhead cost plan. This project consists of three parts: A Cost Allocation Plan (CAP), a Developer Impact Fee study, and a User Fee study. These steps will provide the City with a strong foundation for its costs of services and fee structure.

The first part of this study, the Cost Allocation Plan, was completed in May 2015. The purpose of the CAP implementation is to ensure that the City can accurately account for the true cost of providing various programs and services within City operations, and to maximize the recovery of General Fund indirect costs from identified operating departments, as well as from enterprise and other chargeable funds and projects.

The CAP model will serve as the backbone for the overall Cost of Services analysis. It is the City’s goal to identify overhead costs for billable hourly fees for grants, fees, federal reimbursements, and other billings. The cost allocation of indirect costs will be translated into fully-burdened hourly rates and will serve as a foundation for the fee and rate study to ensure that recoverable fees calculated for each service are complete, clearly defined and identified.

The second part of the study is a Developer Impact Fee analysis, which was performed to establish fair and reasonable recovery rates for costs incurred in providing City services for new construction. The revised Developer Impact Fees were approved by the City Council in December 2015 and went into effect in March 2016.

The final part was the User Fee Study, which analyzed the City’s cost of services schedule and helped provide staff with a baseline for recommended revisions to the current fee schedule. The study found that, at the time, the City was recovering approximately 56% of the costs associated with providing user and regulatory fee-related services and suggested increasing and decreasing certain fees accordingly to bring up the City’s cost recovery to 99%, which would translate into a recurring annual revenue increase upon full implementation of the new fee structure that went into effect on July 16th, 2017.

Resolution No. C-2016-09

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HALF MOON BAY
ADOPTING INFLATIONARY ADJUSTMENTS TO THE PUBLIC FACILITIES
DEVELOPMENT IMPACT FEE SCHEDULES**

WHEREAS, on January 19, 2016, the City Council of the City of Half Moon Bay adopted Ordinance No. C-2016-01, establishing updated Development Impact Fees for the following public facilities:

- Capital Outlay Facilities,
- Sewer Connection,
- Storm Drainage Improvements,
- Traffic Mitigation
- Park Facilities Development; and

WHEREAS, it is the City's policy that future new development should pay its fair share of public facilities and services in accordance with good fiscal management as determined by the City Council, including the increased costs of constructing public facilities; and,

WHEREAS, on December 15, 2015, the City Council held a duly noticed public hearing on the proposed update to the development impact fees with an opportunity for the public to be heard, pursuant to the provisions of Government Code §§ 66016 – 66018; and

WHEREAS, Section 14.35.040 B of the Half Moon Bay Municipal Code currently provides for the annual adjustment of the Traffic Mitigation Fee by the application of the *Engineering News Record Construction Cost Index for the San Francisco Bay Area*, the City Council of the City of Half Moon Bay desires to allow the adjustment to be applicable to all development impact fees in accordance with the same specified inflation index.

NOW THEREFORE, the City Council of the City of Half Moon Bay does hereby find, order, and resolve as follows:

SECTION 1 On July 1st of each year, beginning in July 2016, the Director of Finance, or his/her designee, shall make annual adjustments to the development impact fee schedules according to the *“Engineering News Record Construction Cost Index-20 City Annual Average for San Francisco Bay Area”* (ENR-CCI) for the preceding twelve (12) month period calculated from April 1 to March 31.

SECTION 2 The application of the inflation index does not preclude future adjustments in fees that may be warranted due to local changes in specific cost items, changes in development forecasts, or changes in future facility plans. Adjustments in the fee schedules from these factors may also be presented for consideration by the City Council.

SECTION 3 The City Council may adopt by Resolution the new schedules with the adjusted fee amounts and said adjusted fees shall become effective sixty (60) days following the adoption of the Resolution.

I, the undersigned, hereby certify that the forgoing Resolution was duly passed and adopted on the 19th day of January, 2016 by the City Council of Half Moon Bay by the following vote:

AYES, Councilmembers: Fraser, Kowalczyk, Muller, Penrose and Ruddock

NOES, Councilmembers:

ABSENT, Councilmembers:

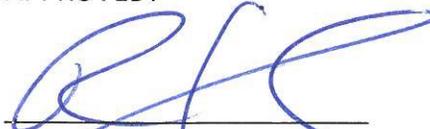
ABSTAIN, Councilmembers:

ATTEST:



Jessica Blair, Interim City Clerk

APPROVED:



Rick Kowalczyk, Mayor

RESOLUTION NO. C-2018-56

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HALF MOON BAY AUTHORIZING
ADJUSTMENTS TO THE COST OF SERVICES SCHEDULE (USER FEES)
FOR FISCAL YEAR 2018-2019**

WHEREAS, the City Council of the City of Half Moon Bay has established certain fees for City services; and

WHEREAS, the City Council awarded a contract to NBS Government Finance Group (NBS) to complete the Cost Allocation Plan and Comprehensive User Fee Study; and

WHEREAS, the proposed budget is a balanced expenditure plan that ensures the maintenance of adequate reserves during FY 2017-18; and

WHEREAS, the City of Half Moon Bay wishes to use the San Francisco – Oakland – San Jose (Bay Area) Urban Wage Earners and Clerical Workers Consumer Price Index (CPI-W) as a guideline for future annual increases.

NOW THEREFORE, the City Council of the City of Half Moon Bay does hereby resolve that the amended fees as presented in the Comprehensive User Fee Study, raised by the most recent (February, 2018) CPI-W increase of 3.8 percent as shown in the attached Master Fee Schedule, are hereby approved and effective July 1, 2018.

I, the undersigned, hereby certify that the foregoing Resolution was duly passed and adopted on the 5th day of June, 2018 by the City Council of Half Moon Bay by the following vote:

AYES, Councilmembers: EISEN, KOWALCZYK, RUDDOCK, RARBACK, PENROSE

NOES, Councilmembers:

ABSENT, Councilmembers:

ABSTAIN, Councilmembers:

ATTEST:



Jessica Blair, City Clerk

APPROVED:



Deborah Penrose, Mayor

**City of Half Moon Bay
Parks and Recreation User Fees Schedule
FY 2017-2018**

Description of Services		Fee	Unit/Type	Notes
1 Grand Oak Room* <i>Non-profit</i>	Weekday (9 a.m. - 5 p.m.)	\$50	Per Hour	100% Multi-purpose room; Four (4) hour minimum Friday - Sunday
	Weekend and Weekday (5 p.m. - midnight)	\$90	Per Hour	
	<i>Regular</i> Weekday (9 a.m. - 5 p.m.)	\$60	Per Hour	
	Weekend and Weekday (5 p.m. - midnight)	\$125	Per Hour	
2 Oak Room* <i>Non-profit</i>	Weekday (9 a.m. - 5 p.m.)	\$30	Per Hour	60% Multi-purpose room; Four (4) hour minimum Friday - Sunday
	Weekend and Weekday (5 p.m. - midnight)	\$70	Per Hour	
	<i>Regular</i> Weekday (9 a.m. - 5 p.m.)	\$40	Per Hour	
	Weekend and Weekday (5 p.m. - midnight)	\$100	Per Hour	
3 Manzanita Room* <i>Non-profit</i>	Weekday (9 a.m. to 5 p.m.)	\$20	Per Hour	40% Multi-purpose room; Four (4) hour minimum Friday - Sunday
	Weekend and Weekday (5 p.m. - midnight)	\$45	Per Hour	
	<i>Regular</i> Weekday (9 a.m. to 5 p.m.)	\$25	Per Hour	
	Weekend and Weekday (5 p.m. - midnight)	\$60	Per Hour	
4 Willow or Pine Room* <i>Non-profit</i>	Weekday (9 a.m. to 5 p.m.)	\$15	Per Hour	20% Multi-purpose room; Four (4) hour minimum Friday - Sunday
	Weekend and Weekday (5 p.m. - midnight)	\$25	Per Hour	
	<i>Regular</i> Weekday (9 a.m. to 5 p.m.)	\$20	Per Hour	
	Weekend and Weekday (5 p.m. - midnight)	\$35	Per Hour	
5 Sun Room, Day Room N, or Day Room S* (each) <i>Non-profit</i>	Weekday (9 a.m. to 5 p.m.)	\$15	Per Hour	-
	Weekend and Weekday (5 p.m. - midnight)	\$25	Per Hour	
	<i>Regular</i> Weekday (9 a.m. to 5 p.m.)	\$20	Per Hour	
	Weekend and Weekday (5 p.m. - midnight)	\$35	Per Hour	
6 Train Depot <i>Non-profit</i>	Weekday (9 a.m. to 5 p.m.)	\$15	Per Hour	-
	Weekend and Weekday (5 p.m. - midnight)	\$20	Per Hour	
	<i>Regular</i> Weekday (9 a.m. to 5 p.m.)	\$30	Per Hour	
	Weekend and Weekday (5 p.m. - midnight)	\$35	Per Hour	
7 Facility Use Deposit (with approved rental application)	Grand Oak Room	\$500	Per Rental	-
	Oak Room	\$300	Per Rental	
	Manzanita Room	\$200	Per Rental	
	Willow or Pine Room	\$100	Per Rental	
	Sun Room, Day Room N, or Day Room S	\$100	Per Rental	
	Train Depot	\$100	Per Rental	
8 Staff Time Charges	Building Attendant	As Quoted	Per Hour	-
	Recreation Employees (Weekday after 5 p.m.: two	As Quoted	Per Hour	
	Recreation Employees (Weekend: three (3) hour m	As Quoted	Per Hour	

9	Parks and Recreation Fees & Charges			
	Contract Classes and Camps	Market	Per Student	
	City Administrative Fee - Contact Classes and Camp	\$13	Per Student	
	Class Cancellation Fee (within ten (10) days of start	\$10	Per Class	
	City Cancelled Class	\$0	Per Class	
	Drop-in: Pickle Ball	\$2	Per Day	
	Drop-in: Basketball	\$7	Per Day	
	Drop-in: Zumba	\$15	Per Day	
	Drop-in: Zumba (Coast Hope)	\$2	Per Day	
	Drop-in: Hula	\$15	Per Day	
	Drop-in: Ballroom Dancing	\$15	Per Day	-
	Facility Rental - Beer, Wine, Champaign	\$339	Per Rental	
	Activity Guide - Ad Rate 1/8th Page, Black and White	\$100	Per Issue	
	Activity Guide - Ad Rate 1/4th Page, B/W	\$300	Per Issue	
	Activity Guide - Ad Rate 1/2th Page, B/W	\$400	Per Issue	
	Activity Guide - Ad Rate Full Page, B/W	\$600	Per Issue	
	Activity Guide - Ad Rate 1/8th Page, Color	\$125	Per Issue	
	Activity Guide - Ad Rate 1/4th Page, Color	\$350	Per Issue	
	Activity Guide - Ad Rate 1/2th Page, Color	\$475	Per Issue	
	Activity Guide - Ad Rate Full Page, Color	\$700	Per Issue	
10	Smith Field #3			
	Daytime	\$20	Per Hour	-
	With Lights	\$55	Per Hour	

11 **Notes:** *No charge for rooms for Senior Coastsiders (when rooms are available); all-day rentals are from 9 a.m. - midnight (includes set-up and clean-up times); beer and wine permitted, no hard alcohol.

I. ADMINISTRATION		Fee	Unit/Type	Notes
15	Facility Rentals			
	Janitorial Fee	\$168	Flat Fee	-

**City of Half Moon Bay
Master Fee Schedule
Other Fees, Charges & Services**

DESCRIPTION OF SERVICES	FEE	UNIT / TYPE
I. ADMINISTRATION		
1 Returned Check Fee		
1 First Item ✓	\$25.00	Each
2 Each Additional Item ✓	\$37.00	Each
2 Duplication		
1 Photocopies ✓	\$0.10	Per page
2 Municipal Code Book* ✓	Available on-line	Per book
3 Bound Reports ✓	Actual Cost	Per report
4 Budget* ✓	Available on-line	Each
5 Comprehensive Annual Financial Report (CAFR)* ✓	Available on-line	Each
6 CD Disc of City Council / Planning Commission ✓	Actual Cost of CD	Each
4 City Clerk		
Election Filing Fee ✓	\$25.00	Each ²
Candidate Printing Fee ✓	\$267.00	Deposit ¹
5 Staff Research		
1 City Manager's Office ✓	\$58.00	Per Quarter Hour
2 Finance Department ✓	\$49.00	Per Quarter Hour
3 City Clerk's Office ✓	\$46.00	Per Quarter Hour
4 Planning Department ✓	\$56.00	Per Quarter Hour
5 Building Department ✓	\$41.00	Per Quarter Hour
6 Public Works Department - Engineering ✓	\$50.00	Per Quarter Hour
7 Public Works Department - Maintenance ✓	\$42.00	Per Quarter Hour
8 Police - Sworn ✓	\$57.00	Per Quarter Hour
9 Police - Non Sworn ✓	\$21.00	Per Quarter Hour
6 Private Alarm Permits (Chapter 9.10)		
1 Alarm Permit ✓	\$51.00	Each
2 False Alarm Response with Permit		
1st & 2nd Alarms ✓	\$0.00	Each
3rd Alarm ✓	\$51.00	Each
4th Alarm ✓	\$103.00	Each
5th Alarm ✓	\$155.00	Each
6th Alarm and responses thereafter ✓	\$207.00	Each
3 False Alarm without Permit		
1st & 2nd Alarms ✓	\$51.00	Each
3rd Alarm ✓	\$103.00	Each
4th Alarm ✓	\$129.00	Each
5th Alarm ✓	\$181.00	Each
6th Alarm and responses thereafter ✓	\$259.00	Each
7 Film Permit (Chapter 9.74) ✓	\$533.00	Per Day
8 Special Event Permits ⁽⁸⁾		
1 Block Parties ✓	\$207.00	Per Event
2 Fund Raisers ✓	\$207.00	Per Event
3 Miscellaneous Events ✓	\$414.00	Per Event
4 Carnival/Circus/Parade/Race/Rodeo, etc. ✓	\$414.00	Each
5 Amusement Concession ✓	\$414.00	Each
9 Poplar Beach Parking ⁽⁹⁾		
Vehicles less than 20 feet ✓	\$2.00 / \$10.00	Per Hour / Per Day
Horse trailers and vehicles longer than 20 feet ✓	\$3.00 / \$15.00	Per Hour / Per Day
Yearly Permit - Half Moon Bay Residents only ✓	\$100.00	Per Year (Prorated Quarterly)
10 BID Administration for City Hotels ✓	\$556.00	Per Month (all hotels)
11 Street Closure ✓	Actual Cost	

* Fees set by California Civil Code Ch. 522 Sec. 1719. Additional charges may apply if not paid within 30 days of the receipt of the letter. See CA Civil Code 552 Sec. 1719.
 Available on-line at <http://www.hmbcity.com> ✓ Check indicates Credit Cards Accepted - Minimum charge \$10.00

⁽³⁾ Total cost equal to 100% of printing, handling, translating, and mailing costs. Deposit rate set by County of San Mateo and is subject to change.

⁽⁴⁾ Rate is established by the California Government code and is subject to change.

⁽⁶⁾ Based on the maximum number of employees & owner working in 24 hr. period in the prior year.

⁽⁷⁾ License fee for a new business commenced after the first day of April shall be 50% of the annual fee.

⁽⁸⁾ Special Event fees may be waived by the City Manager for NPDES related volunteer events.

⁽⁹⁾ Poplar Beach Parking fees may be waived by the City Manager for NPDES related volunteer events.

City of Half Moon Bay Master Fee Schedule Other Fees, Charges & Services		
DESCRIPTION OF SERVICES	FEE	UNIT / TYPE
II. PUBLIC SAFETY		
1 Duplication		
1 Public Safety Reports	\$10.00	Each
2 Photo Reproduction	\$20.00	Each
3 Audio Tape/CD Reproduction	\$20.00	Per Tape / CD Disc
4 Audio Tape Reproduction	\$20.00	Per Tape / DVD Disc
2 Licensing		
1 Bingo Establishment Processing (Chapter 3.94)		
Bingo Establishment	\$134.00	Each
Renewal	\$134.00	Each per year
2 Fortune Telling (Chapter 3.95)		
New Business	\$668.00	Each
Renewal	\$134.00	Each per year
New Tech.	\$668.00	Each
Renewal Tech	\$134.00	Each per year
3 Massage Establishments (Chapter 3.88)		
New Business	\$668.00	Each
Renewal	\$134.00	Each per year
Transfer	\$668.00	Each
Reinstatement - "grandfather" existing practitioners prior to Jan 1, 2015	\$286.00	Each
4 Secondhand Dealers		
New Dealers	\$134.00	Each
Renewal	\$134.00	Each per year
5 Solicitor / Peddler		
New Applicant	\$668.00	Each
Annual Renewal	\$134.00	Each per year
3 Miscellaneous Fees		
1 Public Safety Service Fees		
Public Dance	\$42.00	Each
Deputy / Sergeant / Reserve / Community Service Officer	\$232.00	Per Hour
Fees are adjusted annually by the CPI All Urban Consumers/San Francisco-Oakland-San Jose established in December.		
2 Vehicle Release	\$95.00	Per Vehicle
Repossession Release	\$15.00	Per Vehicle
3 Clearance/Special Letters	\$42.00	Each
4 Illegal Sign Confiscation	\$173.00	Per Incidence
5 Illegal Fireworks Confiscation	\$173.00	Per Citation
4 Parking Fees		
1 Nighttime Permit Parking Program (Miramar/Naples & Alsace Lorraine Neighborhoods)		
HMB Resident	\$41.00	Incl. up to 4 guest permits / Per Year
Additional Resident Permits > 4	\$21.00	Each Per Year
HMB Resident Outside Permitted Areas	\$41.00	Up to two vehicles / Per Year
Visitors	\$41.00	Per Vehicle Per Year
2 Temporary Offstreet Parking	\$21.00	Per Vehicle Per Day

City of Half Moon Bay Master Fee Schedule Other Fees, Charges & Services			
DESCRIPTION OF SERVICES	FEE	UNIT / TYPE	
II. PUBLIC SAFETY (Cont'd)			
5 Citation Fee Schedule¹			
1. Municipal Code²	FEE	DELINQUENT FEE	
10.08.060 Removing Chalk Marks	\$74.00	\$44.00	Each
10.12.030 Obedience To Signs	\$74.00	\$44.00	Each
10.36.110 Wheels Not Curbed	\$44.00	\$45.00	Each
10.28.060 Limited Access	\$44.00	\$45.00	Each
10.36.010 No Parking, Stopping, Standing	\$43.00	\$45.00	Each
10.36.030 Parking Restricted	\$43.00	\$45.00	Each
10.36.040 No Parking Zone (Permits)	\$47.00	\$45.00	Each
10.36.050 Parked Over 72 Hours	\$47.00	\$45.00	Each
10.36.060 Advertising For Sale On Street	\$44.00	\$45.00	Each
10.36.070 Repair Vehicle On Street	\$44.00	\$45.00	Each
10.36.080 Washing Vehicle On Street	\$44.00	\$45.00	Each
10.36.090 (B) School Zone	\$47.00	\$45.00	Each
10.36.100 (A) No Parking Posted	\$47.00	\$45.00	Each
10.36.100 (B) No Parking-Narrow Street	\$47.00	\$45.00	Each
10.36.120 Peddler Vehicle-No Permit	\$44.00	\$45.00	Each
10.36.130 Emergency Signs	\$76.00	\$45.00	Each
10.37.020 Oversize Vehicle 0200-0500	\$76.00	\$45.00	Each
10.37.030 Non-Motorized Vehicle Unhook	\$76.00	\$45.00	Each
10.40.010 15 Min Zone (Green Curb)	\$47.00	\$45.00	Each
10.40.020 2 Hour Zone	\$47.00	\$45.00	Each
10.40.030 Parking On One-Way Streets	\$47.00	\$45.00	Each
10.40.040 (A) Diagonal Parking Zone	\$47.00	\$45.00	Each
10.40.040 (B) Front Tire 6 Inches From Curb	\$47.00	\$45.00	Each
10.40.050 Use More Than One Space	\$47.00	\$45.00	Each
10.40.060 No Stopping Zone	\$47.00	\$45.00	Each
10.40.070 12 Hour Parking-When Posted	\$46.00	\$44.00	Each
10.40.080 Move Vehicle - Avoid Time Limit	\$46.00	\$44.00	Each
10.40.090 Store Vehicle On Street	\$46.00	\$44.00	Each
10.40.100 Repeat Violations	\$46.00	\$44.00	Each
10.40.110 Extended Parking Permits	\$46.00	\$44.00	Each
10.44.020 Curb Marked (Red/White/Green)	\$74.00	\$44.00	Each
10.44.030 No Truck/Trailer	\$71.00	\$44.00	Each
10.44.040 Loading Zone	\$46.00	\$44.00	Each
10.44.050 Passenger Loading Zone	\$46.00	\$44.00	Each
10.44.060 No Parking In Alley	\$46.00	\$44.00	Each
10.44.070 Bus Zone	\$46.00	\$44.00	Each
10.48.030 Vehicle Off Road	\$71.00	\$44.00	Each
10.50.010 No Parking After Dusk Mirada/Redondo/Poplar	\$74.00	\$44.00	Each
10.50.020 No Parking After Dusk Wavecrest	\$74.00	\$44.00	Each
12.08.040 Dumping On Street/Alley/Gutter	\$286.00	\$44.00	Each
12.12.030 Dumping	\$124.00	\$44.00	Each
¹ Citation fee amounts increase for two or more offenses. Applicable fees are stated on the violation notice. ² Municipal Code Fees are adjusted annually by the CPI All Urban Consumers/San Francisco-Oakland-San Jose established in December. ³ California Vehicle Code Fees are established by the State of California and are not escalated by the CPI All Urban Consumers/San Francisco-Oakland-San Jose			

**City of Half Moon Bay
Master Fee Schedule
Other Fees, Charges & Services**

DESCRIPTION OF SERVICES		FEE	DELINQUENT FEE	UNIT / TYPE
II. PUBLIC SAFETY (Cont'd)				
2. California Vehicle Code ³				
21113 (A)	Parked On Public Ground	\$43.00	\$42.00	Each
22500.1	Parking Prohibited	\$38.00	\$42.00	Each
22500 (A)	Parking In Intersection	\$38.00	\$42.00	Each
22500 (B)	Parking On Crosswalk	\$38.00	\$42.00	Each
22500 (C)	Parking In Safety Zone	\$38.00	\$42.00	Each
22500 (D)	Within 15' Fire Station Driveway	\$38.00	\$42.00	Each
22500 (E)	Parking In Driveway	\$38.00	\$42.00	Each
22500 (F)	Parking On Sidewalk	\$38.00	\$42.00	Each
22500 (G)	Obstruct Traffic @ Excavation	\$38.00	\$42.00	Each
22500 (H)	Double Parking	\$38.00	\$42.00	Each
22500 (I)	Parking In Bus Zone	\$38.00	\$42.00	Each
22500 (J)	Parking In Tunnel	\$38.00	\$42.00	Each
22500 (K)	Parking On Bridge	\$38.00	\$42.00	Each
22500 (L)	Blocking Wheelchair Access	\$333.00	\$42.00	Each
22502 (A)	Over 18" From Curb	\$33.00	\$42.00	Each
22502 (E)	Curb Parking/One-Way Street	\$30.00	\$42.00	Each
22504 (A)	Unincorporated Area Parking	\$43.00	\$42.00	Each
22505 (B)	No Parking - State Hwy	\$48.00	\$42.00	Each
22507.8 (A)	Handicapped Space Without Placard	\$333.00	\$42.00	Each
22507.8 (B)	Blocking Handicapped Space	\$333.00	\$333.00	Each
22507.8 (C)	Hashmarks Handicap Zone	\$333.00	\$333.00	Each
22514	Fire Hydrants - Within 15 Feet	\$38.00	\$38.00	Each
22515	Unattended Vehicle - Engine Running	\$33.00	\$33.00	Each
22519	Posted For Patrons Only	\$33.00	\$33.00	Each
22522	Block Sidewalk Ramp	\$333.00	\$333.00	Each
22523 (A)	Abandon Vehicle On Highway	\$105.00	\$105.00	Each
22523 A/B	Abandoned Vehicle	\$105.00	\$105.00	Each
22523 (B)	Abandon Vehicle - Private Property	\$105.00	\$105.00	Each
22526 (A)	Blocking Intersection	\$53.00	\$53.00	Each
22951	Park Lot - Street & Alley	\$25.00	\$25.00	Each
22952 (A)	Park Lot-Tow/Removal	\$40.00	\$40.00	Each
22952 (B)	Park Lot-Tow/Removal	\$40.00	\$40.00	Each
23333	Stop/Park On Bridge	\$43.00	\$43.00	Each
23336	Violate Posted Signs	\$40.00	\$40.00	Each
28071	Bumper Required-Fine Or P/C	\$25.00	\$25.00	Each
22507.8 (A)	Handicapped Space Without Placard	\$333.00	\$333.00	Each
4000 (A)	Unregistered Vehicle	\$53.00	\$53.00	Each
4462 (B)	Registration On Wrong Vehicle	\$30.00	\$30.00	Each
4464	Altered License Plate	\$30.00	\$42.00	Each
5200	Lic Plate Missing - Fine Or P/C	\$35.00	\$35.00	Each
5201	Plate Positioning - Fine Or P/C	\$30.00	\$30.00	Each
5202	Period Of Display - Fine Or P/C	\$30.00	\$30.00	Each
5204 (A)	Tags Attach Wrong - Fine Or P/C	\$30.00	\$30.00	Each
6 D.U.I. Cost Recovery				
Arrest with Traffic Collision & Transportation		\$731.00		Per Response
¹ Citation fee amounts increase for two or more offenses. Applicable fees are stated on the violation no ² Municipal Code Fees are adjusted annually by the CPI All Urban Consumers/San Francisco-Oakland-San Jose established in December. ³ California Vehicle Code Fees are established by the State of California and are not escalated by the CPI All Urban Consumers/San Francisco-Oakland-San Jose				

City of Half Moon Bay Master Fee Schedule Other Fees, Charges & Services			
DESCRIPTION OF SERVICES		FEE	UNIT / TYPE
III. BUILDING			
1 Building Permit Fee for Alterations, Additions, and New Construction (based on valuation of improvement) ^{3,6}			
Valuation (\$)			
0 - 500	✓	\$219.00	Valuation
501 - 2,000			Valuation
First 500	✓	\$219.00	
Each Additional 100 or fraction thereof	✓	\$11.00	
2,001 - 25,000			Valuation
First 2,000	✓	\$405.00	
Each Additional 1,000 or fraction thereof	✓	\$1.00	
25,001 - 50,000			Valuation
First 25,000	✓	\$456.00	
Each Additional 1,000 or fraction thereof	✓	\$5.00	
50,001 - 100,000			Valuation
First 50,000	✓	\$608.00	
Each Additional 1,000 or fraction thereof	✓	\$3.00	
100,000 - 500,000			Valuation
First 100,000	✓	\$760.00	
Each Additional 1,000 or fraction thereof	✓	\$3.00	
500,001 - 1,000,000			Valuation
First 500,000	✓	\$2,030.00	
Each Additional 1,000 or fraction thereof	✓	\$5.00	
1,000,001 and above			Valuation
First 1,000,000	✓	\$4,872.00	
Each Additional 1,000 or fraction thereof	u	\$5.07	
Technology Fee		4% see footnote 7	Applicable to either building, electrical, mechanical, and/or plumbing permit fee
2 Building Plan Check Fee ^{3,5,6}			
Plan Revision	✓	65% of Building Permit Fee	Per Hour
Fee for 4th review onwards-charged on hourly basis	✓	\$168.00	Per Hour
Electronic submittal fee	✓	\$2/drawing sheet and \$5.10 flat fee for supporting documents	
Technology Fee		4% see footnote 7	Applicable to either building, electrical, mechanical, and/or plumbing permit fee
3 Miscellaneous Permit ^{3,6}			
1 Demolition	✓	\$253.00	Up To 2 Hours ⁴
2 Solar	✓	\$169.00	
Residential			
0-15kW	✓	\$169.00	
Above 15kW			
First 15kW	✓	\$169.00	
Each Additional kW or fraction thereof	✓	\$84.00	
Commercial			
0-50 kW	✓	\$253.00	
51-250 kW	✓		
First 50kW	✓	\$253.00	
Each Additional kW or fraction thereof	✓	\$84.00	
Above 205kW			
First 50kW	✓	\$253.00	
Each Additional kW or fraction thereof	✓	\$84.00	
3 Permit Fees for Work Without A Valid Permit	✓	2 X Permit Fee	Fine / Penalty
4 Business License Inspection	✓	\$84.00	Per 1/2 Hour
Technology Fee		4% see footnote 7	Applicable to either building, electrical, mechanical, and/or plumbing permit fee
¹ Solar permit fees shall be established based on valuation with a 70% discount of the total of the building permit fee, plan check fee and electrical permit fee.			
² The General Plan fee will be applied to all residential/commercial/industrial new construction and/or addition permits. The fee will be 0.25% (\$2.50/\$1000) of the valuation of the construction/addition.			
³ The Technology fee will be 4.0% if applicable to all building, engineering, planning projects with "projects" being defined as an individual fee item requiring data entry and tracking within the system.			

City of Half Moon Bay Master Fee Schedule Other Fees, Charges & Services			
DESCRIPTION OF SERVICES		FEE	UNIT / TYPE
III. BUILDING (Cont'd)			
4 Other Inspections and Fees ^{3,6}			
Pre-Site Inspection	✓	\$169.00 see footnote 4	Per Hour ⁴
Re-Inspections	✓	\$169.00 see footnote 4	Per Hour ⁴
Reinspection fees	✓	\$169.00	
Inspection for which no fee is specifically indicated, per hour	✓	\$169.00	Per Hour ⁴
Inspections outside of normal business hours, per hour	✓	\$169.00	
General Plan Fee	✓	0.25%	Valuation ^{2,3}
Technology Fee	✓	4% see footnote 7	Applicable to either building, electrical, mechanical, and/or plumbing permit fee
5 Refund		\$84.00	
6 Special Structural Inspection Fee		\$169.00	Deposit to be determined by Public Works Director at time of application. Total cost equal to 100% of staff and/or consultant time and materials
7 Electrical Permit ^{3,6,7}			
Permit Issuance			
For issuing each permit	✓	\$40.00	Each
For issuing each supplemental permit for which the original permit has not expired, been canceled or finalized	✓	\$40.00	Each
New Residential Buildings			
For new multifamily residential buildings (apartments and condominiums) having three or more living units, including the area of garages, carports, and other non-commercial automobile storage areas constructed at the same time, per square foot	✓	\$13.00	Per 100 square foot
For new single and two-family residential buildings, including the area of garages, carports and other minor accessory buildings constructed at the same time, per square foot	✓	\$13.00	Per 100 square foot
For other types of residential occupancies and alteration, and modifications to existing residential buildings, use the UNIT FEE SCHEDULE	✓	See Unit Fee Schedule Below	
Private Swimming Pools			
For new private, residential, in-ground swimming pools for single family/multi-family occupancies, including a complete system of necessary branch circuit wiring, bonding, grounding, underwater lighting, water pumping, and other similar electrical equipment directly related to the operation of a swimming pool, each pool	✓	\$19.00	Each
Carnivals and Circuses			
Carnivals, circuses, or other traveling shows or exhibitions utilizing transportable-type rides, booths, displays and attractions:			
For electrical generators and electrically driven rides, each	✓	\$34.00	Each
For mechanically driven rides and walk-through attractions or displays having electric lighting, each	✓	\$6.00	Each
For a system of area and booth lighting, each	✓	\$6.00	Each
For permanently installed rides, booths, displays and attractions, use the UNIT FEE SCHEDULE	✓	See Unit Fee Schedule Below	
¹ Solar permit fees shall be established based on valuation with a 70% discount of the total of the building permit fee, plan check fee and electrical permit fee. ² The General Plan fee will be applied to all residential/commercial/industrial new construction and/or addition permits. The fee will be 0.25% (\$2.50/\$1000) of the valuation of the construction/addition. ³ Fees are adjusted annually by the CPI All Urban Consumers/San Francisco-Oakland-San Jose established in December. ⁴ Overtime rate per hour of 150% will apply for after hour inspection requests with 200% on Sundays and Holidays (Minimum 2 Hours). ⁵ Miscellaneous plan review or similar services will be charged at \$128 per hour. ⁶ Permit Fees for Work Done Without A Valid Permit Are 2 times the Permit Fee for Bldg, Electrical, Mechanical, Plumbing, Encroachment & Grading Permits ⁷ The Technology fee will be 4.0% if applicable to all building, engineering, planning projects with "projects" being defined as an individual fee item requiring data entry and tracking within the system.			

City of Half Moon Bay Master Fee Schedule Other Fees, Charges & Services			
DESCRIPTION OF SERVICES		FEE	UNIT / TYPE
III. BUILDING (Cont'd)			
7 Electrical Permit^{3, 6, 7} (Cont'd)			
Temporary Power Services			
For a temporary service power pole or pedestal including all pole or pedestal-mounted receptacle outlets and appurtenances, each	✓	\$19.00	Each
For a temporary distribution system and temporary lighting and receptacle outlets for construction sites, decorative light, Christmas tree sales lots, fireworks stands, etc., each	✓	\$19.00	Each
Receptacle, Switch and Lighting Outlets			
For receptacle, switch, lighting, or other outlets at which current is used or controlled (except services, feeders, and meters):			
First 20 fixtures, each	✓	\$1.36	Each
Additional fixtures, each	✓	\$0.27	Each
For lighting fixtures, sockets, or other lamp-holding devices:			
First 20 fixtures, each	✓	\$1.36	Each
Additional fixtures, each	✓	\$1.36	Each
For pole or platform-mounted lighting fixtures	✓	\$25.00	Each
For theatrical-type lighting fixtures or assemblies	✓	\$25.00	Each
Residential Appliances			
For fixed residential appliances or receptacle outlets for same, including wall-mounted electrical ovens; counter-mounted cooking tops; electric ranges; self-contained room, console, or through wall air conditioners; space heaters; food waste grinders; dishwashers; washing machines; water heaters; clothes dryers; or other motor-operated appliance not exceeding one horsepower (HP) in rating	✓	\$3.00	Each
Non-Residential Appliances			
For residential appliances and self-contained factory-wired non-residential appliances not exceeding one horsepower (HP), kilowatt (KW), or kilovolt ampere (KVA) in rating, including medical or dental devices; food, beverage, and ice cream cabinets; illuminated show cases; drinking fountains; vending machines; laundry machines; or other similar types of equipment	✓	\$3.00	Each
Busways			
For trolley and plug-in-type busways, each 100 feet or fraction thereof Note: An additional fee is required for lighting fixtures, motors and other appliances that are connected to trolley and plug-in-type busways. A fee is not required for portable tools.	✓	\$25.00	Each 100 ft or fraction thereof
Power Apparatus			
For motors, generators, transformers, rectifiers, synchronous converters, capacitors, industrial heating, air conditioners and heat pumps, cooking or baking equipment and other apparatus, as follows (Rating in Horsepower (HP), kilowatts (KW), kilovolt-amperes (KVA), or kilo-volt-amperes-reactive (KVAR):			
Up to and including 1	✓	\$13.00	
Over 1 and not over 10	✓	\$13.00	
Over 10 and not over 50	✓	\$25.00	
Over 50 and not over 100	✓	\$25.00	
Over 100	✓	\$53.00	
Signs, Outline Lighting and Marquees			
For signs, outline lighting systems or marquees supplied from one branch circuit	✓	\$13.00	Each
For additional branch circuits within the same sign, outline lighting system or marquee	✓	\$13.00	Each
Services			
For services of 600 volts or less and no over 200 amperes in rating	✓	\$13.00	Each
For services of 600 volts or less and not over 200 amperes to 1,000 amperes in rating	✓	\$13.00	Each
For services over 600 volts or over 1,000 amperes in rating	✓	\$19.00	Each
Miscellaneous Apparatus, Conduits and Conductors			
For electrical apparatus, conduits and conductors for which a permit is required but for which no fee is herein set forth	✓	\$25.00	Each
Other Inspection and Fees			
Inspections outside of normal business hours, per hour*	✓	\$169.00	Per hour
Inspection on Sundays and Holidays, per hour*	✓	\$169.00	Per hour
Reinspection fees, per hour*	✓	\$169.00	Per hour
Inspection for which no fee is specifically indicated, per hour*	✓	\$169.00	Per hour
* Overtime rate of 150% will apply for after hour inspection requests with 200% on Sundays and Holidays.			
³ Fees are adjusted annually by the CPI All Urban Consumers/San Francisco-Oakland-San Jose established in December.			
⁶ Permit Fees for Work Done Without A Valid Permit Are 2 times the Permit Fee for Bldg, Electrical, Mechanical, Plumbing, Encroachment & Grading Permits			
⁷ The Technology fee will be 4.0% if applicable to all building, engineering, planning projects with "projects" being defined as an individual fee item requiring data entry and tracking within the system.			

City of Half Moon Bay Master Fee Schedule Other Fees, Charges & Services			
DESCRIPTION OF SERVICES		FEE	UNIT / TYPE
III. BUILDING (Cont'd)			
8 Mechanical Permit ^{3,6,7}			
Permit Issuance			
For issuing each permit	✓	\$40.00	Each
For issuing each supplemental permit for which the original permit has not expired, been canceled or finalized	✓	\$40.00	Each
Furnaces			
For the installation or relocation of each forced-air or gravity-type furnace or burner, including ducts, and vents attached to such appliances, up to and including 100,000 Btu/h	✓	\$13.00	Each
For the installation or relocation of each forced-air or gravity-type furnace or burner, including ducts, and vents attached to such appliances over 100,000 Btu/h	✓	\$13.00	Each
For the installation or relocation of each floor furnace, including vent	✓	\$13.00	Each
For the installation or relocation of each suspended heater, recessed wall heater or floor-mounted heater	✓	\$13.00	Each
Appliance Vents			
For the installation, relocation or replacement of each appliance vent installed and not included in an appliance permit	✓	\$13.00	Each
Repairs or Additions			
For the repair of, alteration of, or addition to each heating appliance, refrigeration unit, cooling unit, absorption unit, or each heating, cooling, absorption, or evaporative cooling system, including installation of controls regulated by the Code	✓	\$19.00	Each
Boilers, Compressors and Absorption Systems			
For the installation or relocation of each boiler or compressor up to and including three horsepower, or each absorption system up to and including 100,000 Btu/h	✓	\$41.00	Each
For the installation or relocation of each boiler or compressor over three horsepower, up to and including 15 horsepower, or each absorption system over 100,000 Btu/h to and including 500,000 Btu/h	✓	\$41.00	Each
For the installation or relocation of each boiler or compressor over 15 horsepower, up to and including 30 horsepower, or each absorption system over 500,000 Btu/h to and including 1,000,000 Btu/h	✓	\$41.00	Each
For the installation or relocation of each boiler or compressor over 30 horsepower to and including 50 horsepower, or for each absorption system over 1,000,000 Btu/h to and including 1,750,000 Btu/h	✓	\$84.00	Each
Air Handlers			
For each air-handling unit to and including 10,000 cubic feet per minute, including ducts attached thereto	✓	\$13.00	Each
For each air-handling unit over 10,000 cfm	✓	\$25.00	Each
Evaporative Coolers			
For each evaporative cooler other than portable type	✓	\$13.00	Each
Ventilation and Exhaust			
For each ventilation fan connected to a single duct	✓	\$13.00	Each
For each ventilation system which is not a portion of any heating or air-conditioning system authorized by a permit	✓	\$13.00	Each
For the installation of each hood which is served by mechanical exhaust, including the ducts for such hood	✓	\$13.00	Each
Incinerators			
For the installation or relocation of each domestic-type incinerator	✓	\$25.00	Each
For the installation or relocation of each commercial or industrial-type incinerator	✓	\$25.00	Each
Miscellaneous			
For each appliance or piece of equipment regulated by the Mechanical Code but not classed in other appliance categories, or for which no other fee is listed in the table	✓	\$13.00	Each
¹ Overtime rate of 150% will apply for after hour inspection requests with 200% on Sundays and Holidays. ³ Fees are adjusted annually by the CPI All Urban Consumers/San Francisco-Oakland-San Jose established in December. ⁶ Permit Fees for Work Done Without A Valid Permit Are 2 times the Permit Fee for Bldg, Electrical, Mechanical, Plumbing, Encroachment & Grading Permits ⁷ The Technology fee will be 4.0% if applicable to all building, engineering, planning projects with "projects" being defined as an individual fee item requiring data entry and tracking within the system.			

City of Half Moon Bay Master Fee Schedule Other Fees, Charges & Services		
DESCRIPTION OF SERVICES	FEE	UNIT / TYPE
III. BUILDING (Cont'd)		
9 Plumbing Permit^{3, 6, 7}		
Permit Issuance		
For issuing each permit	\$40.00	Each
For issuing each supplemental permit for which the original permit has not expired, been canceled or finalized	\$40.00	Each
Fixtures and Vents		
For each plumbing fixture or trap or set of fixtures on one trap (including water, drainage piping and backflow protection therefore)	\$13.00	Each
For each repair or alteration of drainage or vent piping, each fixture	\$13.00	Each
Sewers, Disposal Systems and Interceptors		
For each building sewer and each trailer park sewer	\$25.00	Each
Rainwater systems-per drain (inside building)	\$13.00	Each
For each cesspool (where permitted)	\$13.00	Each
For each private sewage disposal system	\$19.00	Each
For each industrial waste pretreatment interceptor including its trap and vent, except kitchen-type grease interceptors functioning as fixture traps	\$19.00	Each
Gas Piping Systems		
For each gas-piping system of one to five outlets	\$13.00	Each
For each additional gas piping system outlet, per outlet	\$2.00	Each
Water Piping and Water Heaters		
For installation, alteration, or repair of water piping or water-treating equipment, or both, each	\$13.00	Each
For each water heater and/or vent	\$3.00	Each
Lawn Sprinklers, Vacuum Breakers & Backflow Protection Devices		
For each lawn sprinkler system or any one meter, including backflow protection devices thereof	\$13.00	Each
For atmospheric-type vacuum breakers or backflow protection devices not included above:		
1 to 5	\$3.00	Each
Over 5, each	\$2.00	Each
For each backflow protective device other than atmospheric type vacuum breakers:		
2 inch diameter and smaller	\$6.00	Each
over 2 inch diameter	\$13.00	Each
Swimming Pools		
Public Pool	\$40.00	Each
Public Spa	\$25.00	Each
Private Pool	\$40.00	Each
Private Spa (pre-manufactured)	\$6.00	Per valuation
Private Spa (custom built)	\$25.00	Each
Miscellaneous		
For each appliance or piece of equipment regulated by the Plumbing Code but not classed in other appliance categories, or for which no other fee is listed in this code	\$13.00	Each
Other Inspections and Fees		
Inspections outside of normal business hours, per hour*		Per hour
Inspection on Sundays and Holidays, per hour*		Per hour
Reinspection fees, per hour*		Per hour
Inspection for which no fee is specifically indicated, per hour*		Per hour
<p>* Overtime rate of 150% will apply for after hour inspection requests with 200% on Sundays and Holidays.</p> <p>³ Fees are adjusted annually by the CPI All Urban Consumers/San Francisco-Oakland-San Jose established in December.</p> <p>⁶ Permit Fees for Work Done Without A Valid Permit Are 2 times the Permit Fee for Bldg, Electrical, Mechanical, Plumbing, Encroachment & Grading Permits</p> <p>⁷ The Technology fee will be 4.0% if applicable to all building, engineering, planning projects with "projects" being defined as an individual fee item requiring data entry and tracking within the system.</p>		

City of Half Moon Bay Master Fee Schedule Other Fees, Charges & Services			
DESCRIPTION OF SERVICES		FEE	UNIT / TYPE
IV. PUBLIC WORKS			
1 Public Improvement Plan Check Fee (including grading)¹			
Valuation (\$)			
\$10,000	✓	\$821.00	
Each additional \$1,000 or fraction thereof	✓	\$40.00	
\$100,000	✓	\$4,515.00	
Each additional \$1,000 or fraction thereof	✓	\$34.00	
\$500,000	✓	\$18,271.00	
Each additional \$1,000 or fraction thereof	✓	\$36.00	
2 Construction Inspection			
Valuation (\$)			
\$10,000	✓	\$821.00	
Each additional \$1,000 or fraction thereof	✓	\$67.00	
\$100,000	✓	\$6,979.00	
Each additional \$1,000 or fraction thereof	✓	\$53.00	
\$500,000	✓	\$28,947.00	
Each additional \$1,000 or fraction thereof	✓	\$57.00	
3 Final Map Review			
Parcel Map (Up to 4 lots base fee)	✓	\$6,569.00	
Tract Map (Up to 5 lots base fee)	✓	\$8,211.00	
addition lot (From 6 or more lots)	✓	\$1,642.00	per additional lot
4 Subdivision Improvement Agreement Fee	✓	\$3,269.00	
6 Encroachment Permits Plan Review & Inspection			
Spot Repair (i.e. water leaks, pothole patches)		\$410.00	
Excavation/Restoration less than 100 LF		\$821.00	
Excavation/Restoration 100 LF or greater		\$821.00	
each additional 100 LF		\$410.00	
Curb, gutter, sidewalk, or driveway less than 100 LF		\$821.00	
Curb, gutter, sidewalk, or driveway 100 LF or greater		\$821.00	
each additional 100 LF		\$410.00	
Sewer connections, repair or extension 100 LF or less		\$821.00	
Storm Drain connection, repair or extension 100 LF or Greater		\$821.00	
each additional 100 LF		\$410.00	
Storm Drain connection, repair or extension <100 LF		\$821.00	
each additional 100 LF		\$410.00	
Storm Drain connection, repair or extension >100 LF		\$821.00	
each additional 100 LF		\$410.00	
Unpermitted encroachments		1.5 X fee (penalty)	
Monitoring Wells		\$410.00	
Permit Time Extension		\$102.00	
¹ Construction activities during October through April shall require Storm Water Pollution Prevention plans, meas. ² Total cost equal to 100% of staff and/or consultant time and materials. ✓ Check indicates Credit Cards Accepted - Minimum charge \$10.00 ³ Fees are adjusted annually by the CPI All Urban Consumers/San Francisco-Oakland-San Jose established in December. ⁴ Overtime rate per hour of 150% will apply for after hour inspection requests with 200% on Sundays and Holidays (Minimum 2 Hours). ⁶ Permit Fees for Work Done Without A Valid Permit Are 2 times the Permit Fee for Bldg, Electrical, Mechanical, Plumbing, Encroachment & Grading Permits			

City of Half Moon Bay Master Fee Schedule Other Fees, Charges & Services			
DESCRIPTION OF SERVICES		FEE	UNIT / TYPE
IV. PUBLIC WORKS (Cont'd)			
7 Public Right-of-way/Easement Encroachment (Temporary)	✓	\$204.00	
8 Deferred Improvement Agreement	✓	\$410.00	
9 Grading Permits Plan Review and Inspection			
Grading changes 50-1,000 CY		\$821.00	
Grading changes >1,000 CY		\$821.00	
Additional 100 CY over 1000		\$204.00	
10 Sewer Connections			
1 Transfer of Uninstalled Capacity Fee	✓	\$410.00	Flat fee
11 Supporting to Planning			
1 Pre-Entitlement Processing			
Pre-Application Review		\$204.00	Hourly
2 Coastal Development Permit Processing			
Coastal Development Permit Exemption		\$410.00	Deposit
Single Family Residential		\$821.00	Deposit
Accessory Dwelling Unit			
No New Floor Area		\$821.00	Flat fee
New Floor Area		\$1,642.00	Deposit
Multiple Family Residential		\$1,642.00	Deposit
Commercial / Mixed Use		\$1,642.00	Deposit
Industrial / Institutional		\$1,642.00	Deposit
Director		\$821.00	Deposit
Planning Commission		\$1,642.00	Deposit
Minor Amendments		\$821.00	Flat fee
Major Amendments		\$1,642.00	Deposit
3 Environmental Clearance Processing			
CEQA/NEPA Environmental Clearance			
Negative Declaration	✓	\$821.00	Deposit
EIR	✓	\$1,642.00	Deposit
5 Entitlement Processing			
Home Occupation		\$204.00	Flat fee
Variance / Exception Planning Commission		\$821.00	Deposit
Exception/Community Development Director		\$821.00	Deposit
Zoning, LCP, and 6P Amendments			
LCP/GP		\$821.00	Deposit
IP/Rezoning		\$821.00	Deposit
Planned Unit Development Specific Plan		\$821.00	Deposit
Planned Unit Development Specific Plan Amendment		\$821.00	Deposit
Planned Unit Development Precise Plan		\$821.00	Deposit
Planned Unit Development Precise Plan Amendment		\$821.00	Deposit
Annexation/Prezoning		\$821.00	Deposit
Land Division and Merger			
Certificate of Compliance		\$821.00	Deposit
Lot Merger		\$410.00	Flat fee
Lot Line Adjustment		\$821.00	Deposit
Parcel Map (four or fewer lots)		\$1,642.00	Deposit
Tentative Subdivision Map		\$3,285.00	Deposit
Time Extension		\$821.00	Deposit
CD Director Review		\$204.00	Deposit
12 Building Plan Review / Support			
1 Minor Residential Improvement		\$204.00	Flat fee
2 TI or Addition of s.f		\$410.00	Flat fee
3 New SFD		\$410.00	Flat fee
4 New Multifamily or Commercial		\$1,025.00	Flat fee
13 Technology Fee		4% see footnote 5	Applicable to all planning, building and engineering projects

¹ Construction activities during October through April shall require Storm Water Pollution Prevention plans, meas.

² Total cost equal to 100% of staff and/or consultant time and materials.

✓ Check indicates Credit Cards Accepted - Minimum charge \$10.00

³ Fees are adjusted annually by the CPI All Urban Consumers/San Francisco-Oakland-San Jose established in December.

⁴ Overtime rate per hour of 150% will apply for after hour inspection requests with 200% on Sundays and Holidays (Minimum 2 Hours).

⁵ The Technology fee will be 4.0% if applicable to all building, engineering, planning projects with "projects" being defined as an individual fee item requiring data entry and tracking within the system.

⁶ Permit Fees for Work Done Without A Valid Permit Are 2 times the Permit Fee for Bldg, Electrical, Mechanical, Plumbing, Encroachment & Grading Permits

City of Half Moon Bay Master Fee Schedule Other Fees, Charges & Services		
DESCRIPTION OF SERVICES	FEE	UNIT / TYPE
V. DEVELOPER IMPACT FEES [Effective 03/19/16 - per 12/15/15 Council Approval]		
1 Single Family		
1 Sewer Connection - Assessment District Participant	\$4,887.00	Per Dwelling Unit
Sewer Connection - Assessment District Non-Participant	\$17,374.00	Each SFRE***
3 BSRF (Bldg. Stndrds Admin Spec Revolving Fnd)**		
\$1 - 25,000 ✓	\$1.00	Valuation
\$25,001 - 50,000 ✓	\$2.00	Valuation
\$50,001 - 75,000 ✓	\$3.00	Valuation
\$75,001 - 100,000 ✓	\$4.00	Valuation
Every \$25,000 or fraction above \$100,000 ✓	\$1.00	Valuation
4 Storm Drainage	\$745.00	Per Dwelling Unit
5 Capital Outlay Facilities	\$1,056.00	Per Dwelling Unit
6 Traffic Mitigation	\$6,876.00	Per Dwelling Unit
7 Park Facilities	\$7,764.00	Per Dwelling Unit
2 Development Fees; Multi-Family / Commercial		
1 Sewer Connections		
Multi-Family	\$4,105.00	Per Dwelling Unit
Mobile Home	\$3,078.00	Per Dwelling Unit
Office	\$1,319.00	Per 1,000 Square Feet
Commercial/Retail	\$1,905.00	Per 1,000 Square Feet
Lodging	\$1,905.00	Per Room
Industrial	\$1,905.00	Per 1,000 Square Feet
Sewer Connection - Assessment District Non-Participant ***	\$17,374.00	Each SFRE***
2 SMIP Residential* ✓	\$0.00	Valuation over \$3,850, the fee is \$13 per \$100,000 permit valuation
SMIP Commercial* ✓	\$0.00	Valuation over \$1,786, the fee is \$28 per \$100,000 permit valuation
SMIP Flat Fee* ✓	\$0.00	Residential permits under \$3,850 and Commercial permits under \$1,786, fee is \$.50
3 BSRF (Bldg. Stndrds Admin Spec Revolving Fnd)**		
	<i>According to Chapter 719, Statutes of 2008 (Senate Bill No. 1473)</i>	
\$1 - 25,000 ✓	\$1.00	Valuation
\$25,001 - 50,000 ✓	\$2.00	Valuation
\$50,001 - 75,000 ✓	\$3.00	Valuation
\$75,001 - 100,000 ✓	\$4.00	Valuation
Every \$25,000 or fraction thereof above \$100,000 ✓	\$1.00	Valuation
* Strong Motion Instrumentation Program Fees Set According to State of CA Dept of Conservation Rates ** Fees Set According to Chapter 719, Statutes of 2008 (Senate Bill No. 1473) ✓ Check indicates Credit Cards Accepted - Minimum charge \$10.00 *** Single Family Residential Equivalent. See Chapter 13.36.080 Section C. for Commercial, Professional and Institutional Calculation of Connection Charge.		

City of Half Moon Bay Master Fee Schedule Other Fees, Charges & Services		
DESCRIPTION OF SERVICES	FEE	UNIT / TYPE
V. DEVELOPER IMPACT FEES (Cont'd) [Effective 03/19/16 - per 12/15/15 Council Approval]		
2 Development Fees; Multi-Family / Commercial (Cont'd)		
4 Storm Drainage		
Multi-Family	\$295.00	Per Dwelling Unit
Office	\$629.00	Per 1,000 Square Feet
Commercial/Retail	\$455.00	Per 1,000 Square Feet
Industrial	\$314.00	Per 1,000 Square Feet
5 Capital Outlay		
Multi-Family	\$880.00	Per Dwelling Unit
Mobile Home	\$668.00	Per Dwelling Unit
Office	\$337.00	Per 1,000 Square Feet
Commercial/Retail	\$186.00	Per 1,000 Square Feet
Lodging	\$24.00	Per Room
Industrial	\$168.00	Per 1,000 Square Feet
6 Traffic Mitigation		
Multi-Family	\$3,751.00	Per Dwelling Unit
Mobile Home	\$3,549.00	Per Dwelling Unit
Office	\$4,310.00	Per 1,000 Square Feet
Commercial/Retail	\$7,223.00	Per 1,000 Square Feet
Lodging	\$2,289.00	Per Room
Industrial	\$3,505.00	Per 1,000 Square Feet
7 Park Facility Fee		
Multi-Family	\$6,469.00	Per Dwelling Unit
Mobile Home	\$4,917.00	Per Dwelling Unit
3 Development Fees - Residential Subdivision Fees Only		
Park Dedication	Per Chapter 17.48 of Municipal Code	
* Strong Motion Instrumentation Program Fees Set According to State of CA Dept of Conservation Rates ** Fees Set According to Chapter 719, Statutes of 2008 (Senate Bill No. 1473) ✓ Check indicates Credit Cards Accepted - Minimum charge \$10.00 *** Single Family Residential Equivalent. See Chapter 13.36.080 Section C. for Commercial, Professional and Institutional Calculation of Connection Charge.		

City of Half Moon Bay Master Fee Schedule Other Fees, Charges & Services			
DESCRIPTION OF SERVICES		FEE	UNIT / TYPE
VI. PLANNING			
1 Pre-Entitlement Processing			
1 Pre-Application Meeting	✓	\$1,553.00	Flat fee
2 Measure 'D'			
Single Allocation (per allocation)	✓	\$564.00	Flat fee
Phasing Agreement	✓	\$2,261.00	Deposit
2 Coastal Development Permit Processing			
1 Coastal Development Permit Exemption	✓	\$451.00	Deposit
2 Single Family Residential			
<= 3,000 square feet	✓	\$2,251.00	Deposit
> 3,000 square feet	✓	\$2,894.00	Deposit
3 Accessory Dwelling Unit			
No New Floor Area	✓	\$562.00	Flat fee
New Floor Area	✓	\$1,072.00	Flat fee
4 Multiple Family Residential			
>= Four dwelling units	✓	\$3,323.00	Deposit
< Four dwelling units	✓	\$5,575.00	Deposit
5 Commercial / Mixed Use			
<= 10,000 square feet	✓	\$3,323.00	Deposit
> 10,000 square feet	✓	\$5,575.00	Deposit
6 Industrial / Institutional			
<= 20,000 square feet	✓	\$3,323.00	Deposit
> 20,000 square feet	✓	\$5,575.00	Deposit
7 Other Development			
Planning Director	✓	\$2,465.00	Deposit
Planning Commission	✓	\$3,162.00	Deposit
8 Amendments			
Minor Amendment		\$449.00	Flat fee
Major Amendments	✓	\$2,465.00	Deposit
3 Environmental Clearance Processing			
1 CEQA/NEPA Environmental Clearance			
Negative Declaration	✓	\$4,502.00	Deposit
EIR	✓	\$10,131.00	Deposit
2 Notice of Exemption	✓	\$224.00	Flat fee
[1] Flat fees are adjusted annually by the CPI All Urban Consumers/San Francisco-Oakland-San Jose established in December. [2] Total cost equal to 100% of staff and/or consultant time and materials. ✓ Check indicates Credit Cards Accepted - Minimum charge \$10.00 [3] Fees Charged by these agencies are available on their websites and are in addition to fees charged by the City.			

City of Half Moon Bay Master Fee Schedule Other Fees, Charges & Services		
DESCRIPTION OF SERVICES	FEE	UNIT / TYPE
VI. PLANNING (Cont'd)		
4 Design Review Processing		
1 Architectural Review, CDD or Planning Commission Includes structures and/or site design ✓	\$669.00	Deposit
5 Entitlement Processing		
1 Home Occupation ✓	\$112.00	Flat fee
2 Variance / Exception Planning Commission ✓	\$1,018.00	Deposit
3 Exception/Community Development Director ✓	\$449.00	Deposit
4 Zoning, LCP, and 6P Amendments		
LCP/6P	\$15,814.00	Deposit
IP/Rezoning	\$15,814.00	Deposit
Planned Unit Development Specific Plan	\$15,814.00	Deposit
Planned Unit Development Specific Plan Amendment	\$7,880.00	Deposit
Planned Unit Development Precise Plan	\$7,880.00	Deposit
Planned Unit Development Precise Plan Amendment	\$4,074.00	Deposit
Annexation/Prezoning	\$15,814.00	Deposit
6 Appeals	<i>Half the original fee if applicable. No appeal fee if the City is the applicant.</i>	
Filing Fee - Outside CCC Appeals Jurisdiction	\$224.00	Flat fee
Filing Fee - Within CCC Appeals Jurisdiction	\$0.00	No fee
Processing Fee - Paid by developer	\$3,376.00	Deposit
7 Land Division and Merger		
Certificate of Compliance	\$2,036.00	Deposit
Lot Merger	\$899.00	Flat fee
Lot Line Adjustment	\$2,036.00	Deposit
Parcel Map (four or fewer lots)	\$4,074.00	Deposit
Tentative Subdivision Map	\$11,258.00	Deposit
Subdivision Agreement	\$4,502.00	Deposit
Time Extension	\$2,036.00	Deposit
9 Sign Permit		
Review ✓	\$171.00	Flat fee
Planning Commission Review ✓	\$1,018.00	Deposit
Exceptions Planning Commission Review ✓	\$1,018.00	Deposit
10 Other Services		
Zoning Compliance Letter	\$224.00	Flat fee
Public Convenience & Necessity Letter	\$224.00	Flat fee
Water Transfer Letter	\$224.00	Flat fee
12 Tree Removal Review		
CD Director Review	\$283.00	Deposit
Planning Commission	\$508.00	Deposit
13 Mobile Food Vendor Permit	\$224.00	Flat fee
14 Sound Amplification Permit	\$224.00	Flat fee
15 Fees Required by other Agencies		
1 California Department of Fish and Wildlife	Fee required to review various environmental documents	Per Agency Schedule
2 SMC Local Agency Formation Commission (LAFCo)	Annexation fees vary by acreage	Per Agency Schedule
3 San Mateo County Recorder	Fee required to record and/or post various documents	Per Agency Schedule
4 Planning Hourly Rate ✓	\$224.00	Flat fee
16 Technology Fee	4% see foot note 4	Applicable to all planning, building and engineering projects
<p>[1] Flat fees are adjusted annually by the CPI All Urban Consumers/San Francisco-Oakland-San Jose established in December. [2] Total cost equal to 100% of staff and/or consultant time and materials. ✓ Check indicates Credit Cards Accepted - Minimum charge \$10.00 [3] Fees Charged by these agencies are available on their websites and are in addition to fees charged by the City. [4] The Technology fee will be 4.0% if applicable to all building, engineering, planning projects with "projects" being defined as an individual fee item requiring data entry and tracking within the system.</p>		

City of Half Moon Bay Master Fee Schedule Other Fees, Charges & Services		
DESCRIPTION OF SERVICES	FEE	UNIT / TYPE
VII. ADMINISTRATIVE CITATION PENALTIES		
1 Violations of Municipal Code other than building or safety provisions		
1 First Violation	✓ \$100.00	Each
2 Second Violation within one calendar year	✓ \$200.00	Each
3 Third or subsequent violations within one calendar year	✓ \$500.00	Each
2 Violations of building or safety provisions of the Municipal Code		
1 First Violation	✓ \$100.00	Each
2 Second Violation within one calendar year	✓ \$500.00	Each
3 Third or subsequent violations within one calendar year	✓ \$1,000.00	Each
<u>Check indicates Credit Cards Accepted - Minimum charge \$10.00</u>		
VIII. REFUND POLICY		
<p>Any request for Fee refunds shall be submitted in writing to the appropriate Department's Director within 90 days from the date of submittal. The grounds for requesting a refund shall be detailed in the written request. However, once the City has commenced work on an applicable service for which a fee is charged, no refunds are allowed. The Department's Director shall determine if a fee is refundable based on this criterion. Any refund will be net a processing fee of \$81 and any other incidentals that may be incurred. The party requesting the refund shall be informed in writing of the decision of the Department's Director within ten (10) working days of receiving the written refund request. The requesting party may appeal the determination of the Department's Director to the City Manager, within ten (10) days of mailing notice to the requesting party. The City Manager's decision of the appeal review will be the final action taken by the City.</p>		



CITY OF HALF MOON BAY

Supplemental Statistical Information





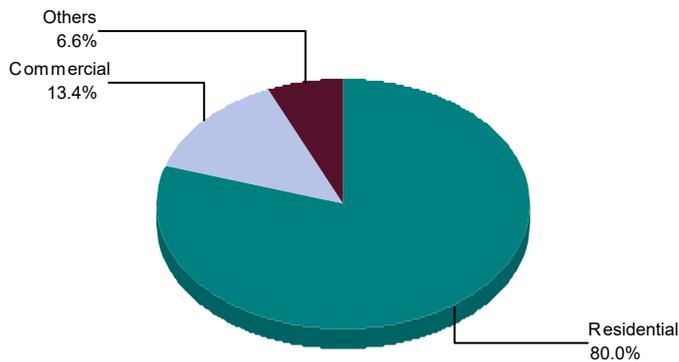
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THE CITY OF HALF MOON BAY 2016/17 USE CATEGORY SUMMARY

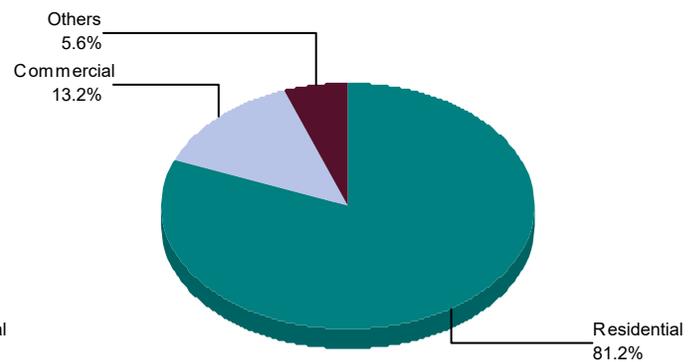
BASIC PROPERTY VALUE TABLE

Category	Parcels	Assessed Value	Net Taxable Value
Residential	3,774	\$2,271,069,151 (80.0%)	\$2,238,878,627 (81.2%)
Commercial	199	\$379,426,915 (13.4%)	\$363,813,823 (13.2%)
Industrial	15	\$6,801,114 (0.2%)	\$6,801,114 (0.2%)
Dry Farm	7	\$4,241,537 (0.1%)	\$4,241,537 (0.2%)
Institutional	22	\$18,105,289 (0.6%)	\$281,685 (0.0%)
Irrigated	14	\$5,827,949 (0.2%)	\$4,324,786 (0.2%)
Miscellaneous	141	\$23,267,975 (0.8%)	\$14,211,644 (0.5%)
Recreational	22	\$40,583,946 (1.4%)	\$40,290,547 (1.5%)
Vacant	1,928	\$48,528,527 (1.7%)	\$43,437,146 (1.6%)
Unsecured	[237]	\$40,009,764 (1.4%)	\$39,462,822 (1.4%)
TOTALS	6,122	\$2,837,862,167	\$2,755,743,731

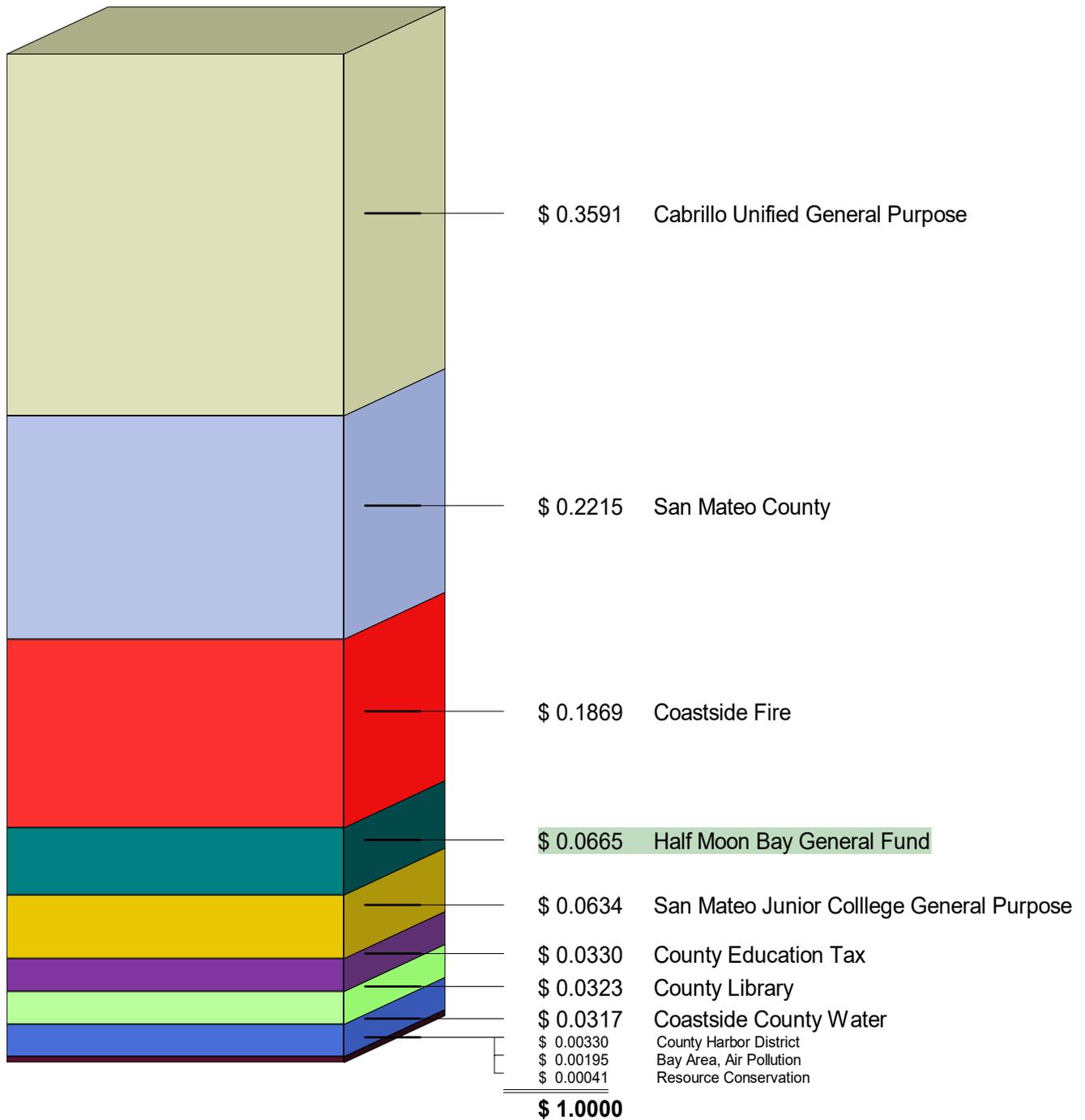
ASSESSED VALUE



NET TAXABLE VALUE



THE CITY OF HALF MOON BAY PROPERTY TAX DOLLAR BREAKDOWN



ATI (Annual Tax Increment) Ratios for Tax Rate Area 017-005, Excluding Redevelopment Factors & Additional Debt Service

Data Source: San Mateo County Assessor 2016/17 Annual Tax Increment Tables

Prepared On 8/28/2017 By MV

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THE CITY OF HALF MOON BAY

2016/17 ROLL SUMMARY

Taxable Property Values

	Secured	Nonunitary Utilities	Unsecured
Parcels	6,122	0	237
TRAs	8	0	7
Values			
Land	1,320,161,726	0	20,750
Improvements	1,457,755,929	0	7,594,162
Personal Property	16,999,810	0	22,258,966
Fixtures	2,934,938	0	10,135,886
Aircraft	0	0	0
Total Value	\$2,797,852,403	\$0	\$40,009,764
Exemptions			
Real Estate	80,776,348	0	186,653
Personal Property	647,161	0	305,365
Fixtures	147,985	0	54,924
Aircraft	0	0	0
Homeowners*	16,411,630	0	0
Total Exemptions*	\$81,571,494	\$0	\$546,942
Total Net Value	\$2,716,280,909	\$0	\$39,462,822

Combined Values	Total
Total Values	\$2,837,862,167
Total Exemptions	\$82,118,436
Net Total Values	\$2,755,743,731
Net Aircraft Values	\$0

* Note: Homeowner Exemptions are not included in Total Exemptions

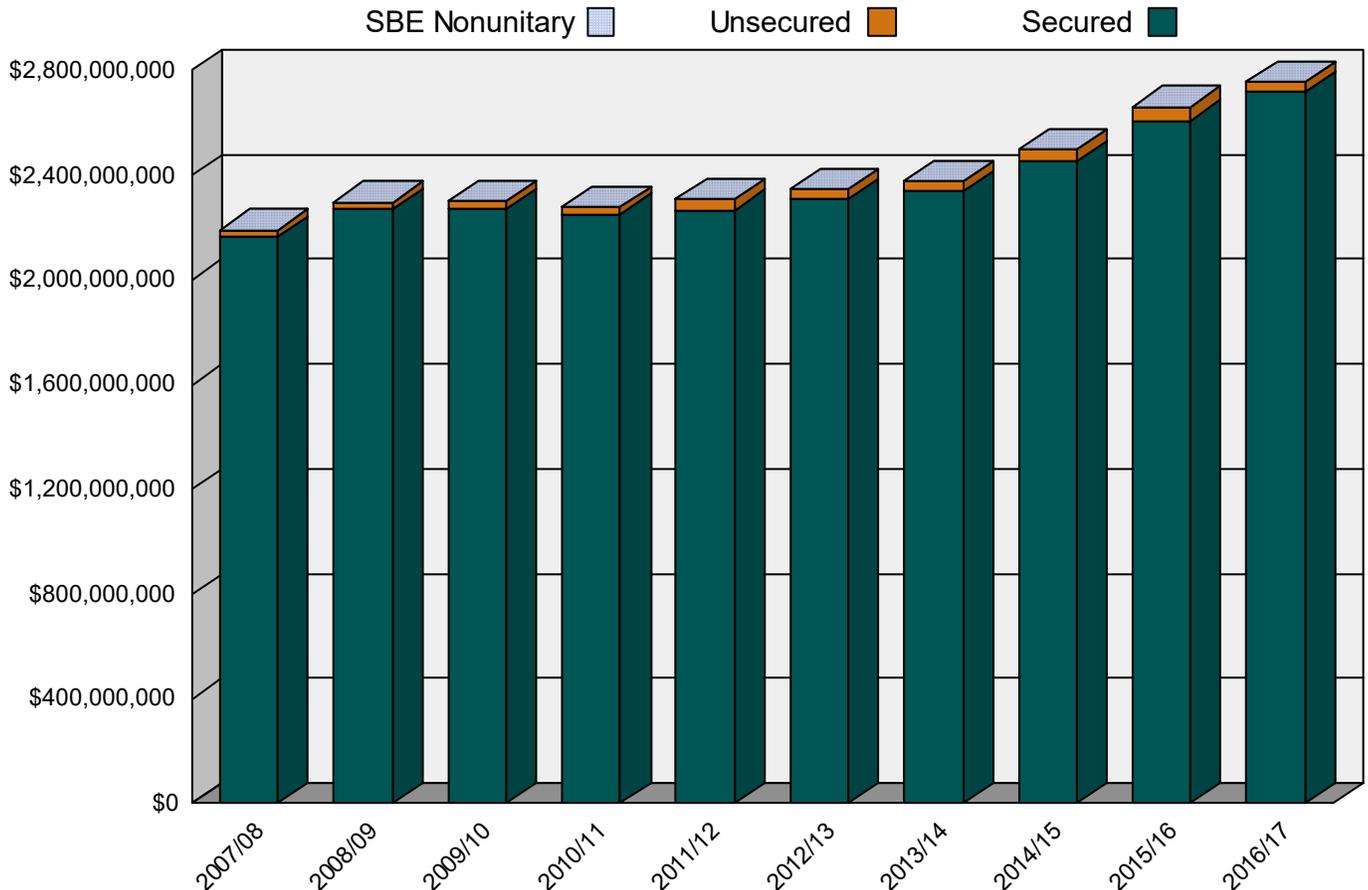
Totals do not Include Aircraft Values or Exemptions

THE CITY OF HALF MOON BAY

NET TAXABLE ASSESSED VALUE HISTORY

2007/08 - 2016/17 Taxable Property Values

Lien Year	Secured	Unsecured	SBE Nonunitary	Net Total AV	% Change
2007/08	\$2,164,067,398	\$27,278,838	\$0	2,191,346,236	
2008/09	\$2,271,215,524	\$25,449,648	\$0	2,296,665,172	4.81%
2009/10	\$2,270,581,839	\$31,809,471	\$0	2,302,391,310	0.25%
2010/11	\$2,251,380,792	\$28,037,312	\$0	2,279,418,104	-1.00%
2011/12	\$2,266,736,579	\$40,476,099	\$0	2,307,212,678	1.22%
2012/13	\$2,310,590,314	\$37,048,774	\$0	2,347,639,088	1.75%
2013/14	\$2,336,930,963	\$40,818,124	\$0	2,377,749,087	1.28%
2014/15	\$2,454,848,902	\$42,658,908	\$0	2,497,507,810	5.04%
2015/16	\$2,609,284,214	\$53,103,728	\$0	2,662,387,942	6.60%
2016/17	\$2,716,280,909	\$39,462,822	\$0	2,755,743,731	3.51%



THE CITY OF HALF MOON BAY

ASSESSED VALUE OF TAXABLE PROPERTY

2007/08 - 2016/17 Taxable Property Values

Category	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Residential	1,716,434,950	1,819,104,616	1,814,166,741	1,806,656,465	1,807,548,717	1,847,817,296	1,871,838,949	1,986,554,631	2,128,750,156	2,238,878,627
Commercial	310,573,042	319,080,038	331,836,973	329,209,700	330,355,442	333,127,837	344,198,890	346,707,418	356,041,843	363,813,823
Industrial	5,381,449	5,421,901	5,600,922	5,568,852	5,901,115	6,016,889	6,133,649	6,172,772	6,292,015	6,801,114
Dry Farm	5,820,467	5,936,865	3,191,476	11,235,759	10,559,490	11,427,110	3,720,127	3,496,499	3,786,377	4,241,537
Govt. Owned	486,375	37,102	0							
Institutional	2,526,397	278,434	258,950	284,781	260,279	265,484	293,694	272,021	277,456	281,685
Irrigated	22,669,237	20,653,643	17,674,128	5,418,982	6,116,088	4,368,007	3,423,600	4,862,761	5,333,856	4,324,786
Miscellaneous	7,716,354	7,716,105	6,830,284	12,936,578	12,953,724	20,894,204	12,075,286	22,681,808	23,460,537	14,211,644
Recreational	35,782,159	36,654,225	38,520,391	32,211,663	37,455,517	38,043,156	38,699,751	38,874,879	39,568,823	40,290,547
Vacant	53,986,690	51,807,016	49,742,858	46,517,696	50,669,067	48,630,331	50,679,666	45,226,113	45,773,151	43,437,146
Unsecured	27,278,838	25,449,648	31,809,471	28,037,312	40,476,099	37,048,774	40,818,124	42,658,908	53,103,728	39,462,822
Unknown	2,690,278	4,525,579	2,759,116	1,340,316	4,917,140		5,867,351			
TOTALS	2,191,346,236	2,296,665,172	2,302,391,310	2,279,418,104	2,307,212,678	2,347,639,088	2,377,749,087	2,497,507,810	2,662,387,942	2,755,743,731
Total Direct Rate	0.05426	0.05426	0.05426	0.05426	0.05426	0.05453	0.05452	0.05818	0.05818	0.05819

Notes:

Exempt values are not included in Total.

In 1978 the voters of the State of California passed Proposition 13 which limited taxes to a total maximum rate of 1%, based upon the the assessed value of the property being taxed. Each year, the assessed value of property may be increased by an "inflation factor" (limited to a maximum of 2%). With few exceptions, property is only reassessed as a result of new construction activity or at the time it is sold to a new owner. At that point, the property is reassessed based upon the added value of the construction or at the purchase price (market value) or economic value of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.

THE CITY OF HALF MOON BAY

2016/17 TOP TEN PROPERTY TAXPAYERS

Top Property Owners Based On Net Values

Owner	Secured			Unsecured			Combined		Primary Use & Primary Agency
	Parcels	Value	% of Net AV	Parcels	Value	% of Net AV	Value	% of Net AV	
1) SHC HALF MOON BAY LLC	2	\$143,520,430	5.28%	1	\$6,000	0.02%	\$143,526,430	5.21%	Commercial Half Moon Bay General Fund
2) OCEAN COLONY PARTNERS L P	20	\$45,289,665	1.67%				\$45,289,665	1.64%	Recreational Half Moon Bay General Fund
3) KEET NERHAN	30	\$22,527,985	0.83%	2	\$59,155	0.15%	\$22,587,140	0.82%	Commercial Half Moon Bay General Fund
4) REGENCY CENTERS LP	3	\$15,121,139	0.56%				\$15,121,139	0.55%	Commercial Half Moon Bay General Fund
5) IWF HALF MOON BAY LLC	1	\$10,421,395	0.38%				\$10,421,395	0.38%	Commercial Half Moon Bay General Fund
6) LONGS DRUG STORE INC	1	\$8,443,150	0.31%				\$8,443,150	0.31%	Commercial Half Moon Bay General Fund
7) CASTRO PARTNERS LLC	3	\$7,436,705	0.27%				\$7,436,705	0.27%	Commercial Half Moon Bay General Fund
8) COMCAST				2	\$6,960,153	17.64%	\$6,960,153	0.25%	Unsecured Half Moon Bay General Fund
9) RICHARD W WRATTEN TRUST	4	\$6,842,602	0.25%				\$6,842,602	0.25%	Residential Half Moon Bay General Fund
10) COUNTY OF SAN MATEO	12	\$6,737,607	0.25%				\$6,737,607	0.24%	Commercial Half Moon Bay General Fund
Top Ten Total	76	\$266,340,678	9.81%	5	\$7,025,308	17.80%	\$273,365,986	9.92%	
City Total		\$2,716,280,909			\$39,462,822		\$2,755,743,731		

Top Owners last edited on 8/25/17 by MaheaV using sales through 06/30/17 (Version R.1)

Data Source: San Mateo County Assessor 2016/17 Combined Tax Rolls and the SBE Non Unitary Tax Roll 282

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Prepared On 8/28/2017 By MV

THE CITY OF HALF MOON BAY

2007/08 TOP TEN PROPERTY TAXPAYERS

Top Property Owners Based On Net Values

Owner	Secured			Unsecured			Combined		Primary Use & Primary Agency
	Parcels	Value	% of Net AV	Parcels	Value	% of Net AV	Value	% of Net AV	
1) SHC HALF MOON BAY LLC	2	\$129,660,436	5.99%				\$129,660,436	5.92%	Commercial Half Moon Bay General Fund
2) OCEAN COLONY PARTNERS L P	18	\$20,380,414	0.94%				\$20,380,414	0.93%	Recreational Half Moon Bay General Fund
3) KEET NERHAN	34	\$19,755,508	0.91%	2	\$129,846	0.48%	\$19,885,354	0.91%	Commercial Half Moon Bay General Fund
4) SOUTH WAVECREST L L C	2	\$18,783,940	0.87%				\$18,783,940	0.86%	Recreational Half Moon Bay General Fund
5) NURSERYMENS EXCHANGE INC	12	\$15,138,144	0.70%				\$15,138,144	0.69%	Irrigated Half Moon Bay General Fund
6) REGENCY CENTERS L P	3	\$13,360,577	0.62%				\$13,360,577	0.61%	Commercial Half Moon Bay General Fund
7) IWF HALF MOON BAY LP	1	\$8,991,734	0.42%				\$8,991,734	0.41%	Commercial Half Moon Bay General Fund
8) FRANCESCO CARRUBBA	3	\$6,752,761	0.31%				\$6,752,761	0.31%	Commercial Half Moon Bay General Fund
9) MILANO RUGGERO AND SHAHLA MAJIDI	1	\$4,993,920	0.23%				\$4,993,920	0.23%	Commercial Half Moon Bay General Fund
10) NORTH WAVECREST PARTNERS L P	106	\$4,441,888	0.21%				\$4,441,888	0.20%	Irrigated Half Moon Bay General Fund
Top Ten Total	182	\$242,259,322	11.19%	2	\$129,846	0.48%	\$242,389,168	11.06%	
City Total		\$2,164,067,398			\$27,278,838		\$2,191,346,236		

Top Owners last edited on 7/10/13 by maheav using sales through 06/30/08 (Version R.1)

Data Source: San Mateo County Assessor 2007/08 Combined Tax Rolls and the SBE Non Unitary Tax Roll 283

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Prepared On 8/28/2017 By MV

THE CITY OF HALF MOON BAY

DIRECT & OVERLAPPING PROPERTY TAX RATES

(RATE PER \$100 OF TAXABLE VALUE)

Last 10 Fiscal Years										
Agency	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Basic Levy¹	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
Cabrillo Unified Bond	0.04960	0.04640	0.04970	0.05080	0.05220	0.07220	0.07190	0.07040	0.07260	0.08320
San Mateo Junior College	0.01710	0.01650	0.01820	0.01930	0.01990	0.01940	0.01940	0.01900	0.02500	0.02470
Total Direct & Overlapping² Tax Rates	1.06670	1.06290	1.06790	1.07010	1.07210	1.09160	1.09130	1.08940	1.09760	1.10790
City's Share of 1% Levy Per Prop 13³	0.06648	0.06648	0.06648	0.06648	0.06648	0.06648	0.06648	0.06648	0.06648	0.06648
Voter Approved City Debt Rate										
Redevelopment Rate⁴										
Total Direct Rate⁵	0.05426	0.05426	0.05426	0.05426	0.05426	0.05453	0.05452	0.05818	0.05818	0.05819

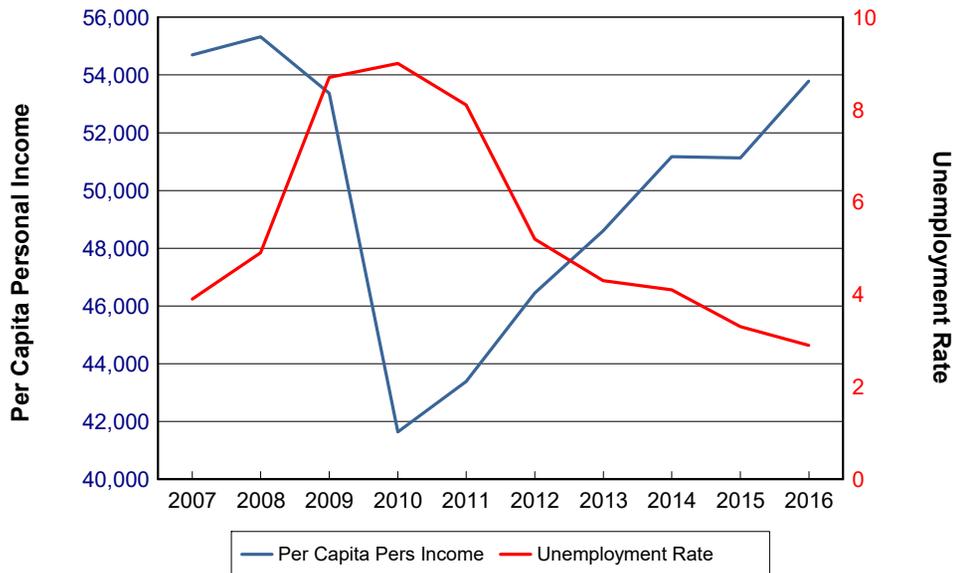
Notes:
¹In 1978, California voters passed Proposition 13 which set the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of any voter approved bonds.
²Overlapping rates are those of local and county governments that apply to property owners within the City. Not all overlapping rates apply to all city property owners.
³City's Share of 1% Levy is based on the City's share of the general fund tax rate area with the largest net taxable value within the City. ERAF general fund tax shifts may not be included in tax ratio figures.
⁴Redevelopment Rate is based on the largest RDA tax rate area and only includes rate(s) from indebtedness adopted prior to 1989 per California State statute. RDA direct and overlapping rates are applied only to the incremental property values. The approval of ABX1 26 eliminated Redevelopment from the State of California for the fiscal year 2012/13 and years thereafter.
⁵Total Direct Rate is the weighted average of all individual direct rates applied by the City/Agency preparing the statistical section information and excludes revenues derived from aircraft. Beginning in 2013/14 the Total Direct Rate no longer includes revenue generated from the former redevelopment tax rate areas. Challenges to recognized enforceable obligations are assumed to have been resolved during 2012/13. For the purposes of this report, residual revenue is assumed to be distributed to the City/Agency in the same proportions as general fund revenue.

THE CITY OF HALF MOON BAY

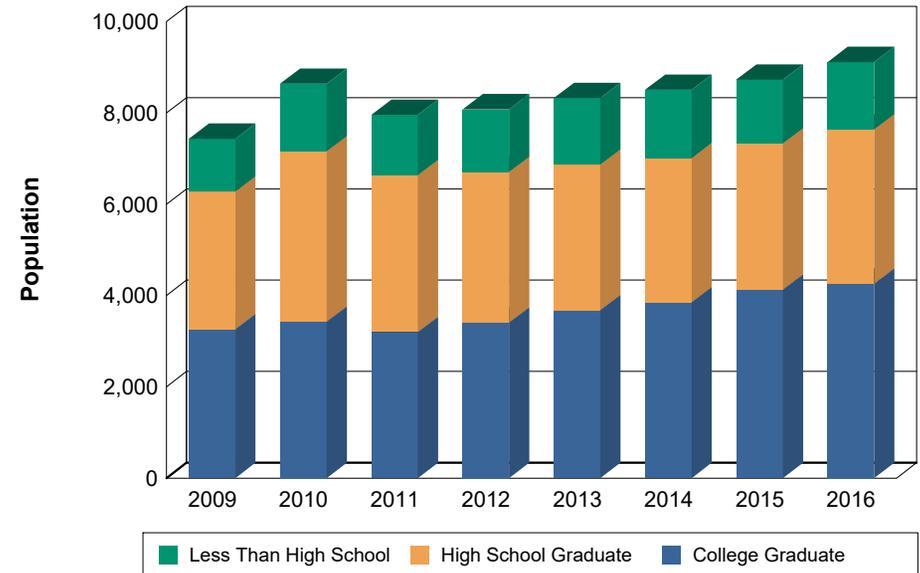
DEMOGRAPHIC AND ECONOMIC STATISTICS

Calendar Year	Population	Personal Income (In Thousands)	Per Capita Personal Income	Unemployment Rate	Median Age	% of Pop 25+ with High School Degree	% of Pop 25+ with Bachelor's Degree
2007	12,821	\$701,278	\$54,698	3.9%			
2008	13,001	\$719,233	\$55,321	4.9%			
2009	13,206	\$704,770	\$53,367	8.7%	40.9	84.4%	43.9%
2010	13,371	\$556,795	\$41,642	9.0%	40.4	82.9%	39.7%
2011	11,478	\$498,019	\$43,389	8.1%	42.1	83.4%	40.2%
2012	11,581	\$537,926	\$46,449	5.2%	42.9	83.0%	42.2%
2013	11,721	\$569,699	\$48,605	4.3%	43.2	82.5%	44.2%
2014	11,727	\$600,059	\$51,169	4.1%	44.8	82.4%	45.3%
2015	12,528	\$640,547	\$51,129	3.3%	44.7	84.0%	47.3%
2016	12,591	\$677,251	\$53,788	2.9%	45.8	83.8%	46.7%

Personal Income and Unemployment



Education Level Attained for Population 25 and Over



Notes and Data Sources:

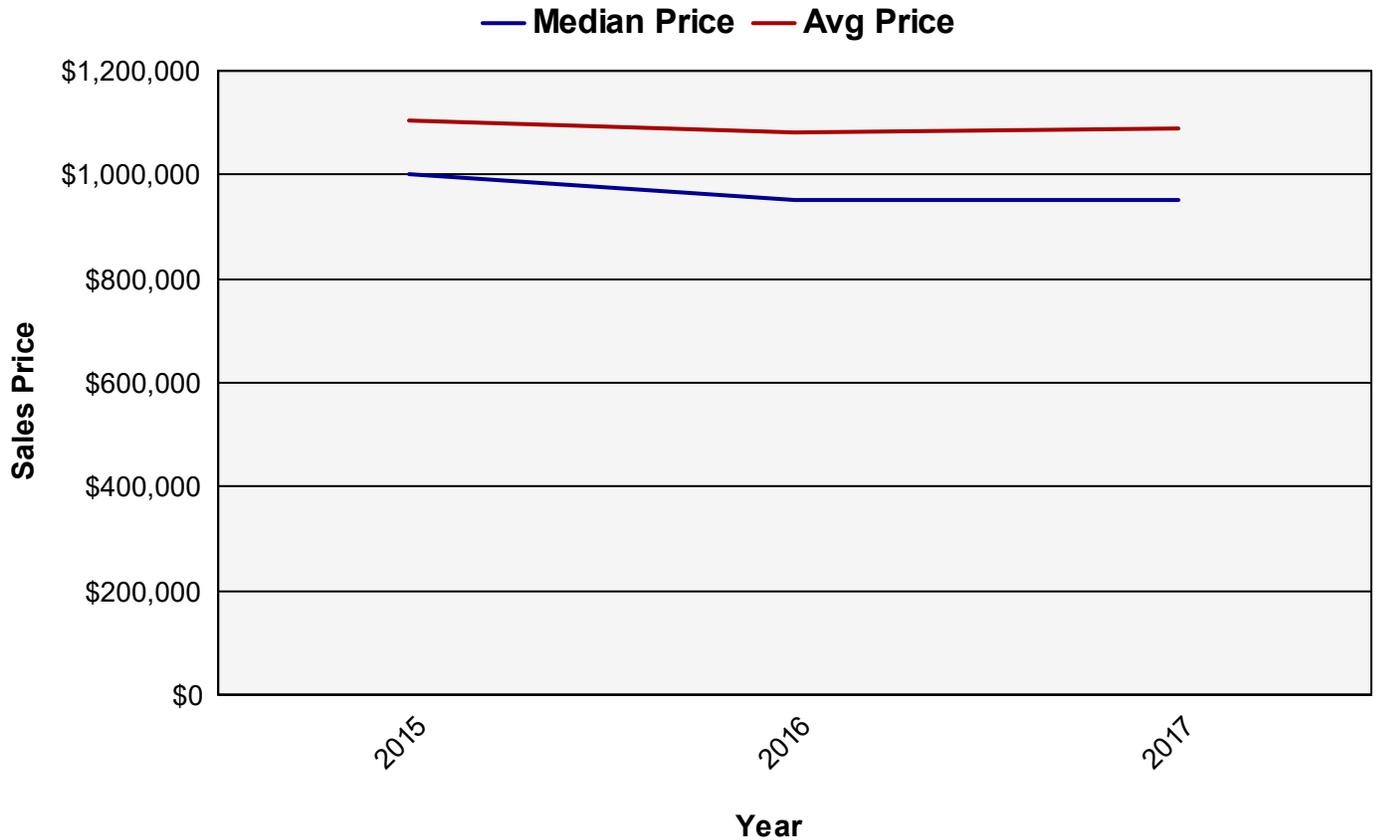
Population: California State Department of Finance. Unemployment Data: California Employment Development Department
 2000-2009 Income, Age, and Education Data: ESRI - *Demographic Estimates are based on the last available Census.* Projections are developed by incorporating all of the prior census data released to date. Demographic Data is totaled from Census Block Groups that overlap the City's boundaries
 2010 and later - Income, Age and Education Data - US Census Bureau, most recent American Community Survey

THE CITY OF HALF MOON BAY

SALES VALUE HISTORY

Single Family Residential Full Value Sales (01/01/2015 - 7/31/2017)

Year	Full Value Sales	Average Price	Median Price	Median % Change
2015	128	\$1,103,012	\$1,000,000	
2016	137	\$1,082,422	\$950,000	-5.00%
2017	66	\$1,091,049	\$950,750	0.08%



*Sales not included in the analysis are quitclaim deeds, trust transfers, timeshares, and partial sales.



CITY OF HALF MOON BAY

Budget and Acronym Glossaries





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Budget Glossary

ACTIVITIES

Specific services performed in accomplishing program objectives and goals (see Program).

ACCRUAL

A method of accounting to record revenues when earned and expenses when incurred.

ACTUAL

A column heading in the budget. Figures found in the Actual column indicate actual financial information recorded for that time period.

ADJUSTED BUDGET

The increase or decrease of the amount budgeted for a program or account.

ADOPTED BUDGET

This is the budget that is adopted by the City Council after reviewing and providing feedback and direction on the recommended budget at one or more budget study sessions.

AGENCY FUNDS

Also known as Fiduciary Fund Types, these funds are used to account for assets held by the City in a trustee capacity or as an agent for private individuals, organizations, or other governmental agencies. The fiduciary funds used by the City include agency funds. Agency funds are custodial in nature (assets equal liabilities) and do not measure the results of operations.

APPROPRIATION

An authorization made by the City Council which permits the City to incur obligations and to make expenditures of resources in providing services as planned.

APPROPRIATION LIMIT

Propositions 4 and 111 created a restriction on the amount of revenue which can be appropriated in any fiscal year. The Limit is based on actual appropriations during the 1978-79 fiscal years, and is increased each year using the growth of population and inflation. Not all revenue is restricted by the limit; only those which are referred to as "proceeds of taxes." Some examples of proceeds of taxes are sales tax, property tax, and business license tax.

ASSESSED VALUE

A value established for real property for use as a basis in levying property taxes. For all agencies in the State of California, assessed value is established by the County for the secured and unsecured property tax rolls. The utility property tax roll is valued by the State Board of Equalization. Under Article XIII of the State Constitution (Proposition 13 adopted by the voters on June 6, 1978) properties are assessed at 100% of full value. Proposition 13 also modified the value of real taxable property for fiscal year 1979 by rolling back values to fiscal year 1976

levels. From this base of assessment, subsequent annual increases in valuation are limited to a maximum of 2%. However, increases to full value are allowed for property improvements or upon change in ownership. Personal property is excluded from these limitations and is subject to annual reappraisal. Property taxes for general purposes cannot exceed 1% of assessed value.

AUDIT

Conducted by an independent certified public accountant (CPA), the primary objective of an audit is to determine if the City's financial statements present fairly the City's financial position and results of operations in conformity with Generally Accepted Accounting Principles (GAAP) and Governmental Accounting Standards for Comprehensive Annual Financial Reporting. In conjunction with their performance of an audit, the auditing standards require an independent auditor to report to the City Council of audit findings on adequacy of the City's internal controls as well as recommendation and improvements to the City's financial management practices.

BALANCED BUDGET

A balanced budget is a situation in financial planning or the budgeting process where total revenues are equal to or greater than total expenses.

BEGINNING/ENDING FUND BALANCE

Appropriated resources available in a fund from the prior/current year after payment of the prior/current fiscal year's expenses. This is not necessarily cash on hand.

BONDS

Bonds are a form of borrowing (debt financing) which reflects a written promise from the City to repay a sum of money on a specific date at a specified interest rate. Local governments use bonds to obtain long-term financing for large capital projects such as buildings, streets, utility infrastructure, and bridges.

BUDGET

A budget is a financial plan for a specified period of time that matches planned revenue and expenditures to municipal services, goals and, objectives. The City uses a financial plan covering a fiscal year (July 1 through June 30), with actual budget appropriations made annually.

BUDGET AMENDMENT

The City Council has the sole responsibility for adopting the City's budget and may amend or supplement the budget at any time after adoption by majority vote. The City Manager has the authority to approve administrative adjustments to the budget as long as those changes are between objects, as well as departments, within the same fund category.

BUDGET CALENDAR

A budget calendar is the schedule of budget preparations, hearings, and adoption of the annual budget.

BUDGET POLICIES

Budget policies are general and specific guidelines, developed by the City Manager in consultation with the City Council, that govern financial plan preparation and administration. Departments make their budget requests on the basis of the guidelines.

CAPITAL IMPROVEMENT PLAN (CIP)

Commonly, a CIP is a five-year plan providing for the maintenance or replacement of existing public facilities and assets and for building or acquiring new ones.

CONTINGENCY

A contingency is a budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

CONTRACTUAL SERVICES

Services rendered to a government by private firms, individuals, or other governmental agencies are contractual services. Examples include public safety services, recreation services, utilities, maintenance agreements, and professional consulting services.

DEBT

A state of being under obligation to pay or repay someone or something.

DEBT INSTRUMENT

Debt instruments are methods of borrowing funds, including, but not limited to, general obligation bonds, judgment obligation bonds, revenue bonds, lease/purchase agreements, lease-revenue bonds, and assessment district bonds.

DEBT SERVICE

Debt service is the payment of principal and interest on bonds and other debt instruments according to a pre-determined schedule.

DEBT SERVICE FUNDS

The debt service fund type is used to account for the payment and accumulation of resources related to general long-term debt principal and interest (see Fund).

DEFICIT

A deficit is the excess of an entity's liabilities over its assets or the excess of expenditures over revenue during a single accounting period.

DEPARTMENT

A department is a major organizational unit of the City which has been assigned overall management responsibility for an operation or a group of related operations within a functional area.

DEPRECIATION

Depreciation is the expiration in the service life of capital assets attributable to wear and tear, deterioration, action of physical elements, inadequacy, or obsolescence.

DEVELOPMENT IMPACT FEES

Fees placed on the development of land or conditions required for the approval of a development project such as the donation of certain land (or money) to specific public uses. The fees are justified as an offset to the future impact that development will have on existing infrastructure.

ENTERPRISE FUNDS

The enterprise fund type is used to account for operations that are financed and operated in a manner similar to private sector enterprises and it is the intent of the City that the costs (including depreciation) of providing goods or services to the general public be financed or recovered primarily through user fees. The City accounts for Sewer Operations as an Enterprise Fund (see Fund).

EXPENDITURE

An expenditure is the outflow of funds paid or to be paid for an asset obtained or goods and services obtained regardless of when the expense is actually paid. This term applies to all funds. Note: An encumbrance is not an expenditure, but a commitment. An encumbrance reserves funds to be expended in future periods.

EXPENDITURE SAVINGS

Under the City's budgeting procedures, personnel cost projections are based on all positions being filled throughout the year. Cost projections for major supply purchases and service contracts are projected on a similar basis. However, past experience indicates that expenditures are consistently less than budgeted amounts, due at least in part to this costing methodology. Accordingly, the expenditure savings category is used to account for this factor in preparing fund balance projections.

FEES

Charges for services levied by the City to recover costs associated with providing a service or permitting an activity.

FISCAL YEAR (FY)

A fiscal year is a designated twelve-month period for budgeting and record keeping purposes. As a general law city, July 1 to June 30 is specified as the fiscal year.

FIXED ASSETS

Assets of long-term nature such as land, buildings, roads, bridges, and related infrastructure, machinery, furniture, and other equipment are fixed assets. The City has defined such assets as roads, bridges and related infrastructure with an expected life in excess of one year and an acquisition cost in excess of \$5,000.

FULL-TIME EQUIVALENT

The ratio of the total number of paid hours during a period (part time, full time, contracted) by the number of working hours in that period Mondays through Fridays.

FUNCTION

A group of related programs crossing organizational (departmental) boundaries and aimed at accomplishing a broad goal or accomplishing a major service are functions.

FUND

A fund is a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, for specific activities or government functions. The six fund types used by the City are: General Fund, Special Revenue, Debt Service, Capital Project, Enterprise, and Agency Funds.

FUND BALANCE

Also known as financial position, fund balance for governmental fund types is the excess of fund assets over liabilities, and represents the cumulative effect of revenue and other financing sources over expenditures and other financing uses. For the enterprise funds, the term used is "net asset," a comparable (although not exact) financial position concept as fund balance (see Working Capital).

GAAP

GAAP stands for Generally Acceptable Accounting Principles. These are uniform minimum standards for financial accounting and recording, encompassing the conventions, rules, and procedures that define accepted accounting principles.

GASB

GASB stands for Governmental Accounting Standards Board. The accounting profession's regulatory body for governmental accounting and determines what constitutes GAAP for governmental agencies.

GANN LIMIT

An absolute dollar limit on the amount of funds derived from taxes that the City can legally appropriate and expend each fiscal year, as specified by Article 13-B of the State Constitution. Any tax revenues in excess of the Gann Limit must be returned to taxpayers. The base-year used on computing the Gann Limit is FY1978-79, with adjustments to the appropriations limit allowed succeeding fiscal years for changes in population and changes in the cost of living.

GENERAL FUND

The general fund is the primary operating fund of the City. All revenue that are not allocated by law or contractual agreement to a specific fund are accounted for in the General Fund. With the exception of subvention or grant revenue restricted for specific uses, General Fund resources can be utilized for any legitimate governmental purpose (see Fund).

GOAL

A goal is a statement of broad direction, purpose, or intent.

GOVERNMENTAL FUND

Government funding refers to financial assistance received by non-government entities in the form of federal, state, or local government grants, loans, loan guarantees, property, cooperative agreements, food commodities, direct appropriations, or other assistance.

GRANT

Contribution or gift of cash or other assets from another governmental entity to be used or expended for a specific purpose, activity, or facility.

INTERFUND TRANSFER

The movement of monies between funds of the same governmental entity is an interfund transfer.

INVESTMENT REVENUE

Investment revenue is received as interest from the investment of funds not immediately required to meet cash disbursement obligations.

LINE ITEM BUDGET

A line item budget lists detailed expenditure categories (salary, materials and supplies, telephone service, travel, etc.) separately, along with the amount budgeted for each specified category. The City uses a line-item detail to maintain and record for financial reporting and control purposes.

MATERIALS AND SUPPLIES

Expendable materials and operating supplies are necessary to conduct departmental operations.

MISSION STATEMENT

A mission statement provides policy guidance and direction for the highest priority objectives to be accomplished.

MODIFIED ACCRUAL BASIS OF ACCOUNTING

The modified accrual basis of accounting is used in conjunction with the current financial resources measurement focus. Revenue is recognized when they are available and measurable. Expenditures are recognized when goods and services are received.

OBJECT OF EXPENDITURE

Object of expenditure is a classification referring to the lowest and most detailed level of classification, such as electricity, office supplies, and contract services.

OPERATING BUDGET

The operating budget is the portion of the budget that pertains to daily operations providing basic governmental services. The program budgets in the financial plan form the operating budget.

OPERATIONS

Operations are a grouping of related programs within a functional area (see Function and Program).

PERFORMANCE MEASURES (OBJECTIVES)

Performance measures are a statement of specific direction, purpose, or intent based on the needs of the community and the goals established for a specific program. Performance measures are clearly stated objectives that are measurable in quantitative terms.

PROGRAM

Programs are group activities, operations, or organizational units directed to attaining specific purposes or objectives.

RESERVE

A reserve is an account used to indicate that a portion of a fund's balance is legally restricted for a specific purpose or designated by the City Council and is, therefore, not available for general appropriation.

RESERVE DRAW DOWN

Reserve draw down refers to the amount of fund balance required as a revenue funding source to balance fund budgets where appropriations exceed current revenue. If current revenue exceed appropriations, the fund balance will increase and be referred to a reserve improvement.

RESOLUTION

A resolution is a special or temporary order of a legislative body. It is an order of a legislative body requiring less legal formality than an ordinance or statute.

RESOURCES (SOURCES)

Resources are total amounts available for appropriation, including estimated revenue, borrowing proceeds, fund transfers, and beginning balances.

SPECIAL REVENUE FUNDS

A special revenue fund type is used to account for the proceeds from specific revenues sources (other than trusts or capital funds) that are legally restricted to expenditures for specific purposes (see Fund).

STRUCTURAL BALANCE

The structural or underlying fiscal balance is the difference between government revenues and expenditures corrected by the effects that could be attributed to the economic cycle and one-off

events. This indicator aims to capture structural trends in order to assess whether the fiscal policy of a country is expansionary, neutral or restrictive for a given period. In fact, government revenues and expenditures are highly sensitive to economic developments.

SUBVENTIONS

Subventions are revenue collected by the State (or other level of government) which is allocated to the City on a formula basis. The major subventions received by the City from the State include motor vehicle in-lieu and gasoline taxes.

WORKING CAPITAL

Working capital, also known as financial position in private sector accounting and enterprise fund accounting in the public sector, is the excess of current assets over current liabilities.



Acronym Glossary

ACRONYM	DEFINITION
AB	Assembly Bill
ABAG	Association of Bay Area Governments
ADA	Americans with Disabilities Act
BID	Business Improvement District
C/CAG	City/County Association of Governments
CAFR	Comprehensive Annual Financial Report
CALPERS	California Public Employees Retirement System
CCWD	Coastside County Water District
CEQA	California Environmental Quality Act
CIP	Capital Improvement Program
COPS	Community-Oriented Policing Services
CPI-U	Consumer Price Index - All Urban Consumers
CSAC	California State Association of Counties
CSO	Community Services Officer
DOC	Department Operations Center
EOC	Emergency Operations Center
ERAF	Educational Revenue Augmentation Fund
FDIC	Federal Deposit Insurance Corporation
FICA	Federal Insurance Contribution Act
FPPC	Fair Political Practices Commission
FSLIC	Federal Savings and Loan Insurance Corporation
FTO	Field Training Officer
GAAP	Generally Accepted Accounting Principles
GASB	Government Accounting Standards Board
GF	General Fund
GFOA	Government Finance Officers Association
GIS	Geographic Information System
HOPTA	Homeowner Property Tax Relief
I&I	Infiltration and Inflow
IT	Information Technology
JOB	Judgment Obligation Bonds
JPA	Joint Power Authority
LAIF	Local Agency Investment Fund
LCP	Local Coastal Plan
LTD	Long-Term Disability

ACRONYM**DEFINITION**

MTC	Metropolitan Transportation Commission
NACSLB	National Advisory Council on State and Local Budgeting
NEPA	National Environmental Policy Act
NPDES	National Pollutant Discharge Elimination System
OPEB	Other Post-Employment Benefits
PMS	Pavement Management System
POST	Peace Officers Standards and Training
RDA	Redevelopment Agency
SAM	Sewer Mid-Coastside Authority
SB	Senate Bill
SLESF	Supplemental Law Enforcement Services Funds
SMC	San Mateo County
SR2S	Safe Routes to School
SRO	School Resource Officer
STIP	Statewide Transportation Improvement Plan
TDA	Transportation Development Act
TOT	Transient Occupancy Tax
VLF	Vehicle License Fee

