

Taxes, Fees, and STVR Program Costs

Table 2 provides an overview of annual STVR program revenues for calendar years 2019, 2020, 2021, and 1st half of 2022. Of note:

- Despite declining STVR permits, Transient Occupancy Tax (TOT) revenues increased in 2021 and continue to increase in the 1st half of 2022.
- In 2021 and 1st half of 2022, Permit Ban areas generate approximately 80% of STVR TOT revenues; and Exempt areas generate approximately 20% of STVR TOT revenues.
- Permit/licensing fees and fine collections were sufficient to cover STVR program operational costs in 2021; and projections are on schedule to be sufficient for 2022.
- Citation Fine collections spiked in 2020 and 2021 in correlation with enhanced enforcement tools; however, as expected substantially decrease in 2022 as overall compliance increased and has remained steady.

STVR Revenue Summary: 2019 - 2022 (per Calendar Year)				
Revenue Type	2019	2020	2021	1st Half 2022
Transient Occupancy Tax Revenue (TOT)	\$ 3,793,699	\$ 4,513,085	\$ 5,921,344	\$ 4,280,687
*Citation Fine Collections:	\$ 63,450	\$ 327,112	\$ 447,950	\$ 84,600
STVR Permit Fee	\$ 200,542	\$ 307,781	\$ 758,780	\$ 416,600
STVR Permit Inspection Fee	\$ 25,025	\$ 9,425	\$ 1,950	\$ 650
STVR Permit Business License Fee <i>(estimated)</i>	\$ 52,000	\$ 55,000	\$ 50,000	\$ 25,000
Total STVR Permits/Licensing Fees :	\$ 277,567	\$ 372,206	\$ 810,730	\$ 442,250
Total Annual STVR Revenues:	\$4,134,716.43	\$5,212,402.40	\$7,180,023.53	\$4,807,537.00

Table 2 – * Citation Fine Collections revenue list collections current as of June 30, 2022

Initiative Measure

A Notice of Intention to circulate an Initiative proposing the “Phase-Out and Permanent Ban of Non-Hosted Short-Term Vacation Rentals in Non-Exempt Areas in the City of La Quinta,” by December 31, 2024, was filed with the City Clerk/Elections Official on January 12, 2022.

On April 21, 2022, the proponents filed petitions regarding the Initiative, which were submitted to the Riverside County Registrar of Voters (ROV) for full signature verification on April 26, 2022. On June 3, 2022, the ROV submitted to the City Clerk/Elections Official a Certificate of Sufficiency of the Initiative, which was certified by Council on June 7, 2022.

On March 15, 2022, as authorized and pursuant to Elections Code section 9212, the Council ordered a report to assess the fiscal, economic, and related impacts of the Initiative. On May 24, 2022, the City Clerk/Elections Official received the economic report, which was presented to Council on June 7, 2022.

On June 7, 2022, Council adopted resolutions to submit to the qualified voters of the City the Initiative; and set priorities for filing written arguments and rebuttal arguments.

On June 7, 2022, Council directed staff to prepare projections of the potential fiscal impact on the City's operations, budget, and local economy, if the Initiative is approved. On August 2, 2022, Council will receive a report that will address the potential fiscal and economic impacts on the local economy.

At this meeting, Staff has prepared the enclosed 10-year financial projections showing the potential impact on the City's budget by providing the following scenarios:

Scenario No. 1 – provides an ***extremely conservative*** 10-year projection of the City's budget ***if the Initiative is Approved*** at the November 2022 election, included as Attachment 2, and depicts as follows:

- Projections are based on the adopted budget estimates for potential loss of \$5 million in STVR TOT, which is extremely conservative given that STVR TOT in 2021 was \$5.9 million and current STVR TOT collections for 1st half of 2022 are at \$4.3 million, substantially exceeding historic and current budget projections.
- This conservative approach to the projections of potential STVR TOT loss is due to the recent unstable economic conditions and inflationary pressures expected to occur in the upcoming fiscal year.
- The projections estimate the City will lose approximately:
 - ✓ \$1.4 million in sales tax revenues per fiscal year, with a compounding year-over-year increase of 2%;
 - ✓ 80% or \$4 million dollars of TOT generated by the non-exempt STVRs;
 - ✓ 81% or \$753,600 dollars of STVR permit fees.

These three (3) categories combined render a potential loss in revenue of \$6,150,000 million, which accounts for approximately 10% of the City's annual budget revenue of \$68,321,000 million.

Further, costs associated with the STVR program management and operations will not change and will need to be subsidized with General Fund revenues, as it will no longer be self-sustainable through STVR permit fees.

Another unintended consequence is the likelihood of increased illegal STVR operations. Currently the La Quinta Municipal Code has comprehensive regulations related to STVRs and ample tools to apply enforcement. A ban on STVRs would result in the City’s inability to apply its stricter STVR regulations and fines, unless a STVR stay is confirmed, which is difficult at best if there are no active STVR advertisements; there will be no local contact that can take on the responsibility of resolving an issue, which would require additional use of public safety resources.

Code Compliance reached out to the City of Palm Desert and Cathedral City as they are two communities locally that experience a ban or phase-out of STVRs. Both communities, continue to have unpermitted rental activity taking place. Staff will provide additional data and information on its findings during the Council presentation.

- The City’s ending ***cash position goes negative at the 3rd-year mark in fiscal year (FY) 2025-26*** at approximately \$1 million.
- ***As of FY 2032-33, the ending cash position is approximately negative \$19 million***, due to the combined loss of STVR non-exempt revenue and the Redevelopment Agency (RDA) loan repayment of about \$3 million ending in FY 2029/30.
- The City has the option to mitigate its negative cash position by reducing expenses at any time. The table below depicts some savings options that are generally used during economic downturns and/or recessions, to reduce expenses and help balance the City’s budget, such as reducing the City’s Capital Improvement Program (CIP) and no longer making additional appropriations to reduce the City’s PERS unfunded pension liability.

As an example, using the City’s adopted budget for FY 2022-23 and the projected revenue losses of sales tax, STVR TOT, and STVR permit fees, the projects below would need to be delayed until other funding sources become available or can be identified:

CIP Project	Mitigation	Budget Savings
Pavement Mgmt. Plan St. Improvements	reduce annual appropriation from \$1.5 to \$1 million <i>(\$1 million is the min. needed to maintain the City’s current street rating not to jeopardize losing current state grant funding the City receives annually)</i>	\$ 500,000
Landscape & Lighting Median Island Improvements	eliminate entirely	\$ 500,000

Highway 111 Corridor Area Plan Implementation	eliminate entirely	\$ 1,000,000
City Hall Capacity Improvements	eliminate entirely	\$ 550,000
Village Undergrounding Project (Feasibility Study)	eliminate entirely	\$ 100,000
Village Parking Lot	eliminate entirely	\$ 500,000
Phase II Camera System	eliminate entirely	\$ 1,797,000
Smart Infrastructure Improvements (Feasibility Study / Plan)	eliminate entirely	\$ 250,000
PERS Unfunded Pension Liability	eliminate entirely additional annual payments	\$ 1,000,000
	TOTAL BUDGET SAVINGS:	\$ 6,197,000

- Another savings option would be to reduce or eliminate City-funded events, such as the Brew in LQ lifestyle event and reduce the Concerts in the Park series from 6 to 4.

Scenario No. 2– provides a **conservative** 10-year projection of the City’s budget **if the Initiative is Not Approved** at the November 2022 election, included as Attachment 3, and depicts as follows:

- There is no anticipated loss of sales tax, STVR TOT revenue, or STVR permit fees.
- This organic attrition of STVR permits in Permit Ban areas will allow for a gradual and smoother transition, as it will allow time for new STVR units in Exempt Areas to come online and replenish revenue streams.
- The City’s **ending cash position goes negative at the 6th-year mark in FY 2028-29** at approximately \$870,000 as expenditure costs exceed revenue projections.
- Reducing expenditures will still need to be addressed, however, not as drastically as shown in the projections of Scenario No. 1 above.

Measure G

Since inception, Measure G revenue continues to help La Quinta thrive while focusing on the future financial health of the City. To date, over \$33 million or 46% of Measure G funds have been **allocated to improving citywide infrastructure and public recreational facilities. Public safety services** are a priority of the community and have been supported with over \$20 million or 29% of Measure G funds, showing the City’s continuing commitment to provide all residents with a safe living environment.

Each fiscal year, operational expenses and **capital improvements are prioritized, and includes a prudent reserve allocation** for operational flexibility. By allocating a portion of revenue to reserves, the City is able to maintain ongoing service levels, while also being prepared in the event of any unforeseen events such as the effects of the pandemic and the recent Dune Palms bridge CIP project funding advanced by the City.

The potential impact of the STVR measure ban will significantly impact the use of Measure G revenue as the City will need to utilize it to supplement the rising costs of public safety services and would not be able to include reserve allocations each year that have helped the City maintain ongoing service levels, while also being prepared in the event of any unforeseen events.

The chart below depicts the Measure G revenues since its implementation and the allocation of this revenue source to Public Safety, CIP, and Reserves to date:

Measure G Uses and reserves:

Measure G Summary				
FY	Revenue	Public Safety	Capital Projects	Reserves
2016/17	\$ 1,462,650	\$ -	\$ 1,462,650	\$ -
2017/18	\$ 9,967,657	\$ 300,000	\$ 8,583,307	\$ 1,084,350
2018/19	\$ 10,958,118	\$ 2,950,000	\$ 3,624,343	\$ 4,383,775
2019/20	\$ 10,310,526	\$ 2,750,000	\$ 5,424,382	\$ 2,136,144
2020/21	\$ 12,594,389	\$ 4,545,000	\$ 525,000	\$ 7,524,389
2021/22*	\$ 13,500,000	\$ 5,163,000	\$ 10,226,417	\$ (1,889,417)
2022/23	\$ 13,500,000	\$ 5,100,000	\$ 3,353,000	\$ 5,047,000
Totals	\$ 72,293,340	\$ 20,808,000	\$ 33,199,099	\$ 18,286,241

*Bridge advance funding included in Capital Projects column

Reserves

At this time, all four of the City’s reserve categories are fully funded to policy targets:

- Natural Disaster,
- Economic Disaster,
- Cash Flow, and
- Capital Replacement

A review of the City’s Reserve Policy is scheduled to occur in Fall of 2022 which will also include a review of CalPERS updated actuarial reports for fiscal year ending in 06/30/2021 which will be released in August 2022.

The upcoming reserve study will further analyze the current target levels which were originally done during the last reserve study in 2017. As economic conditions have drastically changed since that time, a deep analysis of the City’s current financial position and upcoming needs due to **aging additional assets, aging**

infrastructure, threat of a recession and/or natural disaster such as a major earthquake, and rising pension costs would increase the existing target levels.

Maintaining, regularly updating, and adhering to an appropriately constructed reserve policy is a best practice recognized by the Government Finance Officers Association (GFOA). Consideration of potential risk and other drivers influence the targeted minimum levels in each category. Given the current economic conditions and expenditure projections increasing, an in-depth analysis of these categories will include a review of the following:

- Current reserve policy and funding and categories;
- Best practices recommended by accounting standards boards;
- City demographics, revenues, expenditure volatility, other funds; dependency on the General Fund, growth projections, and unfunded capital projects;
- City aging infrastructure and vulnerability to extreme events; and
- Risk mitigation and review of insurance policies

The chart below depicts the City’s current Reserve Categories and target funding, which is **anticipated to increase by \$10 to \$15 million following the 2022/23 Reserve Policy study** due to the reasons outlined above:

Committed reserves and estimated unassigned reserves:

Reserve Category	Current	Target	Surplus/(Deficit)
Cash Flow Reserve	5,000,000	5,000,000	-
Natural Disaster Reserve	10,000,000	10,000,000	-
Economic Disaster	11,000,000	11,000,000	-
Capital Replacement Reserve	10,000,000	10,000,000	-
Pension Trust Benefits*	10,474,886	10,000,000	474,886
	46,474,886	46,000,000	474,886
*Pension trust balance as of 5/31/2022			
Estimated Unassigned Fund Balance			
Balance as of 6/30/2021	24,200,000	Amounts appearing in this column are rounded estimates. Unassigned Fund Balance is calculated during the annual audit and can be found on the Balance Sheet- Governmental Funds in the Annual Comprehensive Financial Report (ACFR)	
Estimated Surplus FY 21/22	7,800,000		
RDA Loan Repayment	2,640,000		
Bridge Advance Funding	-7,470,000		
Projected as of 6/30/2022	27,170,000		

Prepared by: Monika Radeva, City Clerk
 Claudia Martinez, Finance Director
 Approved by: Jon McMillen, City Manager

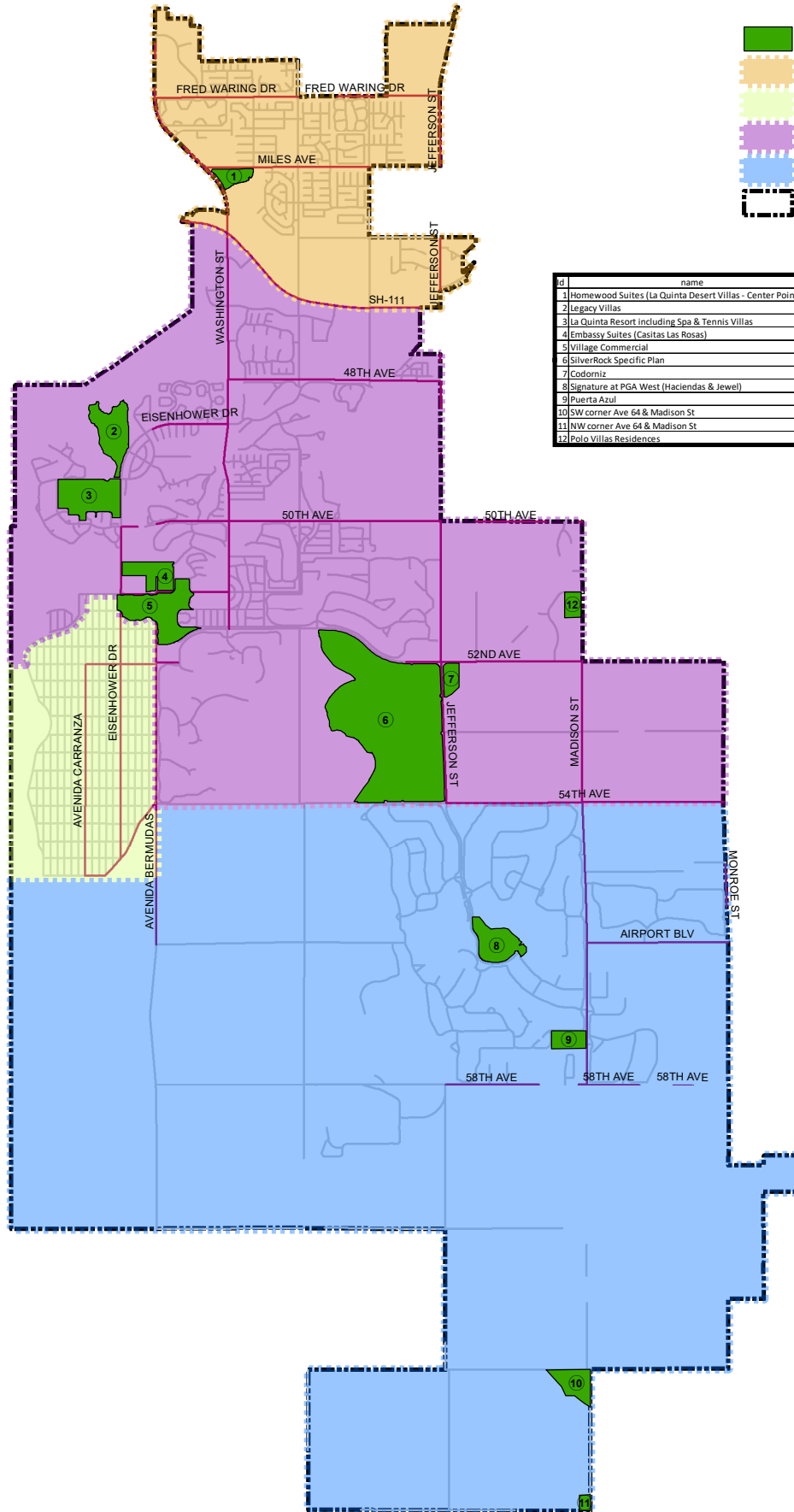
Attachments:

1. STVR Banned and Exempt Areas Map
2. Budget Projections – if the Initiative is Approved
3. Budget Projections – if the Initiative is Not Approved

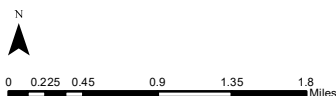


STVR Exempt

- STVR_exempt_zone
- North La Quinta
- Cove
- Mid La Quinta
- South La Quinta
- City Boundary



id	name	zoning
1	Homewood Suites (La Quinta Desert Villas - Center Pointe)	Tourist Commercial (TC) District
2	Legacy Villas	Tourist Commercial (TC) District & Development Agreement
3	La Quinta Resort including Spa & Tennis Villas	Tourist Commercial (TC) District & Adjacent to TC District
4	Embassy Suites (Casitas Las Rosas)	Village Commercial District
5	Village Commercial	Village Commercial District
6	SilverRock Specific Plan	Tourist Commercial (TC) District - Undeveloped
7	Codomiz	Entitlement Approval
8	Signature at PGA West (Haciendas & Jewel)	Tourist Commercial (TC) District
9	Puerta Azul	Entitlement Approval
10	SW corner Ave 64 & Madison St	Tourist Commercial (TC) District - Undeveloped
11	NW corner Ave 64 & Madison St	Tourist Commercial (TC) District - Undeveloped
12	Polo Villas Residences	Development Agreement



SCENARIO NO. 1 - IF THE INITIATIVE IS APPROVED

	Change Y-O-Y	Current	1-year	2-years	3-years	5-years	6-years	7-years	10-years
Category	%	2022/23	2023/24	2024/25	2025/26	2027/28	2028/29	2029/30	2032/33
Sales Tax									
Measure G		\$ 13,500,000	\$ 13,239,600	\$ 13,504,392	\$ 13,774,480	\$ 14,330,969	\$ 14,617,588	\$ 14,909,940	\$ 15,822,548
Bradley Burns	2%	\$ 11,000,000	\$ 11,220,000	\$ 11,444,400	\$ 11,673,288	\$ 12,144,889	\$ 12,387,787	\$ 12,635,542	\$ 13,408,939
STVR- Potential Sales Tax Loss		\$ -	\$ -	\$ (700,000)	\$ (1,400,000)	\$ (1,456,560)	\$ (1,485,691)	\$ (1,515,405)	\$ (1,608,160)
Property Tax	2%	\$ 9,915,000	\$ 10,113,300	\$ 10,315,566	\$ 10,521,877	\$ 10,946,961	\$ 11,165,900	\$ 11,389,218	\$ 12,086,330
Transient Occupancy Tax									
Hotel	2%	\$ 7,300,000	\$ 7,446,000	\$ 7,594,920	\$ 7,746,818	\$ 8,059,790	\$ 8,220,986	\$ 8,385,405	\$ 8,898,659
Bed & Breakfast/Resort Fees	1%	\$ 475,000	\$ 479,750	\$ 484,548	\$ 489,393	\$ 499,230	\$ 504,222	\$ 509,264	\$ 524,696
STVR Exempt	5%	\$ 1,000,000	\$ 1,050,000	\$ 1,102,500	\$ 1,157,625	\$ 1,276,282	\$ 1,340,096	\$ 1,407,100	\$ 1,628,895
STVR Non-Exempt	1%	\$ 4,000,000	\$ 4,040,000	\$ 4,080,400	\$ 4,121,204	\$ 4,204,040	\$ 4,246,081	\$ 4,288,541	\$ 4,418,489
STVR Non-Exempt- Potential Loss	1%	\$ -	\$ -	\$ (4,080,400)	\$ (4,121,204)	\$ (4,204,040)	\$ (4,246,081)	\$ (4,288,541)	\$ (4,418,489)
Fees/Permits	1%	\$ 3,424,300	\$ 3,458,543	\$ 3,493,128	\$ 3,528,060	\$ 3,598,974	\$ 3,634,963	\$ 3,671,313	\$ 3,782,558
STVR Fees/Permits Exempt	5%	\$ 188,400	\$ 197,820	\$ 207,711	\$ 218,097	\$ 240,451	\$ 252,474	\$ 265,098	\$ 306,884
STVR Fees/Permits Non-Exempt	1%	\$ 753,600	\$ 761,136	\$ 768,747	\$ 776,435	\$ 792,041	\$ 799,962	\$ 807,961	\$ 832,443
STVR Fees/Permits Non-Exempt- Potential Loss	1%	\$ -	\$ -	\$ (768,747)	\$ (776,435)	\$ (792,041)	\$ (799,962)	\$ (807,961)	\$ (832,443)
SilverRock Proceeds	20%	\$ -	\$ -	\$ -	\$ 500,000	\$ 720,000	\$ 864,000	\$ 1,036,800	\$ 1,791,590
Other Revenue	1%	\$ 16,764,800	\$ 16,932,448	\$ 17,101,772	\$ 17,272,790	\$ 17,619,973	\$ 17,796,173	\$ 17,974,135	\$ 18,518,769
Total Adopted Budget		\$ 68,321,100							
RDA Loan Repayment		\$ 2,695,746	\$ 2,749,661	\$ 2,804,654	\$ 2,860,747	\$ 2,976,321	\$ 3,035,847	\$ 2,748,258	\$ -
Measure A (road improvements)		\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
SB 1, Road Maintenance & Rehab Tax		\$ 950,000	\$ 950,000	\$ 950,000	\$ 950,000	\$ 950,000	\$ 950,000	\$ 950,000	\$ 950,000
Total Revenues:		\$ 73,966,846	\$ 74,638,258*	\$ 70,303,591	\$ 71,293,175	\$ 73,907,279	\$ 75,284,345	\$ 76,366,669	\$ 78,111,706
Police Services	6%	\$ 18,072,000	\$ 19,156,320	\$ 20,305,699	\$ 21,524,041	\$ 24,184,413	\$ 25,635,477	\$ 27,173,606	\$ 32,364,200
Fire Services	5%	\$ 8,123,000	\$ 8,529,150	\$ 8,955,608	\$ 9,403,388	\$ 10,367,235	\$ 10,885,597	\$ 11,429,877	\$ 13,231,511
Operations	1%/4%	\$ 16,840,158	\$ 17,446,054	\$ 18,075,509	\$ 18,729,459	\$ 20,114,771	\$ 20,848,198	\$ 21,610,251	\$ 24,079,768
Administration	2%/3%	\$ 11,557,516	\$ 11,880,622	\$ 12,212,949	\$ 12,554,764	\$ 13,267,967	\$ 13,639,928	\$ 14,022,527	\$ 15,237,279
Capital Improvements	3%	\$ 7,817,000	\$ 8,051,510	\$ 8,293,055	\$ 8,541,847	\$ 9,062,045	\$ 9,333,907	\$ 9,613,924	\$ 10,505,394
PERS Unfunded Liability		\$ 2,241,600	\$ 1,377,000	\$ 1,476,400	\$ 1,539,800	\$ 1,659,600	\$ 1,699,600	\$ 1,740,600	\$ 1,756,600
Total Adopted Budget		\$ 64,651,274							
Measure G Reserves		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenses:		\$ 64,651,274	\$ 66,440,657	\$ 69,319,221	\$ 72,293,299	\$ 78,656,031	\$ 82,042,707	\$ 85,590,784	\$ 97,174,753
Ending Cash Position		\$ 9,315,572	\$ 8,197,601*	\$ 984,371	\$ (1,000,124)	\$ (4,748,751)	\$ (6,758,362)	\$ (9,224,115)	\$ (19,063,047)

* Updated on 10/3/2022 due to calculation error

SCENARIO NO. 2 - IF THE INITIATIVE IS NOT APPROVED

Category	Change Y-O-Y %	Current 2022/23	1-year 2023/24	2-years 2024/25	3-years 2025/26	5-years 2027/28	6-years 2028/29	7-years 2029/30	10-years 2032/33
Sales Tax									
Measure G		\$ 13,500,000	\$ 13,239,600	\$ 13,504,392	\$ 13,774,480	\$ 14,330,969	\$ 14,617,588	\$ 14,909,940	\$ 15,822,548
Bradley Burns	2%	\$ 11,000,000	\$ 11,220,000	\$ 11,444,400	\$ 11,673,288	\$ 12,144,889	\$ 12,387,787	\$ 12,635,542	\$ 13,408,939
STVR- Potential Sales Tax Loss		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Property Tax	2%	\$ 9,915,000	\$ 10,014,150	\$ 10,114,292	\$ 10,215,434	\$ 10,420,765	\$ 10,524,972	\$ 10,630,222	\$ 10,952,328
Transient Occupancy Tax									
Hotel	2%	\$ 7,300,000	\$ 7,446,000	\$ 7,594,920	\$ 7,746,818	\$ 8,059,790	\$ 8,220,986	\$ 8,385,405	\$ 8,898,659
Bed & Breakfast/Resort Fees	1%	\$ 475,000	\$ 479,750	\$ 484,548	\$ 489,393	\$ 499,230	\$ 504,222	\$ 509,264	\$ 524,696
STVR Exempt	5%	\$ 1,000,000	\$ 1,050,000	\$ 1,102,500	\$ 1,157,625	\$ 1,276,282	\$ 1,340,096	\$ 1,407,100	\$ 1,628,895
STVR Non-Exempt	1%	\$ 4,000,000	\$ 4,040,000	\$ 4,080,400	\$ 4,121,204	\$ 4,204,040	\$ 4,246,081	\$ 4,288,541	\$ 4,418,489
STVR Non-Exempt- Potential Loss	1%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fees/Permits	1%	\$ 3,424,300	\$ 3,458,543	\$ 3,493,128	\$ 3,528,060	\$ 3,598,974	\$ 3,634,963	\$ 3,671,313	\$ 3,782,558
STVR Fees/Permits Exempt	5%	\$ 188,400	\$ 197,820	\$ 207,711	\$ 218,097	\$ 240,451	\$ 252,474	\$ 265,098	\$ 306,884
STVR Fees/Permits Non-Exempt	1%	\$ 753,600	\$ 761,136	\$ 768,747	\$ 776,435	\$ 792,041	\$ 799,962	\$ 807,961	\$ 832,443
STVR Fees/Permits Non-Exempt- Potential Loss	1%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
SilverRock Proceeds	20%	\$ -	\$ -	\$ -	\$ 500,000	\$ 720,000	\$ 864,000	\$ 1,036,800	\$ 1,791,590
Other Revenue	1%	\$ 16,764,800	\$ 16,932,448	\$ 17,101,772	\$ 17,272,790	\$ 17,619,973	\$ 17,796,173	\$ 17,974,135	\$ 18,518,769
Total Adopted Budget		\$ 68,321,100							
RDA Loan Repayment		\$ 2,695,746	\$ 2,749,661	\$ 2,804,654	\$ 2,860,747	\$ 2,976,321	\$ 3,035,847	\$ 2,748,258	\$ -
Measure A (road improvements)		\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
SB 1, Road Maintenance & Rehab Tax		\$ 950,000	\$ 950,000	\$ 950,000	\$ 950,000	\$ 950,000	\$ 950,000	\$ 950,000	\$ 950,000
Total Revenues:		\$ 73,966,846	\$ 74,539,108	\$ 75,651,464	\$ 77,284,371	\$ 79,833,724	\$ 81,175,150	\$ 82,219,581	\$ 83,836,796
Police Services	6%	\$ 18,072,000	\$ 19,156,320	\$ 20,305,699	\$ 21,524,041	\$ 24,184,413	\$ 25,635,477	\$ 27,173,606	\$ 32,364,200
Fire Services	5%	\$ 8,123,000	\$ 8,529,150	\$ 8,955,608	\$ 9,403,388	\$ 10,367,235	\$ 10,885,597	\$ 11,429,877	\$ 13,231,511
Operations	1%/4%	\$ 16,840,158	\$ 17,446,054	\$ 18,075,509	\$ 18,729,459	\$ 20,114,771	\$ 20,848,198	\$ 21,610,251	\$ 24,079,768
Administration	2%/3%	\$ 11,557,516	\$ 11,880,622	\$ 12,212,949	\$ 12,554,764	\$ 13,267,967	\$ 13,639,928	\$ 14,022,527	\$ 15,237,279
Capital Improvements		\$ 7,817,000	\$ 8,051,510	\$ 8,293,055	\$ 8,541,847	\$ 9,062,045	\$ 9,333,907	\$ 9,613,924	\$ 10,505,394
PERS Unfunded Liability		\$ 2,241,600	\$ 1,377,000	\$ 1,476,400	\$ 1,539,800	\$ 1,659,600	\$ 1,699,600	\$ 1,740,600	\$ 1,756,600
Total Adopted Budget		\$ 64,651,274							
Measure G Reserves		\$ -	\$ -	\$ -	\$ -				
Total Expenses:		\$ 64,651,274	\$ 66,440,657	\$ 69,319,221	\$ 72,293,299	\$ 78,656,031	\$ 82,042,707	\$ 85,590,784	\$ 97,174,753
Ending Cash Position		\$ 9,315,572	\$ 8,098,451	\$ 6,332,244	\$ 4,991,072	\$ 1,177,693	\$ (867,557)	\$ (3,371,204)	\$ (13,337,956)