CITY OF BELMONT
CITY COUNCIL AND BELMONT FIRE PROTECTION DISTRICT BOARD OF DIRECTORS

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CITY COUNCIL REGULAR MEETING AGENDA
Tuesday, November 28, 2023
7:00 PM
City Council Chambers
City Hall, One Twin Pines Lane, Belmont, California

The meeting will be broadcast live to Belmont residents on Comcast Cable Channel 27, streamed live via the City's website at www.Belmont.gov. The public may also attend the meeting in the Chambers and address the Council from the Chambers.

PUBLIC COMMENT:
To maximize time for live public comment, we encourage members of the public to provide comments by joining the Committee meeting via Zoom : For web, visit https://belmont-gov.zoom.us/ select "Join" and enter **Meeting ID: 95745673035**. Use the Raise Hand feature to request to speak. You may rename your profile if you wish to remain anonymous.

For dial- in comments, call *67 1-(669) 900-6833 (your phone number will appear on the live broadcast if *67 is not dialed prior to the phone number), enter **Meeting ID: 95745673035**, and press *9 to request to speak. All public comments are subject to a 3-minute time limit unless otherwise determined by the Committee Chair.

If you wish to submit written public comment, you may send an email to cclerk@belmont.gov before the council considers the item. Please indicate the agenda item topic or agenda item number you wish to comment on in your email's subject line. Any public comment regarding agenda items that are received from the publication of the agenda through the meeting date will be made part of the meeting record but will not be read during the Council meeting.

1. ROLL CALL

2. PLEDGE OF ALLEGIANCE

3. REPORT FROM CLOSED SESSION

4. SPECIAL PRESENTATIONS (none)

5. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA
This portion of the meeting is reserved for persons wishing to address the Body on any City matter not on the agenda. The period for public comment at this point in the agenda is limited to 15 minutes, with a maximum of 3 minutes per speaker. Speakers who requested but did not receive an opportunity to speak during this comment period will be given an opportunity to address the Body later in the meeting. State law prohibits the Body from

acting on non-agenda items.

6. COUNCILMEMBER ANNOUNCEMENTS

7. CONSENT BUSINESS

Consent business items are considered to be routine in nature and will be enacted by one motion. There will be no separate discussion on these items unless a member or staff request specific items to be removed for separate action. The City Attorney will read the title of ordinances to be adopted.

A. **Approval of Minutes**
Recommendation: Consider modifications and approve minutes

Attachment(s):
- November 14, 2023 City Council Special & Regular Meeting
- November 14, 2023 BFPD Meeting
- November 15, 2023 City Council Special Meeting

B. **Service Agreement Amendment with WRA, Inc. for Open Space Management Plan Services**
Recommendation: Adopt a resolution authorizing the City Manager to negotiate an amendment to the contract with WRA, Inc, for open space management plan services for an additional amount of $89,900, for a total not-to-exceed of $291,211

Attachment(s):
- Staff Report
- Resolution
- WRA Scope of Work

C. **Americans With Disability Act Title II Fiscal Year 2022-23 Update**
Recommendation: Information only, no action required

Attachment(s):
- Staff Report
- List of ADA Related Improvements

D. **Annual Report on Receipt and Use of Development Impact Fees, In-Lieu Fees, and Linkage Fees for Fiscal Year 2022-23**
Recommendation: Adopt a Resolution to make certain findings and accept the annual report on receipt and use of development impact fees, in-lieu fees, and linkage fees for the fiscal year ended June 30, 2023

Attachment(s):
- Staff Report
- Resolution
- Annual Report on Park in Lieu Fees
- Public Improvement Project Expenditures Five-Year Plan

E. **Revised Master Pay Schedule**
Recommendation: Adopt a resolution approving revisions to the City's Master Employee Pay Schedule in accordance with California Public Employees Retirement System (CalPERS) regulations

Attachment(s):
- Staff Report

Resolution
Master Pay Schedule

F. **New Job Classification Principal Management Analyst**
Recommendation: Adopt a resolution approving the creation of a new job classification for Principal Management Analyst and revising the City's Master Employee Pay Schedule to include the classification in accordance with the California Public Employees Retirement System (CalPERS) regulations

Attachment(s):
Staff Report
Resolution
Principal Management Analyst Job Description

G. **Compensation Plan for Unrepresented and Confidential Positions**
Recommendation: Adopt a resolution establishing a compensation and benefit plan for unrepresented and confidential positions

Attachment(s):
Staff Report
Resolution
Unrepresented Group Comp and Benefit Plan - November 2023 - Draft

H. **Cannabis Regulations Ordinance Second Reading**
Recommendation: An Ordinance of The City of Belmont amending the Belmont Zoning Ordinance (Ordinance No.360) to establish regulations for a Commercial Cannabis Overlay District and establish Zoning Regulations to potentially allow Commercial Cannabis uses

Attachment(s):
Cannabis Land Use Ordinance 2nd Reading

8. PUBLIC HEARINGS (none)

9. GENERAL BUSINESS
General Business items are considered separately, typically in the order listed. The chair will call for public comment on each item when the body considers the item.

A. **Report from Audit Committee and Measure I Committee for Fiscal Year Ending June 30, 2023**
Recommendation:
1. The Audit Committee recommends the City Council Receive the financial reports and recommendations of the City's independent auditor for the fiscal year ended June 30, 2023;
2. Receive Annual Measure I Advisory Committee Report for the fiscal year ended June 30, 2023

Attachment(s):
Staff Report
ACFR, Including Transmittal Letter
Memorandum on Internal Control
Required Communications
Financial Policies Updates Memorandum
Measure I Fund Financial Statements

B. **Councilmember and Mayor Salary**
Recommendation: Introduce ordinance amending the salary for City Councilmembers from $390 per month to $950 per month per the newly enacted State of California Senate Bill 329 and consider additional compensation for the position of elected mayor

Attachment(s):
Staff Report
Ordinance

C. **Appointments to Measure I Advisory Committee**
Recommendation: Adopt a resolution appointing members to the Belmont Streets and City Service Advisory Committee (Measure I)

Attachment(s):
Staff Report
Resolution

D. **Cannabis Business Prequalification Process**
Recommendation: Review and provide feedback on the proposed prequalification process and proposed community benefits for a cannabis retail and/or distribution business.

Attachment(s):
Staff report
Draft Cannabis Proposal Solicitation

10. BRIEF VERBAL REPORTS FROM MEMBERS AND STAFF

A. **Verbal report from Councilmembers on Intergovernmental (IGR) and Subcommittee Assignments**
B. **Verbal report from City Manager**

11. MATTERS OF INTEREST/CLARIFICATION

Items in this category are for discussion and direction to staff only. However, Council/Board may take final action on an item if there is no need for additional staff analysis.

12. ADJOURNMENT

If you need assistance to participate in this meeting, please contact the City Clerk at (650) 595-7413. Notification in advance of the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. Meeting information can also be accessed via the internet at: www.belmont.gov. All staff reports will be posted to the web in advance of the meeting, and any writings or documents provided to a majority of the City Council/District Board or Commission regarding any item on this agenda will be made available for public inspection in the City Clerk's Office, One Twin Pines Lane, during normal business hours and at the Council Chambers at City Hall, Second Floor, during the meeting.

MEETING MINUTES OF CITY OF BELMONT CITY COUNCIL AND BELMONT FIRE PROTECTION DISTRICT BOARD OF DIRECTORS SPECIAL AND REGULAR MEETING
City Council Chambers, City Hall, One Twin Pines Lane, Belmont, California

TUESDAY, NOVEMBER 14, 2023

SPECIAL MEETING

CALL TO ORDER: 6:30 PM

ROLL CALL
COUNCILMEMBERS PRESENT: Latimerlo, Pang-Maganaris, McCune, Hurt, Mates
COUNCILMEMBERS ABSENT: None

ITEMS OF BUSINESS

CLOSED SESSION (one item)
Public Employee Performance Evaluation Government Code Section 54957(b)
Titles: City Manager, City Attorney

RECESS to that time after the adjournment of the regular meeting 7:00 p.m.
RECESSED meeting adjourned at 10:30 p.m.

Submitted by,
Jozi Plut, City Clerk

REGULAR MEETING

CALL TO ORDER: 7:00 PM

ROLL CALL
COUNCILMEMBERS PRESENT: Latimerlo, Pang-Maganaris, McCune, Hurt, Mates
COUNCILMEMBERS ABSENT: None

PLEDGE OF ALLEGIANCE
Led by Mayor Mates.

REPORT FROM CLOSED SESSION
City Attorney Rennie stated that there is no reportable action from the earlier Closed Session regarding Public Employee Performance Evaluation for the City Manager and City Attorney.

SPECIAL PRESENTATIONS
Proclamation Celebrating NDNU 100 Years in Belmont
Mayor Mates read the proclamation.

DRAFT

Sister Jean Stoner, President of the Board of Trustees at Notre Dame de Namur University accepted the proclamation on behalf of the Sisters and provided brief remarks on the history of the Notre Dame de Namur Sisters.

2023 RethinkWaste Poster Contest Recognition
Emi Hashizume, Rethink Waste presented the contest participants and their artwork:

Honorable Mention (Elementary School), Isabel Y., 5th Grade, Belmont Oaks Academy, Belmont, "Think Before You Toss!"

First Place (Middle School), Alyssa L., 6th Grade, Crystal Springs Uplands School, Belmont "Can We Do Better than Racoons?"

Proclamation Recognizing November as Family Court Awareness Month
Mayor Mates read the proclamation.

Geraldine Sowell, Family Court Awareness Month Organization accepted the proclamation and provided information on the organization.

PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA
None

COUNCILMEMBER ANNOUNCEMENTS
Councilmembers commented on local aide for families in needed during the upcoming holiday season. Mayor Mates provided updates on past and upcoming community events.

CONSENT BUSINESS
Minutes of City Council October 24, 2023 Special and Regular Meeting and BFPD October 24, 2023 Meeting Minutes
Monthly Financial Reports - September 2023
September 2023 Monthly Financial Reports
Resolution 2023-087 approving four (4) "No Parking on Mondays 6 AM to 10 AM" signs along Manzanita Avenue
Resolution 2023-088 approving the extension of the Vesting Tentative Map for the 800 Laurel Avenue Multi-Family Residential (Townhome) Development.
Resolution 2023-089 approving the Request for Extension of Approval for a Design Review, Grading Permit, and Tree Removal Permit for the 800 Laurel Avenue Multi-Family Residential Townhome Development

ACTION: On a motion made by Vice Mayor Hurt and seconded by Councilmember McCune the Consent Business was unanimously approved by a roll call vote (5-0).

PUBLIC HEARINGS
Belmont General Plan and Zoning Ordinance (BZO) Amendments - Commercial Cannabis Overlay Zoning – South El Camino Real

Assistant City Manager Kleinbaum and Community Development Director de Melo provided an overview of the regulatory framework to allow for potential retail and distribution of cannabis in the City.

Mr. de Melo outlined the background related to a cannabis policy for the City. He noted that the Council considered the item a number of times in 2021 to 2023. He explained that in October 2023 the Planning Commission reviewed and made a recommendation for Council approval of the proposed General Plan and Zoning ordinance amendments for commercial cannabis overlay regulations for south El Camino Real. He explained the proposed modifications and stated that the action from Council does not rezone or permit cannabis in the City and that it establishes the framework for allowing applications. He outlined the proposed locations for the rezoning. He reviewed the development regulations and performance standards. He also provided an overview of the cannabis regulatory overview, noting that a maximum of 2 retail cannabis storefronts and 1 distribution business are allowed and there is no requirement to approve the maximum number.

Ms. Kleinbaum stated that the City received multiple retail cannabis operator interests and outlined the proposal process. She outlined the suggested Community Benefits including payment in-lie of cannabis business tax, commitment of contributions to City programs or services, and other economic benefits to the community. She outlined the next steps noting that staff is concurrently preparing a Commercial Cannabis Police Regulatory Ordinance for future consideration. She outlined the requested actions of the Council.

Mayor Mates opened the public hearing.

Public Comment

Dave Bauer, Mary Morrisey Parden, Patti, Julie Lind Eric Rosenthal, Sean Kali-rai provided comments in support of the Belmont General Plan and Zoning Ordinance (BZO) Amendments to Commercial Cannabis Overlay Zoning – South El Camino Real

Diane Bailey provided comments in opposition to the item.

Mayor Mates closed the public hearing.

Council deliberation ensued; Council concurred with overall support of staff recommendations and requested more information on the prequalification proposals and the community benefits, and consideration of working wages during the selection process.

Community Development Director de Melo clarified that the proposed properties do not lend to distribution of cannabis and noted a retail dispensary would be a likely proposer.

Vice Mayor Hurt made a motion to approve the item with two total sites in Belmont.

Council further deliberated on the number of cannabis sites in Belmont.

ACTION: On an amended motion made by Vice Mayor and seconded by Councilmember McCune **Resolution 2023-090** Amending the Land Use Element Of The 2035 General Plan To Allow For Commercial Cannabis Land Uses In The South El Camino Real Area
Of The City was unanimously and,

Ordinance establishing potential cannabis retail & distribution zoning regulations for properties should they rezone within the area along south El Camino Real from O'Neill Avenue to the San Carlos border was introduced by a roll call vote (5-0).

RECESS: 9:05 PM
RECONVENE: 9:15 PM

Revise Maximum Rates For Solid Waste Collection Services For Calendar Year 2024
Public Works Director Brown introduced the discussion to revise sold waste collection maximum rates for calendar year 2024. He explained that in September staff provided Council a thorough review of the rate application letter received from the City's provider Recology. Shawn Koorn, HDR, City Consultant provided a review of the proposed maximum allowable increase. He noted that the current operating agreement with South Bay Recycling expires December 31, 2023 and a new operating agreement begins January 1, 2024 resulting in 25% increase in tipping fee due to increase in operating costs, passing the costs to cities increase rates. He explained that regulatory impacts including SB 1383 also cause increases. He further reviewed the costs and noted that HDR and the City independently reviewed the study and concluded that the 2024 rates were calculated in a manner consistent with the franchise agreement. He recommended that Council approve the maximum rates of 11.02% for schedule L and 4.02% for schedule Q.

Mayor Mates opened the public hearing.
No members of the public came forward to speak.
City Clerk Plut noted that fifteen letters in position of the rate increase were received.

ACTION: On a motion made by Councilmember Latimerlo and Seconded by Vice Mayor Hurt **Resolution 2023-091** revising the maximum rates that may be charged by Recology of San Mateo County for solid waste, recyclable materials, and organic materials collection services effective January 1, 2024 was unanimously approved by roll call vote (5-0).

GENERAL BUSINESS
City Council Compensation Review
Interim Administrative Services Director Ritzma provided a background on the State legislation regarding council compensation. She explained that SB329 adopted in July 2023 increased the maximum amount of salary a council member in a general law city may receive; this is the first adjustment made since 1984. She noted that the maximums are based on a city's population. She explained that the increases aim to support diversity allowing more interest in considering public service at different income levels.

Ms. Ritzma reviewed the options for City Council compensation increase process. She further explained that the salary change can be made by ordinance or a ballot measure and noted that a ballot measure can exceed the maximum $950 dollars a month for a city with a population up to

35,000. She noted that the salary change by ordinance would take effect in December 2024 following the next municipal election. She explained that increasing Belmont's Council salary from $390 dollars a month to the new maximum would reduce an economic barrier to individuals considering running for an elected office. She further noted that diversity, equity and inclusion efforts are key components in the Citywide Strategic Plan initiative.

Council deliberation ensued.

City Attorney clarified Council discussion on the ordinance effective date stating that it is a mandated requirement that Councils may not increase their compensation until an election of at least some of the members and adjust the salary for the newly elected and at that time may also adjust the salary for the existing members.

In response to Council inquiry City Attorney stated that more information can be provided to members on increasing the salary for the Mayor position.

No members of the public came forward to speak on this item.

Council concurred to support staff recommendations and concluded the discussion.

BRIEF VERBAL REPORTS FROM MEMBERS AND STAFF

Verbal report from Councilmembers on Intergovernmental (IGR) and Subcommittee Assignments
Councilmembers reported on their assignments.

Verbal report from City Manager
City Manager Oskoui commented on various utility construction conducted within city corridors.

MATTERS OF INTEREST/CLARIFICATION
None

ADJOURNMENT to closed session at this time being 9:45 p.m.

Submitted by,
Jozi Plut, City Clerk

DRAFT

MEETING MINUTES OF CITY OF BELMONT CITY COUNCIL AND BELMONT FIRE PROTECTION DISTRICT BOARD OF DIRECTORS REGULAR MEETING
City Council Chambers, City Hall, One Twin Pines Lane, Belmont, California

TUESDAY, November 14, 2023

CALL TO ORDER: 7:00 PM

ROLL CALL
DIRECTORS PRESENT: Latimerlo, Pang-Maganaris, McCune, Hurt, Mates
DIRECTORS ABSENT: None

CONSENT BUSINESS
Approval of BFPD October 24, 2023, Meeting Minutes.

ACTION: On a motion made by Vice Chair Hurt and seconded by Boardmember McCune the Consent Business items were approved by a roll call vote (5-0).

ADJOURNMENT at this time being 9:45 p.m.

Submitted by,
Jozi Plut, District Secretary

DRAFT

DRAFT

MINUTES OF BELMONT FIRE PROTECTION DISTRICT BOARD OF DIRECTORS AND CITY COUNCIL SPECIAL MEETING
Room 360, 3rd Floor City Hall, One Twin Pines Lane, Belmont, California

WEDNESDAY, NOVEMBER 15, 2023

CALL TO ORDER 6:45 PM

COUNCILMEMBERS PRESENT: McCune, Hurt, Mates
COUNCILMEMBERS ABSENT: Latimerlo, Pang-Maganaris

ITEMS OF BUSINESS

Measure I Committee Interviews
Councilmembers discussed the interview process and concurred to appoint a five-member committee.

Councilmembers interviewed the following applicants for the Measure I committee:
Richard Bortoli (incumbent), Patrick Kong (incumbent), Mark Gurevich, and Robert Flanagan

ADJOURNMENT at this time being 7:50 p.m.

Submitted by,
Jozi Plut, City Clerk

DRAFT

STAFF REPORT

Meeting Date:	November 28, 2023
Agency:	City of Belmont
Staff Contact:	Brigitte Shearer, Parks and Recreation Director, (650)595-7488, bshearer@belmont.gov
Agenda Title:	Service Agreement Amendment with WRA, Inc. for Open Space Management Plan Services
Agenda Action:	Resolution

Recommendation

Adopt a resolution authorizing the City Manager to negotiate an amendment to the contract with WRA, Inc. for open space management plan services for an additional amount of $89,900, for a total not-to-exceed of $291,211.

Strategic Focus Area

Quality of Life

Background

In 2017, the City adopted the 2035 General Plan, which incorporated the San Juan Hills Area Plan (adopted in 1988) and the Western Hills Area Plan (adopted in 1990). In accordance with the California Environmental Quality Act (CEQA), the City prepared environmental impact reports (EIRs) for the General Plan and each area plan during the update. As an implementing action of the Parks, Recreation, and Open Space Element of the General Plan, the City then embarked on an update to its Park, Recreation, and Open Space (PROS) Master Plan including an Open Space Management Plan (OSMP) component.

In September 2020, the Belmont City Council authorized the City Manager to execute an agreement with Gates + Associates to develop a Parks, Recreation, and Open Space (PROS) Master Plan to guide decision-making related to parks and recreation planning, programming, and funding for a 15+ year horizon. In December 2021, the Council also authorized the City Manager to execute an agreement with WRA, Inc. to develop an Open Space Management Plan (OSMP) for a total not-to-exceed of $127,820 ($116,200 plus a 10% contingency). The OSMP, which serves as a component of the PROS Master Plan, addresses specific issues raised regarding the management of this highly valued community resource. Specifically, it provides a foundation for sustainable vegetation and natural resource management, wildfire mitigation, and trail maintenance and management standards in accordance with the 2035 General Plan.

In June 2022, the Council authorized the City Manager to execute Amendment No. 1 to the WRA, Inc. contract for an additional $20,900 ($19,000 plus a 10% contingency), bringing the total not-to-exceed to $148,720. The additional work was deemed necessary due to more frequent meetings with City staff and Gates + Associates, preparation for and execution of one additional PROS Master Plan Advisory Committee meeting, and a more extensive site assessment scope and review of community input.

Once completed and approved, the PROS Master Plan will include recommendations for individual park improvements as well as the development of new park spaces. In addition, the OSMP component will include recommended actions and policies to enhance environmental sustainability and the recreational experience within the City's treasured open space. The PROS Master Plan, currently in draft form, is the culmination of an 18+ month effort including benchmarking, site assessments, and extensive community outreach. Throughout this effort, multiple engagement channels have provided significant opportunities for community input.

The PROS Master Plan was originally intended to serve exclusively as a planning and feasibility study for the future of the City's parks and open spaces. This level of planning is statutorily exempt from CEQA analysis at the time of study, though any resulting projects are subject to CEQA review prior to implementation. However, staff evaluated the totality and degree of specificity of the Plan's draft recommendations, including the OSMP's recommendations, and believed that beginning CEQA review earlier than originally anticipated would benefit the City by streamlining the future CEQA process for individual projects, ensuring the timeliness of CEQA review, and providing a fiscally prudent process for CEQA compliance.

In October 2022, the Council authorized the City Manager to execute Amendment No. 2 to the WRA, Inc. contract for an additional $52,591 ($47,810 plus a 10% contingency), bringing the total not-to-exceed to $201,311. This amendment funded an initial study to determine whether and to what extent the discretionary approval of the PROS Master Plan, including the OSMP, required further CEQA review due to changes in the General Plan project, changes in circumstances, or new information. The findings from the initial study will provide a recommendation for any further CEQA review deemed necessary for the City to proceed with PROS Master Plan adoption and implementation

Analysis

WRA Inc.'s initial study, including an environmental impact review (EIR) addendum, will be made available on the Parks, Recreation, and Open Space (PROS) Master Plan project website (www.belmontprosplan.com). In addition, WRA, Inc. plans to present the study at an upcoming Parks and Recreation Commission meeting. An updated PROS Master Plan and related documents will also be presented at upcoming Commission Meetings.

To date, WRA, Inc. has completed all deliverables from their original and amended scopes of work, and all contract funds have been expended. Due to the need for additional discussions and analysis, and to further review and finalize the initial study and EIR addendum, supplementary funds are needed. Therefore, staff recommends that the Council adopt a resolution authorizing the City Manager to negotiate an amendment to the contract with WRA, Inc. for open space management plan services for an additional amount of $89,900, for a total not-to-exceed of $291,211.

Alternatives

1. Continue the item
2. Take no action

Attachments

A. Resolution

Fiscal Impact

☐ No Fiscal Impact

☒ Funding Source Confirmed: There are sufficient funds in the Open Space Management Plan Project #8096 for this amendment.

Source:	**Purpose:**	**Public Outreach:**
Staff	Council Vision/Priority	Posting of Agenda

RESOLUTION NO. 2023 –

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELMONT AUTHORIZING THE CITY MANAGER TO NEGOTIATE AN AMENDMENT TO THE CONTRACT WITH WRA, INC, FOR OPEN SPACE MANAGEMENT PLAN SERVICES FOR AN ADDITIONAL AMOUNT OF $89,900, FOR A TOTAL NOT-TO-EXCEED OF $291,211.

WHEREAS, in December 2021, the Council also authorized the City Manager to execute an agreement with WRA, Inc. to develop an Open Space Management Plan (OSMP) as a component of the Parks, Recreation, and Open Space (PROS) Master Plan, for a total not-to-exceed of $127,820 ($116,200 plus a 10% contingency); and,

WHEREAS, in June 2022, the Council authorized the City Manager to execute Amendment No. 1 to the WRA, Inc. contract for an additional $20,900 ($19,000 plus a 10% contingency) for more frequent meetings with City staff and Gates + Associates, preparation for and execution of one additional PROS Master Plan Advisory Committee meeting, and a more extensive site assessment scope and review of community input; and,

WHEREAS, in October 2022, the Council authorized the City Manager to execute Amendment No. 2 to the WRA, Inc. contract for an additional $52,591 ($47,810 plus a 10% contingency) for an initial study to determine whether and to what extent the discretionary approval of the PROS Master Plan, including the OSMP, required further CEQA review due to changes in the General Plan project, changes in circumstances, or new information;

WHEREAS, due to the need for additional discussions and analysis, and to further review and finalize the initial study and EIR addendum to the PROS Master Plan, additional funds are necessary for the scope of work, more particularly described in Exhibit A.

NOW, THEREFORE, the City Council of the City of Belmont resolves as follows:

SECTION 1.: The City Manager is authorized to negotiate and execute an amendment to the Agreement with WRA, Inc, for completion of an initial study for an additional amount not to exceed $89,900, for a total not to exceed amount of $291,211.

* * *

ADOPTED November 28, 2023 by the City of Belmont City Council by the following vote:

Ayes:

Noes:

Absent:

Abstain:

ATTEST:

_____
City Clerk

_____
Mayor

APPROVED AS TO FORM:

_____
City Attorney

Change Order No. 3

Prepared for:
City of Belmont

Attn: Brigitte Shearer, Director of Parks and Recreation
City of Belmont
30 Twin Pines Lane
Belmont, CA 94002

November 16, 2023
Revised November 20, 2023
WRA Project No. 31315

PURPOSE

The purpose of this Change Order is to continue providing California Environmental Quality Act (CEQA) support to the City of Belmont (City) for the proposed Park, Recreation, and Open Space (PROS) Plan and the associated Open Space Management Plan (OSMP). In addition to providing for long-term guidance for managing the parks and open space areas, these plans implement policies included in the City's adopted 2035 General Plan, Western Hills Area Plan, and San Juan Hills Area Plan.

It is our understanding that the City desires to tier the CEQA review from the following prior EIRs prepared on the adopted Plans: the General Plan Update EIR, the Western Hills Area Plan EIR, and the San Juan Hills Area Plan provided by the City. This approach is slightly modified from the 2022 discussions of preparing an Initial Study (IS) for the project; since that time, it has been determined that an EIR Addendum is the more suitable document for this CEQA review. WRA prepared a draft ISMND/EIR Addendum and is currently revising the document to reflect the appropriate EIR addendum format. Ultimately, this process will determine if the draft PROS Plan and OSMP will have any significant environmental effects that were not examined in the three completed EIRs.

Overal Project Understanding

Since December 2020, the City has been working with Gates Associates to prepare a PROS Plan. The purpose of the PROS Plan is to determine the City's strategic direction for managing park, recreation, and open space areas over the next 15 years. The previous PROS Plan was completed in 1992. The City of Belmont offers 409 acres of parks and open space—totaling almost fourteen percent (14%) of the City's land area. The parks and open space system currently consists of seventeen parks (fifteen of which are developed), two open spaces, and four schools under a

joint-use agreement with Belmont Redwood Shores School District. The parks and school sites are distributed across the City, while the open spaces are located only in the western hills.

The draft PROS plan includes three major sections; existing conditions, desired conditions, and how to achieve desired conditions. It studies the existing park system and open spaces to identify a decision-making framework and recommendations to plan, maintain, develop, and rehabilitate the City's parks, recreation, and open space areas for the next 15 years. Due to public interest, the City decided to prepare the OSMP, which will be included as an attachment to the PROS Plan. Key portions of the OSMP may also be found in sections three and eight of the PROS Plan.

In May 2023, WRA submitted a preliminary IS/EIR addendum to the City and outside counsel for review. In June 2023 the City received a letter from a public stakeholder, alleging deficiencies in the draft OSMP. WRA and City staff discussed this letter and WRA prepared responses to comments raised in the letter. In July 2023, the City returned comments on the IS/EIR addendum to WRA, which indicated more work and greater detail in the Project Description in particular, were needed before the document would be considered ready for public review. WRA is now in the process of revising the EIR addendum, which is almost complete.

This requested change order is organized into two sections: the first section, Additional Work Products, is for work already completed that is out of scope of WRA's latest change order, dated December 2, 2022. The second section, New Anticipated Work, is for current and future work needed to enable City Council to adopt the draft PROS Plan and OSMP.

ADDITIONAL WORK PRODUCTS

- Prepare Response to Comments Matrix and stakeholder letter review
- Additional Work Required on EIR addendum
  - Task 2A: Additional revisions to Project Description;
  - Task 2B: Review and summarize 2017 air quality related plans;
  - Task 2C: Prepare projected visitor usage memorandum;
  - Task 2D: Prepare new, standalone environmental topical sections;
  - Task 2E: Explicitly evaluate impacts on mountain lions; and
  - Task 2F: Revise all addendum topical sections to reflect programmatic and project level analyses.
- Additional Coordination with City and outside counsel
- Attendance at Parks and Recreation Commission and City Council meetings
- Revised OSMP

ADDITIONAL SCOPE OF WORK

Phase 2: 2023 CEQA and Project Support

TASK 1: PREPARE RESPONSE TO COMMENTS LETTER TO A PUBLIC LETTER

WRA staff read and reviewed the 127-page public stakeholder letter submitted to the City on 6/22/23 and identified 80 comments and eight information requests. WRA prepared a response to comments matrix responding to those 80 comments. **The cost of preparing the response to comments to the stakeholder letter is $6,100.**

TASK 2: ADDITIONAL WORK REQUIRED FOR THE EIR ADDENDUM

Review of the preliminary draft EIR addendum (submitted May 2023) by outside counsel and City staff indicated the document needed substantial revisions to better describe the Project (key aspects of the draft PROS Plan and OSMP), and more information on specific actions from these plans that could potentially result in environmental impacts. WRA effort for this task is ongoing and summarized as a new task.

Task 2A: additional revisions to Project Description. WRA's scope of work dated December 2, 2022, indicated we would revise the CEQA Project Description once. However, WRA has engaged in multiple revisions in response to comments from Gates and Associates, City staff, and outside counsel. In WRA's experience preparing Project Descriptions for programmatic CEQA documents are typically relatively short (15-20 pp.) and rely heavily on referencing the material contained in the subject plan. This project, however, is somewhat different than other programmatic CEQA efforts in that the PROS Plan was not prepared with the intention of or need for evaluating it under CEQA. Thus, substantial clarification has been needed as WRA has rewritten the CEQA Project Description. WRA expended additional labor adding and "translating" significant portions of the draft PROS Plan to the CEQA Project Description. As the Project Description was updated it also prompted multiple changes that needed to be made to the draft OSMP, and WRA has made all those changes. Finally, WRA created a summary table of the types of actions that could result in potential impacts to the environmental topics covered by the most current CEQA checklist. **The cost of additional revisions to the Project Description is $7,700.**

TASK 2B: Review And Summarize 2017 Air Quality Related Plans. The City's 2035 GPU EIR was completed in 2017 and relied on regulatory guidance for the Air Quality section from the 2010 Clean Air Plan and Scoping Plan (focused on greenhouse gas reduction). Comments from outside counsel on the EIR addendum indicated the Air Quality section needed to reflect current regulatory guidance from these two plans, which were both updated in 2017. WRA staff needed to review significant sections of each plan, to determine how they differed from the previous plans, and then reflect these differences in revising the Air Quality and Greenhouse gas sections. Neither of these plans had been updated at the time the city's 2035 GPU EIR was prepared. **The cost of reviewing and summarizing 2017 Air Quality related plans is $5,200.**

Task 2c: Prepare Projected Visitor Usage Memorandum. WRA prepared a memorandum to estimate future visitor use. New visitor facilities and new management actions have the potential to induce increased visitor use. If increased visitor use would generate more vehicle trips it could result in increased air quality and greenhouse gas emissions, in noise, and in vehicle miles traveled (VMT). This memorandum provides substantial evidence for impact analyses for each of

the above referenced environmental topics. **The cost of preparing a projected visitor usage memorandum is $2,100**.

TASK 2D: Need To Prepare New, Standalone Environmental Topical Sections. New standalone sections for agricultural and forestry resources, tribal cultural resources, and wildfire have been prepared because none of these sections were in the CEQA checklist when the GPU EIR was prepared. WRA's scope dated December 2, 2022, assumed that all sections prepared would tier to and draw content from the city's 2035 GPU EIR. However, WRA was not able to tier its environmental analysis for any of these topics or draw upon already prepared content since none of these topics were evaluated in the 2035 GPU EIR**. The cost of preparing new, standalone environmental topical sections is $6,300.**

Task 2E: Explicitly Evaluate Project Impacts On Mountain Lions. Since the presentations to the public of the draft PROS Plan and OSMP during July 2022, several stakeholders have raised concerns about implementation of the OSMP impacting mountain lions. WRA senior biologists have engaged in two internal meetings and prepared updated text for the revised EIR addendum disclosing potential impacts to mountain lions. **The cost of explicitly evaluating project impacts on mountain lions is $4,000.**

Task 2F: Need To Revise All Addendum Topical Sections To Reflect Programmatic And Project Level Analyses. WRA's scope dated December 2, 2022, stated that WRA would programmatically evaluate the majority of the parks addressed in the draft PROS Plan and evaluate at a project specific level, actions contemplated for the two open space areas (WDL and SJC) and two undeveloped parks (Hidden Canyon and Ralston Ranch). Review of the preliminary draft IS/EIR addendum by outside counsel posed repeated questions throughout each topical section as to why actions contemplated for the parks covered in the PROS Plan were not evaluated at the project level. The comments raised questions, asking for specific actions to be evaluated. WRA only evaluated the majority of the parks in the draft PROS Plan at a programmatic level, applying policies from the 2035 General Plan and if appropriate the draft PROS Plan and OSMP to evaluate impacts. WRA has edited and rewritten each topical section to clearly distinguish programmatic impacts from project level impacts. **The cost to revise all addendum topical sections to reflect programmatic and project level analyses is $8,000.**

TASK 3: ADDITIONAL COORDINATION WITH THE CITY AND OUTSIDE COUNSEL

WRA participated in four unanticipated meetings with city staff and outside counsel. This included one meeting in May 2023 (in attendance: Gates and Associates, city, WRA staff), one in August 2023 (in attendance WRA staff, city staff and attorney, outside counsel), and one in October 2023

(WRA staff, city staff). These meetings were preceded by preparation meetings attended by multiple WRA staff. In addition to these meetings, John Baas and Ivy Poisson had separate conversations with the city's Parks Director on issues pertaining to responses to a stakeholder letter, and to clarify the distinction between preparing an EIR addendum and an Initial Study/Mitigated Negative Declaration. **The cost of this additional coordination is $6,700**.

NEW TASKS TO COMPLETE PROJECT

In addition to the above referenced out of scope items, WRA anticipates four additional tasks needed to adopt the PROS Plan and OSMP and offers an optional task.

Task 4: Revise EIR Addendum. WRA will make a single set of substantive revisions to the EIR addendum, which as noted above, has been substantially revised. WRA assumes that the City will submit a consolidated, electronic set of comments, including comments from outside counsel. WRA will send the City a revised, screencheck version of the EIR addendum to ensure all comments made on the previous draft have been addressed. **The cost for this new task is $12,000**.

Task 5: Attend Park and Recreation Commission Meeting. Based on recent discussions with the City, the following path for Parks and Recreation Commission Meetings is anticipated:

- Parks and Recreation Planning Commission Meeting #1
    - Two WRA staff in virtual attendance to provide an overview of the EIR Addendum need and process for the PROS plan and the OSMP.
    - Introduce EIR Addendum, OSMP (WRA) and PROS plan (Gates)
    - No request for move to City Council
- Parks and Recreation Planning Commission Meeting #2
    - Two WRA staff in attendance in-person to provide a final overview of the EIR Addendum need and process for the PROS plan and the OSMP.
    - Final presentation of OSMP (WRA) and PROS plan (Gates)

Each brief presentation will be shared with the City and outside counsel ahead of the meeting for a single, consolidated round of comments. Review and potential revisions on the PROS Plan and OSMP based on commission and public comment may occur after Parks and Recreation Commission meetings #2. **The cost for this new task is $10,400.**

Task 6: Attend City Council Meeting. Based on recent discussions with the City, the following path for City Council Meetings is anticipated:

- City Council Meeting #1
    - Two WRA staff in virtual attendance to provide a brief overview of the EIR Addendum
    - Introduce EIR Addendum, OSMP (WRA) and PROS plan (Gates)

    - Potential review and revision based on Council and public comment on PROS plan and OSMP.
- City Council Meeting #2
    - Two WRA staff in attendance in person to provide a second overview of the EIR Addendum need and process for the PROS plan and the OSMP.
    - Final presentation of OSMP (WRA) and PROS plan (Gates)

WRA will make minor revisions to the presentation prepared for the Parks and Recreation Review and potential revisions based on commission and public comment may occur after City Council meetings #1. **The cost for this new task is $10,400.**

Task 7: Internal Meetings. One to two WRA staff will attend up to four remote meetings with City staff and outside counsel. **The cost for this new task is $3,500.**

Task 8: Prepare written responses to comments. Under this task, WRA will provide feedback regarding comments received during the Parks and Recreation Commission and City Council meetings (referenced in Task 5 and 6). WRA will provide one round of comment feedback in bullet point form based on receiving a single set of consolidated, electronic comments. **The cost for this new optional task is $3,500.**

Task 9. Finalize OSMP. Based on 2022 City Council comments, as well as applicable public feedback, WRA will revise and finalize the OSMP. Upon completion, WRA will share the final draft with the City and outside council for one round of consolidated comments. The final OSMP will be presented to the Parks and Recreation Commission (meetings #1 and #2) and the City Council (meetings #1 and #2). **The cost for this new task is $4,000.**

SCHEDULE

Work is ongoing on this Project, including new Tasks in this Change Order. The commencement and ultimate completion of tasks will be dependent primarily upon the city's and outside counsel review of the revised EIR Addendum. As this phase of the project progresses, WRA will consult with City staff regarding desired internal review durations and establishment of Project milestones. WRA cannot guarantee schedule or cost implications from actions taken by third-party entities with authority over the Project activities, as these actions are outside of WRA's control.

STAFFING

Leslie Lazarotti is the Principal in charge of the project. Other staff will be assigned to the project as necessary to complete the work outlined in this Change Order.

ADDITIONAL ASSUMPTIONS

The following assumptions have been made in the preparation of this Change Order, and are in addition to the assumptions made in WRA's original Scope of Work:

- The City/Gates and Associates will provide WRA with CAD or shapefiles properly referenced to a geographic coordinating system for preparing maps such as parcels, streets, land use and other General Plan data.
- All internal Project team meetings will be held remotely.
- WRA staff will attend the Park and Recreation Commission and City Council meetings in person.
- The City will arrange for access to the Project area on an as-needed basis.
- The City will submit consolidated electronic sets of comments to WRA for all deliverables.
- The City and outside legal will review the revised EIR addendum once, and WRA will make one set of substantive revisions.
- Task 8: Response to comments includes 16 hours of WRA labor. Should comments be greater than anticipated and exceed 16 hours of response, additional effort will be covered under a separate scope of work.

ESTIMATED COST

All costs below are based on the assumptions above and in the original Scope of Work November 30, 2021, and assume normal working conditions. Costs may be reallocated between tasks, but the total cost will not be exceeded without authorization. WRA acknowledges that the preliminary draft EIR addendum needed substantial work to meet City and outside counsel's expectations. With this in mind, **WRA has given the City a $10,000 credit applied to previously conducted work.**

Phase 2: 2023 CEQA and Project Support ALREADY COMPLETED ITEMS/NEW TASKS	COSTS
Task 1. Prepare Response to Comments to a Stakeholder Letter	$6,100
Task 2. Additional Work on the EIR Addendum	n/a
Task 2a. Additional Revisions to Project Description	$7,700
Task 2b. Review and Summarize 2017 Air Quality related Plans	$5,200
Task 2c. Prepare Projected Visitor Use Memorandum	$2,100
Task 2d. Prepare New Environmental Topic Sections	$6,300
Task 2e. Explicitly Evaluate Impacts on Mountain Lions	$4,000
Task 2f. Revise all EIR Addendum Topics	$8,000
Task 3. Additional Coordination with City and Outside Counsel	$6,700
Subtotal Items 1-3	**$46,100**
ADDITIONAL TASKS	
Task 4. Revisions to EIR Addendum	$12,000
Task 5. Attend Park and Recreation Commission Meetings	$10,400
Task 6. Attend City Council Meetings	$10,400
Task 7. Internal Meetings	$3,500
Task 8. Response to Comments	$3,500
Task 9. Finalize OSMP	$4,000
Subtotal New Tasks	**$43,800**
Total Change Order	**$89,900**

TERMS AND CONDITIONS

This Change Order is subject to the terms and conditions incorporated in *City of Belmont Service Agreement: WRA, Inc Open Space Management Plan* executed by the parties hereto, dated **January 6, 2022**.

(Approval / Signature Page Follows)

APPROVAL TO PROCEED

To authorize WRA's services and signify their mutual intent to be legally bound by this change order, authorized representatives of the parties hereby execute this agreement, effective upon the date when both parties have signed below.

FOR CLIENT

_____ _____
Signature Date

_____
Printed Name and Title

_____
Email Address

Billing Information:

_____
Name and Email (if different from above)

FOR WRA

_____ _____
Signature Date

_____
Printed Name and Title

STAFF REPORT

Meeting Date:	November 28, 2023
Agency:	City of Belmont
Staff Contact:	Bozhena Palatnik, Public Works, (650) 595-7463, bpalatnik@belmont.gov Alberto Espinoza, Public Works, (650) 595-7465, aespinoza@belmont.gov
Agenda Title:	Americans with Disability Act Title II Fiscal Year 2022-23 Update
Agenda Action:	For Information Only

Recommendation
Information only, no action required.

Strategic Focus Area
Infrastructure and Mobility

Background
On July 26, 1990, Congress enacted Title II of the Americans with Disabilities Act (ADA). This Federal Law requires the City to provide disabled persons access to its services, programs, and activities. Regulations implementing the law set forth standards for what constitutes discrimination on the basis of mental or physical disability, provide a definition of disability and qualified individual with a disability, and establish a complaint mechanism for resolving allegations of discrimination (28 CFR 35).

On July 31, 2009, Caltrans revised their requirements for annual reporting of ADA information which includes the designation of an ADA Coordinator, certification of an updated Self-Evaluation and Transition Plan, and certification of adoption of a grievance procedure.

In March 2018, access compliance surveys of the City's facilities, parks, and public right of way were completed. In November 2019, the City completed a Self-Evaluation of City policies, procedures, and practices for FY 2018-19. On March 14, 2023, City Council adopted the ADA Transition Plan.

To comply with the requirements for accessibility to City programs, services and activities, the City performs an annual Self-Evaluation of its policies, procedures, and practices to identify physical barriers in its facilities, parks, parking lots and public right of way, and submits the information to Caltrans.

Analysis
The City of Belmont is committed to providing accessible services to the community. Pedestrian improvements, building renovations, and the delivery of services have been accomplished with consideration of the needs of people with disabilities. This report covers Program activities during the FY 2022-23, as the City continued making progress in updating its annual ADA Self Evaluation and the Transition Plan. This work is presented in Attachment A.

The City is working to improve accessibility of its public rights of way, public facilities, and permitted work. All projects that include pedestrian facilities undergo an ADA review to determine the need for accessibility upgrades to existing facilities and/or addition of new accessible elements. Project design documents include accessibility upgrades to pedestrian facilities within each project. Design documents receive multiple reviews for safety and accessible elements. Construction projects include in-house and consultant inspections to ensure accessible features are built correctly.

One of the purposes of the Transition Plan Update is to identify physical barriers that may limit access to City programs and services. Many of the potential barriers identified are associated with facilities that have accessible features such as designated parking, accessible restrooms, access ramps, accessible door hardware, and other code compliant and usable features. The needs of the community of persons with disabilities inform the removal of barriers and are incorporated into the work to create more access. The Transition Plan Update is intended to provide a framework for the continuous improvement of City facilities for people with disabilities. This is a living document, regularly updated as barriers are removed, and existing facilities are renovated.

Alternatives

1. Refer back to staff for further information.

Attachments

A. List of ADA related improvements.

Fiscal Impact

☐ No Fiscal Impact

☒ Funding Source Confirmed: ADA related improvements are incorporated in the budget and five-year Capital Improvement Program as part of the annual budget development process.

Source:	Purpose:	Public Outreach:
Staff	Statutory/Contractual Requirement	Posting of Agenda

ATTACHMENT A

List of ADA Related Improvements	
Project/Item	**Project/Item Description**
2525 Buena Vista	Installation of 1 ramp near driveway at sidewalk
815 Old County Road	Review & issuance of Building Permit with private accessibility improvements
311 El Camino Real	Review & issuance of Building Permit with private accessibility improvements
2100 Carlmont #8	Review & issuance of Building Permit with private accessibility improvements
One Twin Pines Ln, Suite 104	Review & issuance of Building Permit with private accessibility improvements
1325 Old County Road	Review & issuance of Building Permit with private accessibility improvements
1040 Tahoe Dr	Review & issuance of Building Permit with private accessibility improvements
575 Ralston Ave	Review & issuance of Building Permit with private accessibility improvements
2600 Ralston Ave	Review & issuance of Building Permit with private accessibility improvements
1501 El Camino Real	Review & issuance of Building Permit with private accessibility improvements
390 El Camino Real, Suite F	Review & issuance of Building Permit with private accessibility improvements
1075 Old County Rd	Review & issuance of Building Permit with private accessibility improvements
401 Island Pkwy	Review & issuance of Building Permit with private accessibility improvements
1003 Alameda de las Pulgas	Review & issuance of Building Permit with private accessibility improvements
0 Longfellow Dr	Review & issuance of Building Permit with private accessibility improvements

STAFF REPORT

Meeting Date:	November 28, 2023
Agency:	City of Belmont
Staff Contact:	Danny Nguyen, Finance Department, dnguyen@belmont.gov
Agenda Title:	Annual Report on Receipt and Use of Development Impact Fees, In-Lieu Fees, and Linkage Fees for Fiscal Year 2022-23
Agenda Action:	Resolution

Recommendation

Adopt a Resolution to make certain findings and accept the annual report on receipt and use of development impact fees, in-lieu fees, and linkage fees for the fiscal year ended June 30, 2023.

Strategic Focus Area

Fiscal and Organizational Sustainability

Background

Development Impact Fees

The City of Belmont assesses two development impact fees – Park Improvement Impact Fee and Transportation Impact Fee. Local governments often charge fees as a condition of approval for development projects to fund public improvements to compensate for the demands that the developments have on public resources. These fees are commonly known as development impact fees. In 1989, the State Legislature passed Assembly Bill 1600 (AB 1600), which added Sections 66000 et seq. to the California Government Code, commonly known as the Mitigation Fee Act.

Government Code Section 66006 requires that the City make available to the public the following information regarding development impact fees within 180 days after the end of each fiscal year:

1. A brief description of the type of fee.
2. The amount of the fee.
3. The fee's beginning and ending balances for the fiscal year.
4. Total fees collected and the interest earned, if applicable.
5. Identification of each public improvement on which impact fees were expended and the amount of expenditure on each improvement, including the total percentage of the cost of the public improvement that was funded with impact fees.
6. Identification of an approximate date by which the construction of a public improvement will commence, if the local agency determines that sufficient funds have been collected to complete financing on an incomplete public improvement.

    a. This information is listed in Exhibit A to the Resolution. Exhibit A shows the five-year plan for public improvement projects and their anticipated expenditures related to the

Mitigation Fee Act and Quimby Act. Specific details on each of the projects listed in Exhibit A can be found in the five-year capital improvement program section in the City's fiscal year (FY) 2022-23 adopted budget.

7. Description and uses for transfers or loans of fees, if applicable.
8. Amounts of any refunds and allocations.

Further, the Mitigation Fee Act requires that findings describing the continuing need for impact fees be made every five years specifying the intended use of any unexpended impact fees, regardless of whether the fees are committed or uncommitted. If findings are not presented as scheduled, the City may be subjected to go through a refunding procedure. The City is opting to make such findings every year.

In-Lieu Fees

In-lieu fees are fees that are collected by the City instead of requiring developers to provide or construct specified improvements or amenities with their projects. The City of Belmont assesses three in-lieu fees: Park In-Lieu Fee, Inclusionary Housing In-Lieu Fee, and Public Art In-Lieu Fee.

Park In-Lieu Fees are assessed pursuant to the Quimby Act under Government Code Section 66477. The other in-lieu fees do not have statutory reporting requirements but are included in this report for informational purposes. Under the Quimby Act, local governments may require the dedication of land for parks or the payment of fees in-lieu of land dedication as a condition of subdivision map approval. While park in-lieu fees are exempt from the reporting requirements included in the Mitigation Fee Act, these fees have separate Quimby Act reporting requirements, specifically:

1. The City must develop a schedule specifying the use of land or fees to develop park or recreational facilities to serve the residents of the subdivision.
2. Any Quimby fees collected must be committed within five years after the payment of the fees or the issuance of building permits on one-half of the lots created by the subdivision, whichever occurs later.
3. If not committed, the fees shall be distributed and paid to the record owners of the subdivision in the same proportion that the size of the lot bears to the total area of lots within the subdivision (Gov. Code section 66477(a)(6)).

Linkage Fees

Linkage fees are exactions for social needs indirectly related to development projects. The City of Belmont assesses one linkage fee –Affordable Housing Commercial Linkage Fee. While these are linkage fees, they are included in this report with reporting requirements under the Mitigation Fee Act for informational purposes and to make sure that information is available in the event that a court rules in the future that linkage fees are subject to the reporting requirements of the Mitigation Fee Act.

This report complies with requirements of the Mitigation Fee Act and the Quimby Act outlined above.

Analysis

For FY 2022-23, the City of Belmont is required to report on the following two development impact fees, pursuant to the Mitigation Fee Act.

Park Improvement Impact Fees – The purpose of park impact fees is to ensure that the City can construct park and recreation facilities needed for the population growth created by new development. The Development Fees Annual Report (Attachment B) includes current fee information, a summary of revenues and expenditures, and opening and closing fund balance for the Park Impact Fees Fund (Fund 342).

Transportation Impact Fees – The City of Belmont transportation impact fee program requires new development to contribute funding for future transportation system improvements. The Development Fees Annual Report (Attachment B) includes current fee information, a summary of revenues and expenditures, and opening and closing fund balance for the Transportation Impact Fee (Fund 237) in which the transportation impact fees are accounted for.

The Council is asked to make the following findings regarding both the Park Improvement and Transportation Impact Fees collected but not expended – these findings are detailed in the resolution provided as Attachment A:

1. Development impact fees are collected to mitigate direct and indirect impacts from development.
2. These funds are expended in a timely manner to fund continued improvements to public facilities related to the increased demand on the facilities resulting from development.
3. There is a reasonable relationship between these impact fees and their purpose.
4. These impact fees continue to be required to fund applicable improvements, and as such, these fees will continue to be collected for utilization solely for their intended purpose.

For FY 2022-23, Belmont is providing financial reporting information for four in-lieu or linkage fees:

Housing Mitigation Fees – Housing mitigation fees include both the inclusionary housing in-lieu fee, and the affordable housing commercial linkage fee. The purpose of the housing mitigation fees is to mitigate the burdens created by new residential and non-residential development projects on the need for extremely low, very low, low, and moderate-income housing. The Development Fees Annual Report (Attachment B) includes current fee information, a summary of revenues and expenditures, and opening and closing fund balance for the Inclusionary Housing Fund (Fund 277), in which the inclusionary housing in-lieu fee and affordable housing commercial linkage fee are accounted for.

The Council is asked to make the following findings regarding housing mitigation fees collected but not expended – these findings are detailed in the resolution provided as Attachment A:

1. Development impact fees are collected to mitigate direct and indirect impacts from development.
2. These funds are expended in a timely manner to fund continued improvements to public facilities related to the increased demand on the facilities resulting from development.
3. There is a reasonable relationship between these impact fees and their purpose.

4. These impact fees continue to be required to fund applicable improvements, and as such, these fees will continue to be collected for utilization solely for their intended purpose.

Park In-Lieu (Quimby) Fees
The park in-lieu fee program is offered in-lieu of the City's parkland dedication requirement for new residential subdivisions; this fee ensures that the City's existing ratio of parkland acreage to 1,000 residents is maintained when new subdivision development occurs. The Development Fees Annual Report (Attachment B) includes current fee information, a summary of revenues and expenditures, and opening and closing fund balance for the Planned Park Fund (Fund 341) in which the park in-lieu fee are accounted for.

Public Art In-Lieu Fees – The City of Belmont adopted a public art requirement for private development so that development of cultural and artistic assets is financed by those whose development diminishes the availability of the community's resources for those opportunities and contributes to community urbanization. The City requires certain private development projects to contribute not less than one percent of the building development costs towards acquisition and installation of public art or contribute an equivalent amount to the City's public art in-lieu fund.

Alternatives
1. Request additional information on Development Fees.

Attachments
A. Resolution
B. Exhibit A – Development Fees Annual Report FY 2022-23
C. Exhibit B – Public Improvement Project Expenditures Five-Year Plan

Fiscal Impact
☐ No Fiscal Impact

☒ Funding Source Confirmed: Receipt and use of development fees, as well as public improvement project expenditures five-year plan, are included as Exhibits to the Resolution.

Source:	**Purpose:**	**Public Outreach:**
Staff	Statutory/Contractual Requirement	Other*

*In accordance with Government Code Section 66006, this information was made available to the public. A notice of availability was published in a general circulation newspaper on November 17, 2023.

RESOLUTION NO. 2023 –

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELMONT ACCEPTING THE ANNUAL REPORT ON RECEIPT AND USE OF DEVELOPMENT IMPACT FEES, IN-LIEU FEES, AND LINKAGE FEES FOR THE FISCAL YEAR ENDED JUNE 20, 2023 AND MAKING FINDINGS REGARDING DEVELOPMENT IMPACT FEES COLLECTED BUT NOT EXPENDED

WHEREAS, WHEREAS, Government Code Sections 66000 et seq., commonly known as the Mitigation Fee Act, regulate the imposition, collections, expenditure, and reporting of development impact fees; and,

WHEREAS, Government Code Section 66001 requires that certain information be made available to the public regarding development impact fees on an annual basis; and,

WHEREAS, Government Code Section 66001 requires the City Council to make findings describing the continuing need for impact fees every five years specifying the intended use of any unexpended impact fees; and,

WHEREAS, the City of Belmont assesses two development impact fees subject to Mitigation Fee Act reporting requirements – Park Impact Fee and Transportation Impact Fee; and,

WHEREAS, the City of Belmont also collects in-lieu fees and linkage fees, including Inclusionary Housing In-Lieu Fee, Public Art In-Lieu Fee, and Affordable Housing Commercial Linkage Fee; and,

WHEREAS, the City of Belmont adheres to the Mitigation Fee Act requirements for in-lieu fees and linkage fees in addition to development impact fees; and,

WHEREAS, the City Council of the City of Belmont has read and considered the Development Impact Fees, In-Lieu Fees, and Linkage Fees Annual Report for the Year Ended June 30, 2023, and all accompanying attachments.

NOW, THEREFORE, the City Council of the City of Belmont resolves as follows:

SECTION 1. Acceptance of this report is not a project subject to CEQA review because it is an organizational or administrative activity that will not result in direct or indirect physical changes to the environment pursuant to CEQA Guidelines section 15378(b)(5).

SECTION 2. The City Council accepts the Development Impact Fees, In-Lieu Fees, and Linkage Fees Annual Report for the Year Ended June 30, 2023, included as Exhibit A to this resolution.

SECTION 3. Based on the Report and the schedule for expenditure of improvements attached as Exhibit B to this resolution, the City Council makes the following findings with regard to the development impact fees and linkage fees collected but not expended in Fiscal Year 2022-23 and listed below:

Park Improvement Impact Fee

1. This fee is used to develop parkland and parkland improvements that are necessary to serve new development.
2. There is a reasonable relationship between the fee and its purpose, because the amount of the fee is determined based on the need for parkland and parkland improvements that will be generated by new development.
3. The sources and amounts of funding anticipated to complete the planned projects are shown in Exhibit A.
4. The approximate dates on which the necessary funding is expected to be deposited are shown in Exhibit A.

Transportation Impact Fee

1. This fee is used to develop transportation and transportation improvements that are necessary to serve new development.
2. There is a reasonable relationship between the fee and its purpose, because the amount of the fee is determined based on the need for transportation and transportation improvements that will be generated by new development.
3. The sources and amounts of funding anticipated to complete the planned projects are shown in Exhibit A.
4. The approximate dates on which the necessary funding is expected to be deposited are shown in Exhibit A.

Affordable Housing Commercial Linkage Fee

1. This fee will be used to support affordable housing that are necessary in order to serve new development.
2. There is a reasonable relationship between the fee and its purpose, because the amount of the fee is determined based upon the anticipated need for affordable housing that will be generated by new commercial development.
3. The sources and amounts of funding expected to complete the anticipated projects are shown in Exhibit A.
4. The approximate dates on which the necessary funding is expected to be deposited are shown in Exhibit A.

* * *

ADOPTED November 28, 2023 by the City of Belmont City Council by the following vote:

Ayes:

Noes:

Absent:

Abstain:

ATTEST:

City Clerk

Mayor

APPROVED AS TO FORM:

City Attorney

City of Belmont
Annual Report on Park In-Lieu Fees (Fund 341)
Fiscal Year Ending June 30, 2023

Purpose and Authority for Collection

The Quimby Act allows California jurisdictions to establish parkland dedication requirements for new subdivisions of land. Pursuant to Belmont City Code Chapter 17, Article IV, *Parkland Dedication Requirements and In-Lieu Fees* , Developers wishing to create new residential parcels may meet the Quimby Act requirements either through direct land dedication, or payment of an equivalent in-lieu fee. The equivalent in-lieu fee level is calculated based on the parkland service standard per 1,000 residents, current per-acre land values, and number of persons per household. Revenue shall be used to acquire parkland or fund park improvements.

Fee Enactment	10/28/2014
Initial Fee Collection	FY 2014-15
Amount of Fee FY 2022-23	
Residential Subdivision (fee per dwelling unit):	
Single-Family Detached Housing	$41,043
Single-Family Attached Housing	$41,043
Multifamily Housing	$27,362
BEGINNING BALANCE, 7/1/2022	$1,989,385
Revenues	
Transfer from Park Impact (342)	0
In-Lieu Fees Collected	$406,335
Contributions & Donations	$0
Interest Earned	$44,777
TOTAL REVENUES	$451,112
Expenditures	
Capital Outlay	71,675
Debt Service Principle	572,010
Interest and Fiscal Charges	95,990
Administrative Support	0
Transfer to Open Space Fund	0
TOTAL EXPENDITURES	739,675
Other Commitments/Appropriations	0
Ending Fund Balance, 6/30/23	$1,700,822

City of Belmont
Annual Report on Park Impact Fees (Fund 342)
Fiscal Year Ending June 30, 2023

Purpose and Authority for Collection

The purpose of park impact fees is to ensure that the City can construct park and recreation facilities needed for the population growth created by new development. Existing park and recreational facilities are insufficient in number, size, location, and the kinds of recreational opportunities which they present to meet the needs of both the City's existing and projected service population. The City's goal is to provide five acres of neighborhood and community park facilities for every one thousand new residents, consistent with the City's General Plan and the Park's and Open Space Master Plan. City Council Resolution 2014-148, adopted October 28, 2014, authorizes assessment of Park Impact Fees in connection with the issuance of any building permit for residential or non-residential development within the City of Belmont.

Fee Enactment	10/28/2014
Initial Fee Collection	FY 2016-17
Next AB-1600 Five Year Review	FY 2025-26
Amount of Fee FY 2022-23	
Residential Development (fee per dwelling unit):	
Single-Family Detached Housing	$13,773
Single-Family Attached Housing	$13,773
Multifamily Housing	$9,182
Second Dwelling Unit	Varies in proportion to size of primary residence.
Non-Residential Development (per square foot):	
Retail & Other Commercial	$2.49
Office	$0.75
Industrial	$1.00
Lodging, per room	$448.00
BEGINNING BALANCE, 7/1/2022	$326,675
Revenues	
Fees Collected	$281,894
Intergovernmental	$194,760
Interest Earned	$9,534
TOTAL REVENUES	$486,188
Expenditures	
Transfer to Planned Park	0
Capital Improvements	171,417
TOTAL EXPENDITURES	171,417
Other Commitments/Appropriations	0
Ending Fund Balance, 6/30/23	$641,446

City of Belmont
Annual Report on Housing Mitigation Fees (Fund 277)
Fiscal Year Ending June 30, 2023

Purpose and Authority for Collection

The purpose of the housing mitigation fees is to mitigate the burdens created by new residential and non-residential development projects on the need for extremely low, very low, low, and moderate-income housing. All housing mitigation fees collected shall be deposited into the City's Affordable Housing Fund to be used to increase and preserve the supply of housing affordable to households of extremely low, very low, low, median, and moderate incomes (including necessary administrative costs). City Council Resolution 2017-005, adopted January 10, 2017, authorizes assessment of a Housing Impact Fee in connection with the issuance of any building permit for residential or non-residential development within the City of Belmont, consistent with the affordable housing goals, objectives, policies and programs of the City's Housing Element. Belmont Ordinance 2017-1115, adopted January 24, 2017, created Section 29 of the Belmont Zoning Ordinance which establishes inclusionary housing requirements and provides for payment of housing impact fees in-lieu of housing untis for certain projects.

Fee Enactment	1/10/2017
Initial Fee Collection	FY 2017-18
Amount of Fee FY 2022-23	
Residential Mitigation and In-Lieu Fees (fee per square foot):	
Single-Family Detached Housing	$24.00
Single-Family Attached Housing	$24.00
Multifamily Housing	$25.00
Second Dwelling Unit	$0.00
Non-Residential Mitigation Fees (per square foot):	
Retail/commerical	$5.64
Office/Industrial/Other	$13.54
Hotel	$4.52
BEGINNING BALANCE, 7/1/2022	$2,452,257
Revenues	
Inclusionary Housing Fees	$0
Commercial Linkage Fees	$0
Reimbursements	$53,198
Interest Earned	$66,162
TOTAL REVENUES	$119,360
Expenditures	
Loans or Other Project Subsidies	$0
TOTAL EXPENDITURES	$0
Other Commitments/Appropriations	$0
Ending Fund Balance, 6/30/23*	$2,571,617

* Total Fund Balance Includes Affordable Housing Loans Receivable Totaling $2,351,473

City of Belmont
Annual Report on Transporation Impact Fees (Fund 237)
Fiscal Year Ending June 30, 2023

Purpose and Authority for Collection

The purpose of the transportation impact improvement fee is to mitigate the negative impacts that new development has on the citywide transportation system and to accommodate construction of new transportation infrastructure that expands and upgrades the Belmont transportation system. The transportation impact fee program requires new development to contribute funding for future transportation system improvements in Belmont that will maintain the existing proportionate levels of investment in the City's transportation infrastructure. City Council resolution No. 2020-103, adopted on November 24, 2020, authorizes assessment of Transportation Impact Fees in connection with the issuance of any building permit for residential or non-residential development within the City of Belmont.

Fee Enactment	1/25/2021
Initial Fee Collection	FY 2021-22
Next AB-1600 Five Year Review	FY 2026-27

Amount of Fee FY 2022-23

Residential Mtigation and In-Lieu Fees (fee per square foot):	
Single-Family Detached Housing	$7,387.00
Single-Family Attached Housing	$7,387.00
Multifamily Housing	$5,733.00
Second Dwelling Unit	Varies in proportion to size of primary residence.
Non-Residential Mitigation Fees (per square foot):	
Retail/commerical	$17.47
Office/Other	$11.10
Industrial	$4.82
Lodging, per room	$10,106.00

BEGINNING BALANCE, 7/1/2022	$200,429
Revenues	
Fees Collected	$7,035
Interest earned	$4,487
TOTAL REVENUES	$11,522
Expenditures	
Capital Outlay	$115,320
Transfer to Street Improvement Fund	$0
TOTAL EXPENDITURES	$115,320
Other Commitments/Appropriations	$0
Ending Fund Balance, 6/30/23	$96,631

City of Belmont
Annual Report on Public Art In-Lieu Fees (Fund 239)
Fiscal Year Ending June 30, 2023

Purpose and Authority for Collection

The City of Belmont adopted a public art requirement for private development so that development of cultural and artistic assets are financed by those whose development diminishes the availability of the community's resources for those opportunities and contributes to community urbanization. Through the inclusion of public art or payment of an in lieu fee, developers of private land uses help to address at least a portion of the impact of their developments on aesthetics. The City requires certain private development projects to contribute not less than one percent of the building development costs towards aquisition and installation of public art, or contribute an equivalent amount to the City's public art in-lieu fund.

Fee Enactment	1/7/2020
Initial Fee Collection	FY 2021-22
Amount of Fee FY 2022-23	
Non-residential or Mixed Use Development equal to or rgeater than 10,000 s.f.	1%
Residential development of 5 or more new dwelling units	1%
BEGINNING BALANCE, 7/1/2022	$395,576
Revenues	
In-Lieu Fees Collected	$0
Contributions & Donations	$0
Interest Earned	$8,801
TOTAL REVENUES	$8,801
Expenditures	
Capital Outlay	0
TOTAL EXPENDITURES	0
Other Commitments/Appropriations	0
Ending Fund Balance, 6/30/23	$404,377

Exhibit B

City of Belmont
Public Improvement Project Expenditures Related to the Mitigation Fee Act and Quimby Act
Five-Year Plan Per FY 2022-23 Capital Improvement Project Budget

Fund	Project	Description (See Note)	Funding Sources	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
341	8052	Park and Open Space Master Plan	Park In-Lieu	$ 30,000				
342	8103	Cipriani Park Design and Construction	Park Impact			$ 250,000	$ 3,000,000	
	8104	Twin Pines Park Master Plan Implementation Projects	Park Impact	$ 25,000	$ 125,000	$ 125,000	$ 125,000	
	8105	Meadow Stage Improvements	Park Impact	$ 50,000				
	8106	Twin Pines Oval Dog Park	Park Impact	$ 35,000				
	8109	PROS Plan Phase 1 Implementation	Park Impact	$ 50,000	$ 125,000	$ 125,000	$ 125,000	$ 125,000
277	n/a	Affordable Housing Development Contributions	Housing Mitigation	*Fee Expenditures subject to project negotiations and City Council approval; All Housing Mitigation Fees will be spend over the next five years.*				

Note: Details about each of these projects can be found in the five-year capital improvement program section of the City's FY 2022-23 Adopted Budget.

STAFF REPORT

Meeting Date:	November 28, 2023
Agency:	City of Belmont
Staff Contact:	Laura Kirby, Human Resources Management Analyst, lkirby@belmont.gov
Agenda Title:	Revised Master Pay Schedule
Agenda Action:	Resolution

Recommendation

Adopt a resolution approving revisions to the City's Master Employee Pay Schedule in accordance with California Public Employees Retirement System (CalPERS) regulations.

Strategic Focus Area

Fiscal and Organizational Sustainability

Background

CalPERS regulations, stipulated in the California Code of Regulations (CCR) Title 2, Section 570.5, require the City compile and maintain a publicly available pay schedule which has been approved by the City Council. The schedule must encompass all established positions, along with their corresponding compensation rates, effective dates, time base, and revision history. The last Master Employee Pay Schedule was adopted on September 26, 2023, via Resolution 2023-074. The updated schedule presented reflects new classifications and salary rate changes approved by City Council subsequent to the version approved in September 2023.

Analysis

Revisions to the pay schedule incorporate new classifications, salary increases established in Memorandum of Understanding (MOU), compensation plans, and salary adjustments necessitated by Belmont's minimum wage increase effective January 1, 2024. Revisions include:

- Effective January 7, 2024 - 3% Salary Increase per the Mid-Management Confidential Employees Association MOU
- Effective December 24, 2023 - 3% salary increase per the Belmont Police Officers Association MOU
- Effective January 7, 2024 - 3% salary increase for non-upper management unrepresented classifications (as specified in the Compensation and Benefits Plan for the Unrepresented Group also being brought to City Council for approval concurrent with this staff report).
- Effective January 7, 2024 – 3% salary increase for the City Clerk and Community Engagement specialist (equivalent with Mid-Management Confidential Association per resolution).

- Effective January 1, 2024 – Belmont's Minimum wage increases to $17.35 per hour. Adjustments were made to per diem classifications set to and built upon the new minimum wage rate. (Recreation Leader, Lifeguard, Building Attendant, Recreation Specialist, Nutrition Site Coordinator and Van Driver)

Alternatives

1. Provide staff with alternative direction to the proposed Master Pay Schedule in whole or in part.
2. Take No Action

Attachments

A. Resolution
Exhibit A – City Master Pay Schedule – November 28, 2023

Fiscal Impact

☐ No Fiscal Impact

☒ Funding Source Confirmed: The revised salary schedule does not have direct funding implications. However, it does enable potential adjustments in future compensation. Any budgetary impacts resulting from these changes will be presented in upcoming agenda items if necessary.

Source:	**Purpose:**	**Public Outreach:**
Staff	Statutory/Contractual Requirement	Posting of Agenda

RESOLUTION NO. 2023 –

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELMONT ADOPTING THE CITY'S REVISED MASTER PAY SCHEDULE IN ACCORDANCE WITH CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM REGULATIONS

WHEREAS, the last revision to the City's master pay schedule was approved by City Council on September 26, 2023 via Resolution No. 2023-074; and,

WHEREAS, California Public Employees Retirement System (CalPERS) regulations specified in California Code of Regulations Section 570.5, require pay schedules be approved and adopted by the City Council in a public meeting; and,

WHEREAS, payrates previously approved by City Council by way of Memorandum of Understandings, compensation plans and minimum wage ordinance necessitate updates to the publicly available pay schedule to comply with CalPERS regulations.

NOW, THEREFORE, the City Council of the City of Belmont resolves as follows:

SECTION 1. The Revised Master Pay Schedule attached hereto in Exhibit A is approved and adopted.

* * *

ADOPTED November 28, 2023 by the City of Belmont City Council by the following vote:

Ayes:

Noes:

Absent:

Abstain:

ATTEST:

City Clerk

Mayor

APPROVED AS TO FORM:

City Attorney

City of Belmont Master Pay Schedule - Calendar Year 2024

Adopted November 28, 2023

Monthly Pay Rates

Position	*Effective Date*	*Labor Group*	*Step 1*	*Step 2*	*Step 3*	*Step 4*	*Step 5*	*Step 6*
Accountant I	1/7/2024	MMCEA	$ 7,126.85	$ 7,483.26	$ 7,857.39	$ 8,250.26	$ 8,662.77	$ 9,095.92
Accountant II	1/7/2024	MMCEA	$ 7,862.26	$ 8,255.37	$ 8,668.15	$ 9,101.56	$ 9,556.64	$ 10,034.46
Accountant III	1/7/2024	MMCEA	$ 9,098.12	$ 9,553.02	$ 10,030.69	$ 10,532.21	$ 11,058.81	$ 11,611.78
Accounting/Budget Manager	1/7/2024	MMCEA	$ 10,695.61	$ 11,230.39	$ 11,791.90	$ 12,381.51	$ 13,000.59	$ 13,650.62
Accounting Services Supervisor	1/7/2024	MMCEA	$ 8,396.46	$ 8,816.30	$ 9,257.11	$ 9,719.93	$ 10,205.93	$ 10,716.28
Accounting Technician I	7/1/2023	AFSCME	$ 5,542.11	$ 5,819.21	$ 6,110.17	$ 6,415.68	$ 6,736.46	
Accounting Technician II	7/1/2023	AFSCME	$ 6,096.47	$ 6,401.30	$ 6,721.36	$ 7,057.43	$ 7,410.30	
Accounting Technician III	7/1/2023	AFSCME	$ 6,846.73	$ 7,189.06	$ 7,548.52	$ 7,925.94	$ 8,322.24	
Administrative Assistant	1/7/2024	MMCEA	$ 6,075.21	$ 6,378.98	$ 6,697.92	$ 7,032.81	$ 7,384.46	$ 7,753.68
Administrative Services Director	1/24/2023	Unrep	$ 15,617.00					$ 19,522.00
Assistant City Manager	1/1/2022	Unrep	$ 17,402.00					$ 21,752.00
Assistant Civil Engineer	1/7/2024	MMCEA	$ 8,400.14	$ 8,820.11	$ 9,261.13	$ 9,724.19	$ 10,210.39	$ 10,720.91
Assistant Planner	1/7/2024	MMCEA	$ 7,469.90	$ 7,843.39	$ 8,235.55	$ 8,647.36	$ 9,079.68	$ 9,533.68
Assistant PW Director/City Engineer	1/7/2024	MMCEA	$ 14,268.03	$ 14,981.43	$ 15,730.49	$ 16,517.02	$ 17,342.87	$ 18,210.01
Associate Civil Engineer	1/7/2024	MMCEA	$ 9,541.23	$ 10,018.29	$ 10,519.23	$ 11,045.18	$ 11,597.43	$ 12,177.29
Associate Planner	1/7/2024	MMCEA	$ 8,416.13	$ 8,836.97	$ 9,278.79	$ 9,742.72	$ 10,229.87	$ 10,741.38
Building Inspector I	7/1/2023	AFSCME	$ 7,869.28	$ 8,262.74	$ 8,675.88	$ 9,109.67	$ 10,229.87	
Building Inspector II	7/1/2023	AFSCME	$ 8,347.13	$ 8,764.49	$ 9,202.71	$ 9,662.85	$ 10,229.87	
City Attorney	10/1/2023	Unrep	$ 24,288.24					
City Clerk/Communictions Coordinator	1/1/2023	Unrep	$ 9,863.48	$ 10,356.65	$ 10,874.48	$ 11,418.20	$ 11,989.11	$ 12,588.57
City Manager	9/1/2023	Unrep	$ 25,717.98					
Chief Building Official	1/7/2024	MMCEA	$ 11,664.60	$ 12,247.84	$ 12,860.24	$ 13,503.25	$ 14,178.41	$ 14,887.32
Code Enforcement Officer	7/1/2023	AFSCME	$ 7,394.32	$ 7,764.03	$ 8,152.24	$ 8,559.85	$ 8,987.84	
Community Development Director	1/1/2022	Unrep	$ 15,617.00					$ 19,522.00
Community Engagement Specialist	1/1/2023	Unrep	$ 8,625.56	$ 9,056.84	$ 9,509.68	$ 9,985.16	$ 10,484.42	$ 11,008.64
Community Service Officer	12/24/2023	BPOA	$ 5,394.80	$ 5,664.54	$ 5,947.77	$ 6,245.16	$ 6,557.41	$ 6,885.29
Construction Inspector	7/1/2023	AFSCME	$ 8,741.22	$ 9,178.28	$ 9,637.20	$ 10,119.06	$ 10,625.01	
Deputy Planning and Comm Dev Director	1/7/2024	Unrep	$ 14,218.00	$ 14,928.90	$ 15,675.35	$ 16,459.12	$ 17,282.08	$ 18,146.18
Deputy City Clerk	1/7/2024	MMCEA	$ 6,418.21	$ 6,739.11	$ 7,076.06	$ 7,429.89	$ 7,801.38	$ 8,191.46
Deputy Finance Director	1/7/2024	MMCEA	$ 12,591.61	$ 13,221.17	$ 13,882.23	$ 14,576.37	$ 15,305.17	$ 16,070.43
Electrician	7/1/2023	AFSCME	$ 7,131.57	$ 7,488.15	$ 7,862.55	$ 8,255.68	$ 8,668.47	
Engineering Technician	7/1/2023	AFSCME	$ 7,076.74	$ 7,430.58	$ 7,802.11	$ 8,192.21	$ 8,601.82	

City of Belmont Master Pay Schedule - Calendar Year 2024

Adopted November 28, 2023

Monthly Pay Rates

Position	*Effective Date*	*Labor Group*	*Step 1*	*Step 2*	*Step 3*	*Step 4*	*Step 5*	*Step 6*
Equipment Operator	7/1/2023	AFSCME	$ 6,269.76	$ 6,583.25	$ 6,912.41	$ 7,258.03	$ 7,620.93	
Executive Assistant To City Manager	1/7/2024	MMCEA	$ 7,069.48	$ 7,422.98	$ 7,794.13	$ 8,183.84	$ 8,593.01	$ 9,022.68
Finance Director	1/1/2022	Unrep	$ 15,617.00					$ 19,522.00
GIS Coordinator I	1/7/2024	MMCEA	$ 7,700.78	$ 8,085.82	$ 8,490.15	$ 8,914.60	$ 9,360.34	$ 9,828.38
GIS Coordinator II	1/7/2024	MMCEA	$ 8,840.56	$ 9,282.58	$ 9,746.70	$ 10,234.04	$ 10,745.76	$ 11,283.01
GIS Coordinator III	1/7/2024	MMCEA	$ 10,374.61	$ 10,893.34	$ 11,438.01	$ 12,009.93	$ 12,610.42	$ 13,240.97
Head Teacher	7/1/2023	AFSCME	$ 4,626.89	$ 4,858.23	$ 5,101.14	$ 5,356.20	$ 5,624.01	
Housing and Economic Development Manager	1/7/2024	MMCEA	$ 10,695.61	$ 11,230.39	$ 11,791.90	$ 12,381.51	$ 13,000.59	$ 13,650.62
Housing Specialist	1/7/2024	MMCEA	$ 8,416.13	$ 8,836.97	$ 9,278.79	$ 9,742.72	$ 10,229.87	$ 10,741.36
IT Business System Analyst	1/7/2024	Unrep	$ 11,413.03	$ 11,983.68	$ 12,582.86	$ 13,212.00	$ 13,872.60	$ 14,566.23
Information Technology Manager	1/7/2024	Unrep	$ 12,689.60	$ 13,324.08	$ 13,990.28	$ 14,689.79	$ 15,424.28	$ 16,195.49
Lead Police Dispatcher	12/24/2023	BPOA	$ 8,335.26	$ 8,750.06	$ 9,189.82	$ 9,649.79	$ 10,131.15	$ 10,637.70
Maintenance Worker I	7/1/2023	AFSCME	$ 5,184.11	$ 5,443.31	$ 5,715.48	$ 6,001.25	$ 6,301.31	
Maintenance Worker II	7/1/2023	AFSCME	$ 5,738.48	$ 6,025.40	$ 6,326.67	$ 6,643.00	$ 6,975.15	
Management Analyst II	1/7/2024	MMCEA	$ 8,737.78	$ 9,174.67	$ 9,633.43	$ 10,115.10	$ 10,620.82	$ 11,151.85
Management Anaylst I	1/7/2024	MMCEA	$ 8,022.41	$ 8,423.55	$ 8,844.69	$ 9,286.93	$ 9,751.31	$ 10,238.87
Mechanic	7/1/2023	AFSCME	$ 6,357.77	$ 6,675.66	$ 7,009.44	$ 7,359.91	$ 7,727.91	
Office Assistant I	7/1/2023	AFSCME	$ 4,919.92	$ 5,165.92	$ 5,424.21	$ 5,695.42	$ 5,980.20	
Office Assistant II	7/1/2023	AFSCME	$ 5,465.65	$ 5,738.94	$ 6,025.88	$ 6,327.18	$ 6,643.54	
Parks & Recreation Director	1/1/2022	Unrep	$ 15,584.00					$ 19,480.00
Parks and Facilities Maintenance Worker I [5]	1/7/2024	AFSCME	$ 5,184.11	$ 5,443.31	$ 5,715.48	$ 6,001.25	$ 6,301.31	
Parks and Facilities Maintenance Worker II [5]	7/1/2023	AFSCME	$ 5,738.48	$ 6,025.40	$ 6,326.67	$ 6,643.00	$ 6,975.15	
Parks and Facilities Manager [5]	1/7/2024	MMCEA	$ 10,472.78	$ 10,996.44	$ 11,546.29	$ 12,123.57	$ 12,729.75	$ 13,366.26
Parks and Facilities Supervisor	1/7/2024	MMCEA	$ 8,426.80	$ 8,848.14	$ 9,290.55	$ 9,755.08	$ 10,242.83	$ 10,754.97
Payroll Manager	1/7/2024	Unrep	$ 8,919.73	$ 9,365.72	$ 9,834.01	$ 10,325.71	$ 10,842.00	$ 11,384.10
Permit Technician	7/1/2023	AFSCME	$ 6,705.71	$ 7,041.00	$ 7,393.05	$ 7,762.70	$ 8,150.84	
Planning Technician	7/1/2023	AFSCME	$ 6,705.71	$ 7,041.00	$ 7,393.05	$ 7,762.70	$ 8,150.84	
Police Captain	1/7/2024	MMCEA	$ 14,556.76	$ 15,284.59	$ 16,048.78	$ 16,851.22	$ 17,693.82	$ 18,578.52
Police Chief	1/1/2022	Unrep	$ 17,402.00					$ 21,752.00
Police Corporal Advanced POST	12/24/2023	BPOA	$ 9,893.44	$ 10,388.11	$ 10,907.52	$ 11,452.90	$ 12,025.54	$ 12,626.81
Police Corporal Basic POST	12/24/2023	BPOA	$ 8,974.70	$ 9,423.43	$ 9,894.60	$ 10,389.33	$ 10,908.80	$11,454.24

City of Belmont Master Pay Schedule - Calendar Year 2024

Adopted November 28, 2023

Monthly Pay Rates

Position	*Effective Date*	*Labor Group*	*Step 1*	*Step 2*	*Step 3*	*Step 4*	*Step 5*	*Step 6*
Police Corporal Intermediate POST	12/24/2023	BPOA	$ 9,421.59	$ 9,892.67	$ 10,387.30	$ 10,906.67	$ 11,452.00	$12,024.60
Police Dispatcher	12/24/2023	BPOA	$ 7,376.11	$ 7,744.91	$ 8,132.16	$ 8,538.76	$ 8,965.70	$9,413.99
Police Lieutenant	1/7/2024	MMCEA	$ 13,128.69	$ 13,785.14	$ 14,474.41	$ 15,198.11	$ 15,957.99	$ 16,755.90
Police Officer Advanced POST	12/24/2023	BPOA	$ 9,421.59	$ 9,892.67	$ 10,387.30	$ 10,906.67	$ 11,452.00	$ 12,024.60
Police Officer Basic POST	12/24/2023	BPOA	$ 8,546.82	$ 8,974.16	$ 9,422.87	$ 9,894.01	$ 10,388.71	$ 10,908.15
Police Officer Intermediate POST	12/24/2023	BPOA	$ 8,974.70	$ 9,423.43	$ 9,894.60	$ 10,389.33	$ 10,908.80	$ 11,454.24
Police Officer Recruit	12/24/2023	BPOA	$ 6,809.17					
Police Records Specialist I	12/24/2023	BPOA	$ 5,464.93	$ 5,738.17	$ 6,025.08	$ 6,326.33	$ 6,642.65	$ 6,974.78
Police Records Specialist II	12/24/2023	BPOA	$ 5,738.29	$ 6,025.20	$ 6,326.46	$ 6,642.79	$ 6,974.93	$ 7,323.68
Police Sergeant Advanced POST	12/24/2023	BPOA	$ 11,093.87	$ 11,648.56	$ 12,230.99	$ 12,842.54	$ 13,484.67	$ 14,158.91
Police Sergeant Intermediate POST	12/24/2023	BPOA	$ 10,563.78	$ 11,091.97	$ 11,646.56	$ 12,228.90	$ 12,840.34	$ 13,482.36
Principal Management Analyst	1/7/2024	Unrep	$ 11,633.00	$ 12,215.00	$ 12,826.00	$ 13,467.00	$ 14,140.00	$ 14,847.00
Principal Planner	1/7/2024	MMCEA	$ 11,892.82	$ 12,487.49	$ 13,111.87	$ 13,767.42	$ 14,455.82	$ 15,178.59
Public Works Director	1/1/2022	Unrep	$ 16,456.00					$ 20,570.00
Public Works Field Supervisor	1/7/2024	MMCEA	$ 8,181.36	$ 8,590.46	$ 9,019.95	$ 9,470.99	$ 9,944.52	$ 10,441.72
Public Works Services Manager	1/7/2024	MMCEA	$ 8,426.80	$ 8,848.18	$ 9,290.55	$ 9,755.12	$ 10,242.85	$ 10,754.98
PW Lead Maintenance	7/1/2023	AFSCME	$ 6,583.01	$ 6,912.16	$ 7,257.77	$ 7,620.65	$ 8,001.69	
Recreation Manager	1/7/2024	MMCEA	$ 9,618.62	$ 10,099.54	$ 10,604.54	$ 11,134.76	$ 11,691.51	$ 12,276.09
Recreation Program Coordinator	1/7/2024	MMCEA	$ 6,075.23	$ 6,378.98	$ 6,697.92	$ 7,032.81	$ 7,384.44	$ 7,753.68
Recreation Specialist II (Hourly)	1/1/2024	AFSCME	$ 23.09	$ 23.15	$ 24.30	$ 25.52	$ 26.79	
Recreation Supervisor	1/7/2024	MMCEA	$ 8,035.74	$ 8,437.56	$ 8,859.45	$ 9,302.41	$ 9,767.50	$ 10,255.88
Senior Civil Engineer	1/7/2024	MMCEA	$ 11,734.05	$ 12,320.74	$ 12,936.74	$ 13,583.59	$ 14,262.75	$ 14,975.91
Senior Mechanic	7/1/2023	AFSCME	$ 6,753.34	$ 7,091.00	$ 7,445.55	$ 7,817.83	$ 8,208.72	
Senior Permit Technician	9/17/2023	AFSCME	$ 7,762.70	$ 8,150.84	$ 8,558.38	$ 8,986.30	$ 9,435.62	
Senior Planner	1/7/2024	MMCEA	$ 9,586.59	$ 10,065.95	$ 10,569.26	$ 11,097.66	$ 11,652.59	$ 12,235.21
Sr Parks and Facilties Maintenance Worker [5]	7/1/2023	AFSCME	$ 6,583.01	$ 6,912.16	$ 7,257.77	$ 7,620.65	$ 8,001.69	
Street Sweeper Operator	7/1/2023	AFSCME	$ 5,996.85	$ 6,296.70	$ 6,611.53	$ 6,942.11	$ 7,289.21	
Teacher	7/1/2023	AFSCME	$ 4,023.44	$ 4,224.61	$ 4,435.84	$ 4,657.63	$ 4,890.51	
Teacher's Aide (Hourly)	7/1/2023	AFSCME	$ 20.32	$ 21.33	$ 22.40	$ 23.52	$ 24.70	
Technology Specialist I	1/7/2024	MMCEA	$ 7,586.02	$ 7,965.30	$ 8,363.60	$ 8,781.71	$ 9,220.81	$ 9,681.86
Technology Specialist II	1/7/2024	MMCEA	$ 9,406.90	$ 9,877.27	$ 10,371.08	$ 10,889.66	$ 11,434.16	$ 12,005.84
Technology Specialist III	1/7/2024	MMCEA	$ 10,375.48	$ 10,894.27	$ 11,438.98	$ 12,010.93	$ 12,611.46	$ 13,242.03

City of Belmont Master Pay Schedule - Calendar Year 2024

Adopted November 28, 2023

Unrepresented Per Diem Positions

		Hourly Pay Rates					
Position	*Effective Date*	*Step 1*	*Step 2*	*Step 3*	*Step 4*	*Step 5*	*Step 6*
Accounting Technician I [1]	7/1/2023	$ 31.97	$ 33.57	$ 35.25	$ 37.01	$ 38.86	
Accounting Technician II [1]	7/1/2023	$ 35.17	$ 36.93	$ 38.78	$ 40.72	$ 42.75	
Accounting Technician III [1]	7/1/2023	$ 39.50	$ 41.48	$ 43.55	$ 45.73	$ 48.01	
Administrative Assistant [1]	1/7/2024	$ 35.05	$ 36.80	$ 38.64	$ 40.57	$ 42.60	$ 44.73
Associate Civil Engineer [1]	1/7/2024	$ 55.05	$ 57.80	$ 60.69	$ 63.72	$ 66.91	$ 70.25
Building Attendant I[4]*	1/1/2024	$ 18.22	$ 19.13	$ 20.08	$ 21.09	$ 22.14	
Building Attendant II[4]*	1/1/2024	$ 20.04	$ 21.04	$ 22.09	$ 23.20	$ 24.36	
Dispatcher, Per Diem [3]	12/24/2023	$ 48.09	$ 50.48	$ 53.02	$ 55.67	$ 58.45	$ 59.58
Electrician [1]	7/1/2023	$ 41.14	$ 43.20	$ 45.36	$ 47.63	$ 50.01	
Head Teacher [1]	7/1/2023	$ 26.69	$ 28.03	$ 29.43	$ 30.90	$ 32.45	
Intern	1/1/2024	$ 17.35	$ 18.22	$ 19.13	$ 20.08	$ 21.09	
Lifeguard I	1/1/2024	$ 18.95	$ 19.90	$ 20.90	$ 21.94	$ 23.04	
Lifeguard II	1/1/2024	$ 19.95	$ 20.95	$ 22.00	$ 23.10	$ 24.25	
Maintenance Worker I [1]	7/1/2023	$ 29.91	$ 31.40	$ 32.97	$ 34.62	$ 36.35	
Nutrition Site Coordinator	1/1/2023	$ 23.09	$ 23.15	$ 24.30	$ 25.52	$ 26.79	
Office Assistant I [1]	7/1/2023	$ 28.38	$ 29.80	$ 31.29	$ 32.86	$ 34.50	
Office Assistant II [1]	7/1/2023	$ 31.53	$ 33.11	$ 34.76	$ 36.50	$ 38.33	
Planning Technician [1]	7/1/2023	$ 38.69	$ 40.62	$ 42.65	$ 44.78	$ 47.02	
Police Officer (Advanced POST), Per Diem [2]	12/24/2023	$ 51.77	$ 54.36	$ 57.07	$ 59.93	$ 62.92	$ 66.07
Police Officer (Basic POST), Per Diem [2]	12/24/2023	$ 46.96	$ 49.31	$ 51.77	$ 54.36	$ 57.08	$ 59.93
Police Officer (Inter POST), Per Diem [2]	12/24/2023	$ 49.31	$ 51.78	$ 54.37	$ 57.08	$ 59.94	$ 62.94
Police Records Specialist I, Per Diem [1]	12/24/2023	$ 31.53	$ 33.10	$ 34.76	$ 36.50	$ 38.32	$ 40.24
Police Records Specialist II, Per Diem [1]	12/24/2023	$ 33.11	$ 34.76	$ 36.50	$ 38.32	$ 40.24	$ 42.25
Recreation Leader [4]	1/1/2024	$ 17.35	$ 18.22	$ 19.13	$ 20.08	$ 21.09	
Recreation Program Coordinator [1]	1/7/2024	$ 35.05	$ 36.80	$ 38.64	$ 40.57	$ 42.60	$ 44.73
Recreation Specialist I [4]	1/1/2024	$ 20.99	$ 22.04	$ 23.15	$ 24.30	$ 25.52	
Recreation Specialist II[4]	1/1/2024	$ 23.09	$ 23.15	$ 24.30	$ 25.52	$ 26.79	

City of Belmont Master Pay Schedule - Calendar Year 2024

Adopted November 28, 2023

Unrepresented Per Diem Positions

		Hourly Pay Rates					
Position	*Effective Date*	*Step 1*	*Step 2*	*Step 3*	*Step 4*	*Step 5*	*Step 6*
Senior Lifeguard[4]	1/1/2024	$ 21.95	$ 23.05	$ 24.20	$ 25.41	$ 26.68	
Senior Rec Leader[4]	1/1/2024	$ 19.09	$ 20.04	$ 21.04	$ 22.09	$ 23.20	
Street Sweeper Operator [1]	7/1/2023	$ 34.60	$ 36.33	$ 38.14	$ 40.05	$ 42.05	
Teacher [1]	7/1/2023	$ 23.21	$ 24.37	$ 25.59	$ 26.87	$ 28.21	
Teacher's Aide [1]	7/1/2023	$ 20.32	$ 21.33	$ 22.40	$ 23.52	$ 24.70	
Technology Specialist I [1]	1/7/2024	$ 43.77	$ 45.95	$ 48.25	$ 50.66	$ 53.20	$ 55.86
Technology Specialist II [1]	1/7/2024	$ 54.27	$ 56.98	$ 59.83	$ 62.82	$ 65.97	$ 69.26
Technology Specialist III [1]	1/7/2024	$ 59.86	$ 62.85	$ 65.99	$ 69.29	$ 72.76	$ 76.40
Van Driver[4]	1/1/2024	$ 20.99	$ 22.04	$ 23.15	$ 24.30	$ 25.52	

Notes

Unrepresented per diem : A position having a workweek of fewer hours than the workweek established for full-time positions in the class.

* Building Attendants I and II are eligilbe to receive a weekend differential of $1.00 per hour for work performed on Saturdays and Sundays.

[1] Hourly pay rates derived by multiplying full-time equivalent monthly rate by 12 (months in year) and dividing by 2080 (hours in work year)

[2] Hourly pay rates derived by multiplying full-time equivalent monthly rate by 12 (months in year) and dividing by 2184 (hours in work year)

[3] Hourly pay rates derived by multiplying full-time Lead Police Dispatcher by 12 (months in year) and dividng by 2080 (hours in work year)

[4] Tied to Belmont minimum wage as follows:

Recreation Leader - Adjusted to Minimum Wage
Building Attendant I*- 5% Above Above Recreation Ldr
Building Attendant II*- 10% Above Building Attendant I
Lifeguard I - 5% Below Lifeguard II
Lifeguard II - 15% Above Rec Leader
Nutrition Site Coordinator - Tied to Recreation Specialist II
Recreation Specialist I - 10% Above Sr. Rec Leader
Recreation Specialist II - 10% Above Rec Spec I
Sr Rec Leader - 10% Above Rec Leader
Sr. Lifeguard - 10% Above Lifeguard II
Van Driver - Tie to Recreation Specialist I

[5] "Facilities" added to position title

Revision History

Resolution 2018-04 - Initial Adoption	March 13,2018
Resolution 2019-019 - Revised Adoption	February 23,2021
Resolution 2022-093 Revised Adoption	September 27,2022
Resolution 2022-109 Revised Adoption	November 8, 2022
Resolution 2023 - 058 Revised Adoption	June 27, 2023
Resolution 2023 - 074 Revised Adoption	September 26, 2023

STAFF REPORT

Meeting Date:	November 28, 2023
Agency:	City of Belmont
Staff Contact:	Ann Ritzma, Interim Administrative Services Director aritzma@belmont.gov
Agenda Title:	New Job Classification - Principal Management Analyst
Agenda Action:	Resolution

Recommendation

Adopt a resolution approving the creation of a new job classification for Principal Management Analyst and revising the City's Master Employee Pay Schedule to include the classification in accordance with the California Public Employees Retirement System (CalPERS) regulations.

Strategic Focus Area

Fiscal and Organizational Sustainability

Background

The City Manager's Office (CMO) added the position of Community Engagement Specialist through the fiscal year (FY) 2020-21 budget process, and the position was approved and filled in November 2021. In FY 2023-24, the position of Management Analyst was approved and added to assist with special projects in the City Manager's Office.

These two positions are currently vacant, and an opportunity exists to restructure job duties and job classifications to meet the current and future needs of the organization. Human Resources staff met with the City Manager and CMO staff to discuss the current staffing structure. Based on the discussion, there are two job classifications, Deputy City Clerk and Principal Management Analyst, that would more effectively support the administrative operations of the City Manager's Office and provide the ongoing support of the communications and community engagement programs.

The Deputy City Clerk job position and salary range are in the existing classification plan as the City has used this classification in the past. A Deputy City Clerk provides a promotional opportunity for an administrative position and succession planning in the City Clerk's office.

Deputy City Clerk: Administrative support for the City Manager's Office and specifically, support for the City Clerk's functions is essential. Primary duties of a Deputy City Clerk include:

- Support the administrative functions of the City Manager's Office and City Council
- Greet and assist the public and visitors
- Submit legal notices to various media
- Prepare agenda packets for City Council meetings
- Track a variety of documents, contracts and reports including resolutions and ordinances

- Provide a variety of information and documents to the general public
- Assist the City Clerk in conducting municipal elections
- Maintain accurate and up-to-date records, logs and files including legislative history of City Council actions.
- Assist with the management of the office budget
- Serve or act in the capacity of the City Clerk in her absence

The Principal Management Analyst is a new job classification. It is a position that implements complex administrative and analytical work and manages specialty program areas that have City-wide impact. The position provides a promotional opportunity for an individual with professional local government experience and succession planning in the City Manager's office.

Principal Management Analyst

The primary functions of this new job classification include:

- Communications and Engagement: proactively provides strategic internal and external communications about City actions, events, programs and projects; collaborates with executive and senior management staff, and elected officials to develop strategic approaches to public information; coordinates and disseminates information pertaining to City operations and services by utilizing traditional and new social media channels; develops and implements a strategic citywide public information plan; maintains oversight of City communications activities to ensure consistent and effective management of information; proactively identifies emerging communications issues and recommends strategies to address them and closely coordinates with departmental management to disseminate information.

- Strategic Communication Plan: Develops and implements an integrated strategic communications plan to broaden awareness of the City's programs and priorities and increase the visibility of its key messages and programs across the community through researching, writing, presenting, designing photographic and graphic layouts, and producing and publishing communications via internet, intranet, social media, newsletters, community signage, press releases, speeches, marketing advertisements, special events, groundbreaking and ribbons cuttings, media interviews, staff reports and presentations, and radio spots and television show as appropriate.

- Budget and Administration: support the day-to-day administration of the City Manager's Office, including participation in the preparation of the budget; maintain appropriate budgetary controls; monitor expenditure; prepare various financial reports; prepare purchase requisitions, contracts, check requests and credit card processing.

- Project Management: Completes substantive projects in support of City Council and City Manager's Office priorities. Perform project and policy analysis, which includes conducting research, preparing reports, determining and raising pertinent issues,

summarizing findings and presenting results/recommendations.

- State and Federal Legislative Affairs: Supports the City's state and federal legislative affairs activities; monitors, reviews and tracks federal and state legislation proposals and other policy issues with a focus on impact to the City; conducts comprehensive bill analysis, draft position letters and talking points to be shared with a variety of stakeholders; advocate with legislative offices to advance City interests and represent the City at meetings and conferences; build and maintain stakeholder relationships including non-profits, businesses, and government entities, and where appropriate participate in regional and statewide coalitions to support the interests of the City.

- Coordinate community engagement events and activities involving other City departments, City commissions, community organizations and other government agencies.

Analysis

As proposed, the Principal Management Analyst is an unrepresented, management position in the City Manager's Office. The position reports to the Assistant City Manager and/or the City Manager and would be responsible for the development and tracking of the City Manager's department budget, managing the City's communication plan, implementing community engagement programs, tracking legislation and executing assigned special projects.

The salary difference between the current and proposed staffing plan is $879/month.

Current:		Step 6
Community Engagement Specialist		$11,007
Management Analyst II		$11,152
Total		$22,159

Proposed:		Step 6
Principal Management Analyst		$14,847
Deputy City Clerk		$8,191
Total		$23,038

Staff recommends the approval of the proposed classification of Principal Management Analyst and the approval of a revised Master Pay Schedule to include Principal Management Analyst, effective January 7, 2024.

The salary range for the position effective January 7, 2024:

Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
$11,633	$12,215	$12,826	$13,467	$14,140	$14,847

Alternatives

1. Take No Action
2. Return to staff

Attachments

A. Resolution – Proposed Principal Management Analyst Position Description

Fiscal Impact

☐ No Fiscal Impact

☒ Funding Source Confirmed: Creation of the new job classification does not have a fiscal impact. With vacancies in the CMO, funding for the reallocation of the Community Engagement Specialist and Management Analyst to a Deputy City Clerk and Principal Management Analyst can be absorbed in the current fiscal year and will be incorporated into next year's budget development process.

Source:	**Purpose:**	**Public Outreach:**
Staff	Discretionary Action	Posting of Agenda

RESOLUTION NO. 2023 –

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELMONT CREATING THE NEW CLASSIFICATION, PRINCIPAL MANAGEMENT ANALYST AND REVISING THE CITY'S MASTER PAY SCHEDULE

WHEREAS, The City Manager's Office (CMO) added the position of Community Engagement Specialist in the FY 2020/21 budget process and in FY 2023/24, the position of Management Analyst was added to assist with special projects in the City Manager's Office; and,

WHEREAS, the two positions are currently vacant, and an opportunity exists to restructure job duties and job classifications to meet the current and future needs of the organization. ; and,

WHEREAS, after analysis, there are two job classifications, Deputy City Clerk and Principal Management Analyst, that would more effectively support the administrative operations of the City Manager's Office and provide the ongoing support of the communications plan and community engagement programs.

WHEREAS, the Deputy City Clerk is a job classification that exists in the City's classification and pay plan and a new job classification, Principal Management Analyst can be added to enhance and support the City's strategic plan and operations; and

WHEREAS, the City's master employee pay schedule was adopted in March 2018 via Resolution 2018-014; and,

WHEREAS, the City's master employee pay schedule was revised in February 2021, September 2022, and November 2023 via Council Resolutions 2019-019, 2022-093, 2022-109, and 2023-045 respectively.

NOW, THEREFORE, the City Council of the City of Belmont resolves as follows:

1. The new classification description for Principal Management Analyst; and

2. The Revised Master Employee Pay Schedule adding the salary range for Principal Management Analyst effective January 7, 2024

Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
$11,633	$12,215	$12,826	$13,467	$14,140	$14,847

* * *

ADOPTED November 28, 2023 by the City of Belmont City Council by the following vote:

Ayes:
Noes:
Absent:
Abstain:

ATTEST:

City Clerk

Mayor

APPROVED AS TO FORM:

City Attorney

ADOPTED CC:
UNREPRESENTED BARGAINING GROUP
FLSA STATUS: EXEMPT

PRINCIPAL MANAGEMENT ANALYST

DEFINITION

Under general direction, performs high-level management analyst work and provides strategic support for communications, and to resolve budget, financial, policy, administrative, and management issues affecting all City departments requiring comprehensive knowledge of the City's political environment, policies, and procedures; executes City goals and objectives; designs, develops, and implements city-wide programs; researches and analyzes operations, processes, and procedures and makes recommendations for improvements; provides highly responsible and complex staff assistance; and performs related work as required.

DISTINGUISHING CHARACTERISTICS

This is a single incumbent position, reporting to the City Manager's Office. This job class assumes substantive and significant responsibility for coordinating the work activities within assigned work unit or specialty area in the City Manager's Office. Specialized expertise in specific program areas is essential for effectively managing focused areas of responsibility. Incumbent must demonstrate discretion in interpreting City policies, guidelines, and procedures.

This is the highest-level classification in the management analyst series that exercises independent judgment with accountability and ongoing decision-making responsibilities associated with the work. Assignments, projects, analyses, and programs have city-wide impact. The work involves a high-level of problem-solving requiring analysis of unique issues or increasingly complex problems without precedent and/or structure and formulating, presenting, and implementing strategies and recommendations for resolution. Positions at this level are recognized as technical experts in the development and interpretation of guidelines. The work includes varied duties requiring many different and unrelated processes and methods applied to a broad range of activities or substantial depth of analysis. Decisions regarding what needs to be done include major areas of uncertainty in approach, methodology, or interpretation and evaluation processes resulting from such elements as continuing changes in program, technological developments, unknown challenges, or conflicting requirements. The work requires originating new techniques, establishing criteria, or developing new information. Work assignments are typically given as broad, conceptual ideas and directives and incumbents are accountable for overall results and responsible for developing guidelines, action plans, and methods to produce deliverables on time and within budget. The position may coordinate the activities, scheduling, recruitment, and training of personnel, interns, and volunteers.

SUPERVISION RECEIVED AND EXERCISED

Receives direction from the City Manager, Assistant City Manager, and/or their designee. May exercise supervision over interns, volunteers, or other assigned staff. May provide technical and functional supervision to staff and/or, depending upon assignment, support staff of other departments. Responsibilities may involve solving problems and providing instructions on work procedures.

ESSENTIAL FUNCTION STATEMENTS

Essential and other important responsibilities and duties may include, but are not limited to, the following:

Essential Functions:

- Provide direct support to the City Manager's Office, principal staff and the City Council through the performance of confidential, complex administrative duties.

- Budget and Administration: support the day-to-day administration of the City Manager's Office, including participation in the preparation of the budget; maintain appropriate budgetary controls; monitor expenditure; prepare various financial reports; prepare purchase requisitions, contracts, check requests and credit card processing.

- Communications and Engagement: proactively provides strategic internal and external communications about City actions, events, programs and projects; collaborates with executive and senior management staff, and elected officials to develop strategic approaches to public information; coordinates and disseminates information pertaining to City operations and services by utilizing traditional and new social media channels; develops and implements a strategic citywide public information plan; maintains oversight of City communications activities to ensure consistent and effective management of information; proactively identifies emerging communications issues and recommends strategies to address them and closely coordinates with departmental management to disseminate information.

- Strategic Communication Plan: Develops and implements an integrated strategic communications plan to broaden awareness of the City's programs and priorities and increase the visibility of its key messages and programs across the community through researching, writing, presenting, designing photographic and graphic layouts, and producing and publishing communications via internet, intranet, social media, newsletters, community signage, press releases, speeches, marketing advertisements, special events, groundbreaking and ribbons cuttings, media interviews, staff reports and presentations, and radio spots and television show as appropriate.

- Project Management: Completes substantive projects in support of City Council and City Manager's Office priorities. Perform project and policy analysis, which includes conducting research, preparing reports, determining and raising pertinent issues, summarizing findings and presenting results/recommendations. May serve as a project lead over a team responsible for developing and configuring management plans supporting the development of complex programs; defines and recommends processes for various technical environments, and communication strategies. Monitors and evaluates various programs to ensure program compliance with applicable rules, regulations and laws. Participates in the development and implementation of new program designs, conducts research and investigations to monitor and assess program effectiveness as appropriate and necessary.

- State and Federal Legislative Affairs: Supports the City's state and federal legislative affairs activities; monitors, reviews and tracks federal and state legislation proposals and other policy issues with a focus on impact to the City; conducts comprehensive bill analysis, draft position letters and talking points to be shared with a variety of stakeholders; advocate with legislative offices to advance City interests and represent the City at meetings and conferences; build and

maintain stakeholder relationships including non-profits, businesses, and government entities, and where appropriate participate in regional and statewide coalitions to support the interests of the City.

- Coordinate community engagement events and activities involving other City departments, City commissions; community organizations and other government agencies.

- Respond to inquiries from and provide information to employees, other City departments, other government agencies and the public.

- Explain City policies, programs, and procedures to concerned parties; and perform research regarding same.

- Research, compile, analyze and summarize a variety of informational material; and assist in the design and production of technical information and hand-outs.

- Compose and prepare correspondence, reports and other written material.

- Serves as key City spokesperson and coordinates two-way information flow with the media, community, businesses, non-profit organizations, and other agencies to ensure effective and efficient media relations. Attendance at public meetings and community events is expected.

- Serves as liaison for assigned area with City departments and outside agencies; provides information and assists in implementing program activities; negotiates and resolves sensitive and controversial issues.

- Serves as advisor to executive and senior management and other City staff regarding strategic communications aspects of policies, procedures, programs, services, and actions.

- Leads a citywide communication team to coordinate and leverage individuals in all departments with collateral communication responsibilities, including City marketing programs.

- Manages the City's social media channels to ensure strong communication flow between the City and its residents, including developing proposed responses on social media for executive and senior management.

- Sets up and maintains a community satisfaction survey system at all City facilities for customers to advise about their experience with City staff and services; maintains a customer service tracking system including reporting on trends of concern with citizen complaints; facilitates and manages effective survey and data campaigns through public dashboards.

- Assists with the City's crisis communications function under the Incident Command System during citywide crises to ensure emergency instructions and critical information is disseminated to the public and other audiences.

- Performs related duties as required.

QUALIFICATIONS

Knowledge of:

- Organization and management practices as applied to the development, analysis, and evaluation of citywide programs, policies, and operational needs.
- Principles and practices of program and/or project management including planning, development, implementation, monitoring, and evaluation.
- Principles and practices of leadership.
- Principles and techniques for working with groups and fostering effective team interaction to ensure teamwork is conducted smoothly.
- Principles, practices, and emerging trends of effective public communications and public relations.
- Advanced principles and practices of business and public administration as applied to citywide operations, programs, projects, and activities.
- Administrative principles, practices, and methods including goal setting, policy and procedure development, quality control, and work standards.
- Principles and practices of budget development and administration and contract administration.
- Advanced principles and techniques of conducting analytical studies, evaluating alternatives, making sound recommendations, and preparing and presenting effective and technical reports.
- Recent and on-going developments, current literature, legislative trends, and sources of information related to assigned areas of responsibility.
- Applicable federal, state, and local laws, regulatory codes, ordinances, and procedures relevant to assigned area of responsibility.
- Research, quantitative and qualitative analyses, mathematical and statistical calculations, and reporting methods, techniques, and procedures.
- Principles and practices of filing systems and record keeping.
- Techniques for effectively representing the City in contacts with governmental agencies, community groups, and various business, professional, educational, regulatory, and legislative organizations.
- Techniques for providing a high level of customer service by effectively dealing with the public, vendors, contractors, and City staff.
- City government policies and operations.
- Conflict resolution skills.

Ability to:

- Develops and implements goals, objectives, practices, policies, procedures, and work standards.
- Effectively plan, design, develop, and administer assigned citywide programs, projects, and activities in an independent and cooperative manner.
- Provide leadership and guidance as an advisor in assigned areas of responsibility including performing varied duties requiring many different and unrelated processes and methods applied to a broad range of activities or substantial depth of analysis.
- Coordinate and oversee operational, compliance, budgeting, and fiscal reporting activities.
- Research, analyze, and evaluate new service delivery methods, procedures, and techniques.
- Direct and perform increasingly responsible and difficult administrative analytical work involving the use of independent judgment and personal initiative.
- Lead and conduct research, analyze, and implement various administrative/programmatic activities such as budget development and reporting, grants and/or contract administration, regulatory compliance, legislative analysis, and/or program analysis.
- Plan and conduct effective management, administrative, and operational studies.
- Perform quantitative and qualitative analyses, interpret, draw conclusions, and summarize and present information and data in an effective manner.
- Prepare and present clear, concise, and complete reports and other written material.
- Understand, interpret, and apply all pertinent laws, codes, regulations, policies and procedures, and standards relevant to work performed.
- Make accurate mathematical and complex statistical computations.
- Establish and maintain a variety of filing, recordkeeping, and tracking systems.
- Effectively represent the City in meetings with governmental agencies, contractors, vendors, and various businesses, professional, regulatory, and legislative organizations.
- Organize and prioritize a variety of projects and multiple tasks in an effective and timely manner; organize own work, set priorities, and meet critical time deadlines.
- Effectively use computer systems, software applications, and modern business equipment to perform a variety of work tasks.
- Communicate clearly and concisely, both orally and in writing, using appropriate English grammar and syntax.
- Use tact, initiative, prudence, and independent judgment within general policy, procedural, and legal guidelines.
- Establish, maintain, and foster positive and effective working relationships with those contacted in the course of work.

Experience and Training Guidelines:

Any combination of experience, education and training that would likely provide the required knowledge and abilities is qualifying. A typical way to obtain the knowledge and abilities would be:

- Equivalent to a bachelor's degree from an accredited college or university with major coursework in public or business administration, public policy, communications, public relations or a related field and five (5) years of increasingly responsible professional experience in communications, community engagement, public policy development and implementation or other related functions. A combination of a master's degree in public administration, public policy, business or a related field and four (4) years of professional experience would qualify. A master's degree is highly desirable.

Licenses and Certifications:

Possession of, or the ability to obtain, a valid Class C California driver's license upon appointment.

PHYSICAL DEMANDS AND WORKING ENVIRONMENT

The conditions herein are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential job functions.

- Must possess mobility to work in a standard office setting and use standard office equipment, including a computer; vision to read printed materials and a computer screen; and hearing and speech to communicate in person and over the telephone. This is primarily a sedentary office classification although standing in work areas and walking between work areas may be required. Finger dexterity is needed to access, enter, and retrieve data using a computer keyboard or calculator and to operate standard office equipment.
- Positions in this classification occasionally bend, stoop, kneel, reach, push, and pull drawers open and closed to retrieve and file information. Employees must possess the ability to lift, carry, push, and pull materials and objects up to 25 pounds.

Environmental/Working Conditions:

Work is performed primarily in a standard office environment with some travel to different sites; incumbents may be required to work extended hours including evenings and weekends and may be required to travel outside City boundaries to attend meetings.

Primary functions require sufficient physical ability and mobility to work in an office setting; to stand or sit for prolonged periods of time; to occasionally stoop, bend, kneel, crouch, reach, and twist; to lift, carry, push, and/or pull light to moderate amounts of weight; to operate office equipment requiring repetitive hand movement and fine coordination including use of a computer keyboard; to travel to other locations using various modes of private and commercial transportation; and to verbally communicate to exchange information.

STAFF REPORT

Meeting Date:	November 28, 2023
Agency:	City of Belmont
Staff Contact:	Laura Kirby, Human Resources Management Analyst, lkirby@belmont.gov
Agenda Title:	Compensation and Benefit Plan for Unrepresented and Confidential Employees
Agenda Action:	Resolution

Recommendation
Adopt a resolution establishing a compensation and benefit plan for unrepresented and confidential employees.

Strategic Focus Area
Fiscal and Organizational Sustainability

Background
Traditionally, the City's classification plan has encompassed roles subject to collective bargaining agreements, employment agreements, or a compensation and benefit plan specific to department head management positions. The recent establishment of "unrepresented", or positions not subject to collective bargaining agreements, necessitates the creation of a formal compensation and benefit plan document specifically designed for employee positions falling within this category.

Analysis
Without a formalized compensation and benefit plan for unrepresented employees, the City has consistently provided benefits aligned with those offered to the Mid-Management Confidential Employee Association. The Compensation and Benefit Plan for Unrepresented Employees (Plan) is designed to formalize and codify this historical practice, while also establishing a plan for extending benefits to future designated unrepresented employees.

The Plan attached mimics the applicable benefits and compensation specified in the current Memorandum of Understanding between the City of Belmont and the Mid-Management Confidential Employees Association, including a three percent (3) salary increase effective January 7, 2024.

Additionally, specific provisions have been incorporated for the designated unrepresented group, outlined as follows:

- Acting Pay – provision provides 5% salary increase above an employee's current pay for acting assignments.
- Parity Provision –granting the group parity with the Mid-Management Confidential Employee Association for purposes of compensation and benefit modifications and enhancements.

Alternatives

1. Take No Action
2. Provide staff with alternative direction

Attachments

A. Resolution
B. Compensation and Benefit Plan for Unrepresented Employees

Fiscal Impact

☐ No Fiscal Impact

☒ Funding Source Confirmed: Compensation assumptions have been included in the current fiscal year budget and will be incorporated into next fiscal year as part of the annual budget development process.

Source:	**Purpose:**	**Public Outreach:**
Staff	Discretionary Action	Posting of Agenda

RESOLUTION NO. 2023 –

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELMONT ESTABLISHING A COMPENSATION AND BENEFIT PLAN FOR UNREPRESENTED AND CONFIDENTIAL EMPLOYEES

WHEREAS, certain City job classifications are unrepresented, which means incumbents do not engage in collective bargaining with the City on matters related to wages, benefits and other terms and conditions of employment; and,

WHEREAS, Unrepresented and confidential employees refer to individuals in job classifications without representation, excluding at-will upper management personnel such as Department Directors and the Assistant City Manager and are considered regular, benefited, and full-time employees; and,

WHEREAS, Unrepresented and confidential employees are bound by the City's Personnel Rules and Regulations, and subject to the terms outlined in this resolution. Any modifications introduced by subsequent personnel rules and regulations or resolutions, specifically applicable to unrepresented regular full-time employees, will also apply; and,

WHEREAS, The City desires to establish a compensation and benefit plan to confirm compensation and benefits granted to these unrepresented and confidential employees; and,

WHEREAS, the City Council finds the Compensation and Benefit plan for the Unrepresented and Confidential Employee group attached (Exhibit A) to this Resolution are fair and in the best interest of the City.

NOW, THEREFORE, the City Council of the City of Belmont resolves as follows: The Compensation and Benefit plan for Unrepresented and Confidential employees is hereby adopted effective December 1, 2023.

* * *

ADOPTED November 28, 2023 by the City of Belmont City Council by the following vote:

Ayes:

Noes:

Absent:

Abstain:

ATTEST:

City Clerk

Mayor

APPROVED AS TO FORM:

City Attorney

COMPENSATION AND BENEFITS PLAN FOR THE CITY OF BELMONT UNREPRESENTED AND CONFIDENTIAL GROUP

The following represents the compensation and benefits granted to the unrepresented and confidential group as authorized and approved by the City Council effective December 1, 2023.

DEFINITIONS

"Unrepresented and Confidential" as used herein refers to a group of full-time employees without formal labor representation for purposes of negotiation of employment terms and conditions.

"Employee" as used herein means the unrepresented group.

GROUP DESIGNATION

The following job classifications are included in the unrepresented group:

Deputy Planning and Community Development Director
Information Technology Business Systems Analyst
Information Technology Manager
Payroll Manager
Principal Management Analyst

Newly established unrepresented and/or confidential classifications will be included in this category unless explicitly outlined in a distinct compensation and benefits plan.

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SALARY

Monthly salary ranges effective January 7, 2024:

	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
Deputy Planning & Community Development Director	$14,218.00	$14,928.90	$15,675.35	$16,459.12	$17,282.08	$18,146.18
Payroll Manager	$8,919.73	$9,365.72	$9,834.01	$10,325.71	$10,842.00	$11,384.10
Principal Management Analyst	$11,633.00	$12,215.00	$12,826.00	$13,467.00	$14,140.00	$14,847.00
IT Business System Analyst	$11,413.03	$11,983.68	$12,582.86	$13,212.00	$13,872.60	$14,566.23
Information Technology Manager	$ 12,689.60	$ 13,324.08	$ 13,990.28	$ 14,689.79	$ 15,424.28	$ 16,195.49

For the purposes of salary increases the group will be afforded the same salary adjustments as established in the current Memorandum of Understanding between the City of Belmont and the Mid-Management/Confidential Employees Association.

BENEFITS

457 Deferred Compensation

The City will contribute $335 per month for each employee into an Internal Revenue Code Section 457 deferred compensation account.

Hospital/Medical Plans

The City will participate in the Public Employees' Medical and Hospital Care Act (PEMHCA) medical plans, as administered by PERS. The City will provide each eligible employee who participates in a City sponsored medical insurance plan with the minimum employer contribution towards the purchase of medical insurance benefits required under the Public Employees' Hospital and Medical Care Act (PEMHCA).

Flexible Benefits Plan

The City will offer an Internal Revenue Code Section 125 Plan which contains the components of premium conversion, health care reimbursement account, dependent care reimbursement account, and cash option.

An employee may use Flexible Benefit Plan funds toward the cost of employer-provided health insurance for the employee and eligible dependents.

An employee may use Flexible Benefit Plan funds that may be taken as cash in lieu of medical plan premium contributions for health care reimbursement account, dependent care reimbursement account, or cash option in accordance with Plan procedures.

An employee eligible for alternative group medical insurance may waive the City's medical insurance coverage and select such alternate plan upon proof of such alternate coverage.

City Contribution

City will contribute an amount up to the current CalPERS Region 1 Health Premium for Kaiser Permanente Subscriber & 2+ Dependents ("City Contribution") which may be used as provided in Flexible Benefit Plan option cited above.

Cash Option

Employees may elect to receive cash as an option as follows.

(1) Employees hired before October 1, 2012 ("Tier 1 Employee").

a. Tier 1 Employees may elect to receive in cash the difference of the City Contribution minus the premium amount of any health insurance plan elected, if the difference is greater than zero, up to a maximum monthly amount of $1,137.00.

b. A Tier 1 Employee who changes coverage status (i.e., from waiver to coverage, coverage to waiver, or increase/decrease in level of coverage) may elect to receive in cash the difference of the City Contribution minus the premium amount of any health insurance plan elected, if the difference is greater than zero, up to a maximum monthly amount of $600.00.

(2) Employees hired on or after October 1, 2012 ("Tier 2 Employee") who waive medical insurance coverage as provided in Section 16.2.1 may elect to receive in cash $389.94 per month.

Dental Plan. The City will contribute the full cost of dental coverage under a dental plan on behalf of the employee. The employee may elect to cover eligible dependents at a cost of $5 per month for an additional dependent and $10 per month for family coverage.

Employees in this group will receive the same benefit plan design as the Mid-Management Confidential Employees Association.

Life Insurance. The City will provide basic life and accidental death and dismemberment insurance to department head classifications in the amount of $75,000.

Long Term Disability Insurance. The City will provide Long Term Disability Insurance Coverage at no cost to the employee. The amount of insurance shall be based on sixty-six and two-thirds percent (66-2/3%) of the employee's basic monthly earnings, reduced by any deductible benefits. The employee will pay the actual month cost of the premium on an after-tax basis.

Commuter Program. Employees may elect to participate in an Internal Revenue Service 132 pre-tax commuter and transit benefit offered by the City.

Vision Plan. The City will contribute a maximum of thirty dollars ($30) per month per employee to VSP vision plan.

Employees in this group will receive the same benefit plan design as the Mid-Management Confidential Employees Association.

RETIREMENT BENEFITS

Employees will receive the pension benefits as provided in the agreement between the City and Public Employees' Retirement System (PERS) as adopted by Ordinance No. 1068 on November 27, 2012. Those benefits are as follows.

(a) Classic/Legacy employees hired before December 28, 2012, receive a PERS retirement plan that includes the 2% at 55 formula for miscellaneous employees and the 3% at 50 formula for safety employees with a one year highest salary for determination of benefits. The plan also includes: Credit for Unused Sick Leave, Industrial Disability Retirement, and the Fourth Level of 1959 Survivor Benefits. Miscellaneous employees make a 7% employee retirement plan contribution on a before-tax basis, and safety employees make a 9% employee retirement plan contribution in accordance with Internal Revenue Code Section 414 (h)(2).

(b) Classic/Legacy miscellaneous employees hired on or after December 28, 2012, receive a PERS retirement plan that includes 2% at 55 formula with three year average of salary for miscellaneous employees and a 3% at 55 formula with three year average of salary for safety employees.

(c) Effective January 1, 2013, miscellaneous employees who qualify as "New members" as the term is defined by the California Public Employees' Pension Reform Act of 2013

(PEPRA) receive the benefits that are required by PEPRA, which include: a 2% at 62 formula for miscellaneous employees and a 2.7% at 57 formula for safety employees, three year average final compensation, employee contribution to be determined by Government Code Section 7522.30, and stricter limits on reportable compensation (referred to as "pensionable compensation" under PEPRA.).

Retiree Health and Dental Benefits

Retiree Health

(a) Retirees with Five Years of Service. An employee who retires from the City of Belmont in accordance with PERS regulations after five years of continuous employment with the City of Belmont is eligible to participate in the PERS health care plan as governed by the Public Employees' Medical and Hospital Care Act (PEMHCA). The City will contribute to PERS the required employer contribution for such health plan participation.

(b) Employees Hired before January 1, 2013. An employee hired before January 1, 2013, who retires from the City of Belmont in accordance with PERS regulations after 12 years of continuous employment with the City of Belmont will receive monthly reimbursement of the expenses he or she incurs for hospital and medical care premiums for their individual coverage only, up to a maximum of the amount paid by the City of Belmont for Employee only coverage under the Kaiser Health Care Plan.

(c) Employees hired on or after January 1, 2012 An employee hired on or after January 1, 2013, will receive the following benefits:

The City will participate in the CalPERS Health Plan as governed by the Public Employees' Medical and Hospital Care Act (PEMHCA), and provide the minimum PEMHCA contribution for retirees as required by law.

Additionally, the City will contribute the following to a Retirement Health Savings (RHS) account based on the years of service with the City.

Years of Service	Monthly Contribution
1-5	$150.00
6-10	$200.00
11-15	$250.00
16 and thereafter	$300.00

Employees shall be vested in the Retiree Health Savings Plan after 10 years of continuous service with the City.

Retiree Dental

A retiree is entitled to participate in the City's dental plan at their own cost.

LEAVES

Hours of Work: The standard work week for employees occupying full-time positions consists of forty (40) hours per week unless otherwise specified by the City. An alternate work schedule (9/80 or 4/10) may be approved by the City Manager. An employee requesting such an alternate schedule must submit a plan to the department head describing in detail the specific schedule and the

anticipated impact on the City's operations. An employee requesting such an alternate schedule must submit a plan to the department head describing in detail the specific schedule and the anticipated impact on the City's operations. The employee's request will be responded to in writing within thirty (30) days of the date of submittal. The City will remain open for business Monday through Friday from 8:00 AM until 5:00 PM and will continue to provide a high level of service to the citizens of Belmont.

Administrative Leave: In recognition of the demands placed upon employees in this group who are identified as FLSA exempt or Management personnel and are required to work outside of the normal work week, eighty (80) hours of administrative leave shall be granted to all such employees on January 1 of each calendar year. Administrative leave must be used in the calendar year in which it was granted and may not be earned over into a subsequent calendar year or paid out upon termination. Up to twenty-four (24) hours of unused administrative leave may be converted to vacation hours annually at the end of each calendar year.

Vacation Allowance
Regular full-time employees shall be entitled to vacation leave as follows:

Length of Service	Days of Vacation	Hours Accrued per Month of Service
From hire to 4 years	10 days	6-2/3 hours
4 or more years	15 days	10 hours
5 or more years	16 days	10-2/3
6 or more years	17 days	11-1/3 hours
7 or more years	18 days	12 hours
8 or more years	19 days	12-2/3 hours
9 or more years	20 days	13-1/3 hours
14 or more years	22 days	14-2/3 hours

Vacation Accumulation
In the event an employee is unable to take all of the vacation leave to which the employee is entitled in a calendar year, the employee shall be permitted to accumulate the unused portion, provided that the accumulated time does not exceed two times the employee's annual allowance unless an extension is granted by the City Manager due to exceptional circumstances.

Employees who have reached their accrual limit will not accrue any additional vacation unless and until their accrued vacation is below their accrual limit.

Employees who leave City service shall be paid straight-time salary for all accrued vacation leave earned on or before the effective date of termination.

Sick Leave

Sick leave shall be earned at the rate of one (1) day of each calendar month of service. For purposes of computing sick leave, one (1) day shall be considered as eight (8) working hours.

Sick leave, with pay, shall be granted to all full-time regular and probationary employees. Sick leave shall not be considered as a right which an employee may use at his/her discretion but shall be allowed only in case of necessity and actual personal or family sickness or disability.

Employees may use sick leave in case of illness or injury to a employee's immediate family member or designated person, in accordance with the California Family Rights Act ("CFRA"). Such usage

may be subject to verification at the City's request.

Sick Leave Accumulation
Unused sick leave shall be accumulated to a total of not more than 200 days (1,600 hours). An employee who is off on sick leave will continue to accumulate authorized benefits. An employee who is on leave without pay shall not accumulate sick leave credits.

Pay for Unused Sick Leave Upon Retirement
Upon retirement from the City of Belmont, employees with an unused sick leave balance may exercise one or both of the following options. Once hours are applied to one option they may not be applied to the other.

- Convert all or a portion of their unused accrued sick leave days at the time of retirement to additional PERS service credit in compliance with PERS regulations.

- Receive compensation for unused accrued sick leave days, up to a maximum of two hundred (200) days, based on years of service as follows:

Years of Service	Percentage of Sick Leave Days
5 to 9 years	25%
10 or more years	50%

For the purposes of this section, retirement will be defined as receiving a PERS retirement benefit.

Bereavement Leave
The City will provide up to a maximum of 3 days of paid bereavement leave per year in the event an employee's presence is required elsewhere because of death affecting the employee's immediate family. The immediate family shall consist of the spouse, children, parents, brothers, sisters, domestic partner or dependents of the employee. Employees can take additional bereavement leave by using other accrued paid time including sick leave, vacation and compensatory time.

ACTING PAY
An employee may be assigned in writing by the City Manager or their designee, to perform the duties of higher classification on an acting basis. Such assignments may be made to cover for an extended absence, a position vacancy, or other extenuating circumstances. An employee assigned to perform the duties of a higher classification on an "acting" basis for a period of 10 or more consecutive business days, shall receive "acting" pay retroactive to the first day of such assignment. Such payment shall be 5% more than his/her current pay.

PARITY PROVISION
If adjustments, enhancements, or modifications are made to the compensation and benefits of the Mid-Management Confidential Employee group, and if these changes are applicable and relevant to the unrepresented group, the City commits to applying identical changes to the unrepresented group.

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF BELMONT AMENDING THE BELMONT ZONING ORDINANCE (ORDINANCE NO. 360) TO ESTABLISH REGULATIONS FOR A COMMERCIAL CANNABIS OVERLAY DISTRICT AND ESTABLISH ZONING REGULATIONS TO POTENTIALLY ALLOW COMMERCIAL CANNABIS USES

THE CITY COUNCIL OF THE CITY OF BELMONT DOES ORDAIN AS FOLLOWS:

SECTION 1. LEGISLATIVE FINDINGS

The Council finds that allowing a limited number of cannabis businesses within certain prescribed areas of the city where commercial uses are currently allowed is consistent with the General Plan and the Belmont Village Specific Plan and with the best interests of the city.

SECTION 2. BZO § 3.1 AMENDED

Belmont Zoning Ordinance (Ordinance 360) is amended by modifying Section 3.1 as follows:

3.1 CLASSES OF DISTRICTS - For the purpose of this Ordinance, the City is divided into the following classes of districts as shown on the maps hereinafter included by reference:

Single Family Residential, or R-1E, R-1H, R-1A, R-1B and R-1C Districts
Duplex Residential, or R-2 Districts Multi-family Residential, or R-3, R-4 and R-5 Districts
Hillside Residential and Open Space, or HRO-1, HRO-2, and HRO-3 Districts
Neighborhood Commercial, or C-1 Districts
General Commercial, or C-2 Districts
Regional Commercial, or RC District
Service Commercial, or C-4 Districts
Mixed Use District, Corridor Mixed Use, or CMU District
Executive Administrative, or E-1, E-2.1 and E-2.2 Districts
Harbor Industrial Area, or HIA-1 and HIA-2 Districts
Limited Industrial, or M Districts
Exclusive Manufacturing, or M.E. Districts
Special Combining Districts:
  Special Building Site Combining District S-1
  Emergency Shelter Combining District S-2
  Cannabis Retail and Distribution Overlay District S-3
Schools and Compatible Multiple Uses, or SC Districts
Open Space Public, or OS-P Districts
Public and Semi-Public, or PS District
Village Core, or VC District
Village Station Core, or VSC District
Village Corridor Mixed Use, or VCMU District
Village High Density Residential, or VHDR District
Public Facility, or PF District
Park/Plaza, or PP District
Active Use Frontage Overlay, or AUFO Overlay

SECTION 3. BZO § 9.10 AMENDED

Belmont Zoning Ordinance (Ordinance 360) is amended by modifying Section 9.10 as follows:

9.10. CANNABIS BUSINESSES. The use of land for cannabis business activity, including any commercial cannabis activity requiring a license under Business and Professions Code Division 10, is prohibited in all zoning districts and specific plan areas except as provided in Section 9.10.1.

9.10.1 Retail sale and distribution of cannabis may be allowed in the S-3 District as provided in Section 21.4.2.

SECTION 4. BZO § 10.7.4 AMENDED

Belmont Zoning Ordinance (Ordinance 360) is amended by modifying Section 10.7.4 as follows:

10.7.4 Zoning Administrator Review. The Zoning Administrator is the Reviewing Authority for a Use Permit:

(a) In any commercial or manufacturing district provided the following criteria are met:

(1) The proposed use is similar in nature to the prior use of the property.

(2) The proposed use does not substantially increase impacts of traffic, noise, odor, vibration, parking or other objectionable elements to a residential neighborhood.

(3) The proposed use will not be detrimental to the public health, safety or welfare.

(4) No other Planning Commission entitlements are required.

(b) As provided in elsewhere in this Ordinance.

SECTION 5. BZO § 21.1 AMENDED

Belmont Zoning Ordinance (Ordinance 360) is amended by modifying Section 21.1 as follows:

21.1 SPECIAL COMBINING DISTRICTS – This section establishes certain classes of districts designated respectively by the symbols S, S1, S-2, or S-3 referred to herein as Special Combining Districts or S Districts. When a zoning district is combined with an S District, the regulations specified for the respective S District shall apply in that portion of the district combined with the S District. Zoning regulations contained in the underlying district that are not superseded or incompatible with the S District regulations shall continue to apply.

SECTION 6. BZO § 21.4 AMENDED

Belmont Zoning Ordinance (Ordinance 360) is amended by adding Section 21.4 as follows:

21.4 CANNABIS COMBINING DISTRICTS. Cannabis Combining Districts establish locations where a limited number of Cannabis Retail and Distribution uses are allowable and establish regulations for those uses. Cannabis combining districts include cannabis overlay districts.

21.4.1 **Cannabis Uses**

(a) **Definitions**. As used in Section 21.4:

"Cannabis" and "Cannabis Products" have the meanings defined in Business & Professions Code Section 26001.

"Cannabis Retail" means a use involving the retail sale of cannabis or cannabis products to customers.

"Cannabis Distribution" means a use involving the procurement, sale, and transport of Cannabis or Cannabis Products between businesses for resale.

"Child day care center" means a "day care center" for children as defined Health & Safety Code Section 1596.76.

"School" means an institution providing instruction for any grades pre-school through 12 whether public, private, or charter, including pre-school, transitional kindergarten, and K-12.

"Youth-oriented business" means any public or private facility that primarily provides services or hosts activities for minors, including, but not limited to: private youth membership organizations or clubs; tutoring; sports training; music, art, or dance lessons; and martial arts.

(b) **Use Permit**.

(1) When allowable, Cannabis Retail and Cannabis Distribution uses require a Use Permit. It is unlawful to establish or operate either a Cannabis Retail or a Cannabis Distribution use without a current and valid Use Permit that specifically authorizes the particular use.

(2) The Zoning Administrator is the Reviewing Authority for both Cannabis Retail and Cannabis Distribution Use Permit applications and, notwithstanding any other provision to the contrary, any required Design Review entitlements under Section 13.

(3) The Reviewing Authority may grant a Cannabis Use Permit only if it finds the proposed use is in accordance with the provisions of the General Plan, applicable specific plans, this ordinance, and the Reviewing Authority determines it can make the findings in Section 10.7.3 and all of the following supplemental findings based on the application and information before the Reviewing Authority. The Reviewing Authority must deny the application if it determines one or more findings cannot be made. Sections 10.7.2 and 10.7.4 do not apply.

(A) The establishment of the proposed use complies with the applicable development regulations.

(B) For a Cannabis Retail Use Permit, there are no more than two lawfully approved Cannabis Retail uses and approval of the use permit will not result in more than two Cannabis Retail uses in the S-3 District.

(C) For a Cannabis Distribution Use Permit, there is no more than one lawfully approved Cannabis Distribution use and approval of the use permit will not result in more than one Cannabis Distribution use in the S-3 District.

(D) The use permit conditions require the use to comply with the performance standards in subsection (d) unless a modification is expressly approved by the permit.

(E) The Police Department has reviewed and approved security and operations plans for the use at the proposed facility.

(c) **Development Regulations**. Cannabis Retail and Cannabis Distribution uses must conform to all development regulations of the zoning district in which they are located unless a modification is expressly approved in the use permit and the following standards.

(1) The use may only be established and operate inside a completely enclosed building.

(2) The location of a Cannabis Retail or Cannabis Distribution use when initially established must comply with the following:

(A) The use must be at least 600 feet from a school or other Cannabis Retail or Cannabis Distribution use and at least 100 feet from parks and actively operated child day care centers.

(B) The distances in subparagraph (A) are measured from the building containing the Cannabis Retail or Cannabis Distribution use by the length of the shortest path of travel over which the general public has a right to travel to the boundary of a property containing the incompatible use.

(C) The public entrance to the Cannabis Retail or Cannabis Distribution use may not be located immediately adjacent to a youth-oriented business on the same frontage as the entrance.

(3) The site and building must be suitably designed to be secure.

(d) **Performance Standards**. A Cannabis use must conform to the following performance standards unless a modification is expressly approved in the use permit.

(1) State Licensing. The use must fully comply with all applicable operational rules and regulations governing commercial cannabis activity in Business & Professions Code Division 10.

(2) Hours of Operation. A use may be open and operate only between the hours of 9:00 a.m. and 9:00 p.m.

(3) Consumption. Consumption of cannabis on the premise must not be allowed.

(4) Smoking. Smoking or vaping of any kind on premises must not be allowed.

(5) Odor. Cannabis odor must not be detectible outside the building from any place accessible to the public or from adjoining private property

(6) Public services. Operation of the business must not place a burden on the provision of public services disproportionate to other retail uses.

(7) Exterior Security Lighting. Adequate external lighting must be provided for security purposes. The lighting shall be sufficient to provide illumination and clear visibility to all outdoor areas, with minimal spillover on adjacent properties. The lighting must be stationary, directed away from adjacent properties and public rights-of-way, and compatible with the neighborhood.

(8) Security. On-site security must be provided for Cannabis Retail or Cannabis Distribution uses during the hours of operation when clients are present.

(9) Commercial Cannabis Permit. The use must fully comply with all applicable local permit rules and regulations governing commercial cannabis activity, including operational permit requirements and conditions and approved operational plans under any other city ordinance or code.

(10) In the event of a conflict between the requirements of the use permit and the requirements of a local operations permit issued by the police department, the more restrict performance requirements apply.

21.4.2 **S-3 Cannabis Retail and Distribution Overlay District**

(a) **S-3 District Established**. The S-3 Cannabis Retail and Distribution Overlay District comprises those certain areas situated within the City of Belmont that may be included by ordinance in the S-3 District from time to time. Only property located in the El Camino Real corridor between O'Neill Avenue and the San Carlos border are eligible to be rezoned to the S-3 District.

(b) **Allowable Cannabis Uses and Limitations**

(1) Both Cannabis Retail and Cannabis Distribution are allowable uses in the S-3 District with a use permit issued in accordance with section 21.4.1.

(2) Only two Cannabis Retail uses are allowed within the S-3 District.

(3) Only one Cannabis Distribution use is allowed within the S-3 District.

SECTION 7. SEVERABILITY.

If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held by a court of competent jurisdiction to be invalid, such a decision shall not affect the validity of the remaining portions of this Ordinance. The City Council of the City of Belmont hereby declares that it would have passed this Ordinance and each section or subsection, sentence, clause and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared invalid.

SECTION 8. EFFECTIVE DATE.

This Ordinance takes effect 30 days after its adoption.

SECTION 9. OPERATIVE DATE.

Sections 2, 3, 4, 5 and 6 of this Ordinance are not operative, and the use of land for cannabis business activity remains prohibited, until the operative date of a commercial cannabis permit ordinance adopted by the city council establishing regulations for the operation of cannabis businesses and requiring a police permit for operation of cannabis businesses, or until such date as the council may hereafter prescribe by ordinance.

* * *

The City Council of the City of Belmont, California introduced the foregoing ordinance, on November 14, 2023 and adopted the ordinance at a regular meeting held on [insert date], 2023 by the following vote:

Ayes:

Noes:

Absent:

Abstain:

ATTEST:

City Clerk

Mayor

APPROVED AS TO FORM:

City Attorney

STAFF REPORT

Meeting Date:	November 28, 2023
Agency:	City of Belmont
Staff Contact:	Grace Castaneda, Finance Director, (650) 595-7436 Afshin Oskoui, City Manager, (650) 595-7410
Agenda Title:	Report from Audit Committee and Measure I Committee for Fiscal Year Ending June 30, 2023
Agenda Action:	Other

Recommendation

1) The Audit Committee recommends the City Council receive the financial reports and recommendations of the City's independent auditor for the fiscal year ended June 30, 2023;
2) Receive Annual Measure I Advisory Committee Report for the fiscal year ended June 30, 2023.

Strategic Focus Area

Fiscal and Organizational Sustainability

Background

Audit Committee

The Audit Committee, comprised of the Vice Mayor Hurt and Council Member Pang-Maganaris, provides independent review and oversight of the City of Belmont's financial reporting processes, internal controls, and independent auditors. By effectively carrying out its functions and responsibilities, the Audit Committee helps to ensure that staff properly develops and adheres to a sound system of internal controls, that procedures are in place to objectively assess management's practices, and that the independent auditors, through their own review, objectively assess the City's financial reporting practices. In fulfilling these duties, the Audit Committee met this calendar year on April 17th, June 5th, and November 21st.

For the fiscal year ended June 30, 2023, the reports include:

- Annual Comprehensive Financial Report (ACFR)
- Memorandum on Internal Control and Required Communications
- Measure A Funds Report on Compliance
- Measure I Fund Financial Statements
- Measure W Funds Report on Compliance
- Agreed Upon Procedures Report on Compliance with Proposition 111 (City)
- Agreed Upon Procedures Report on Compliance with Proposition 111 (BFPD)

Measure I Advisory Committee

Measure I, the one-half cent transaction and use tax, is a locally-controlled funding source that was approved by Belmont voters in November 2016 and became effective beginning on April 1, 2017.
Measure I was passed as a general tax, and therefore the funds may be used for any valid governmental purpose. However, based on input received through community meetings and numerous surveys, the City Council has continued to direct that Measure I fund be utilized towards streets and storm drains infrastructure improvements.

Measure I provides that, by no later than December 31st of each year, the City's independent auditor shall complete a report to verify that the taxes levied under Measure I have been properly applied, exempted, collected, and remitted in accordance with the law for the prior fiscal year.

The Belmont City Code establishes the duties of the Measure I Advisory Committee ("the Committee"), which are to monitor and report on how the tax levied by Measure I has been spent, to review the annual audit prepared by the City's independent auditor related to the prior fiscal year's collection and expenditure of Measure I funds, and to transmit a report annually regarding the accuracy of the auditor's findings. To preserve the integrity and independence of the advisory process, the Committee members shall not have a role in determining the use of revenue generated by Measure I.

The Committee understands that its role is to review and evaluate Measure I annual reports and the general scope of the associated audit work, and to give reasonable assurance that the Measure I funds are being properly spent and reported on.

Analysis

Audit Committee

From an oversight standpoint, the Audit Committee has been able to provide an independent review of the City's financial reporting processes and internal controls and finds that the City is in good financial health and is maintaining control over budgeted activities. For the fiscal year ended June 30, 2023, the City's general funds, which include the General Fund and Measure I Fund, ended with a $30.5 million fund balance, of which $25.0 million is classified as "unassigned" and is therefore available for expenditures at the City's discretion. As of June 30, 2023, the General Fund balance met both the minimum $5 million and the target 33% of operating expenditure budget, or $8.5 million, reserve requirements.

In an effort to make the financial statements clearer and more understandable to readers, the ACFR includes a Letter of Transmittal and a Management Discussion and Analysis section that summarize and highlight the City's financial results. They are intended to be read in conjunction with the accompanying Basic Financial Statements in the ACFR.

The ACFR has been audited by an independent, certified, and licensed auditor. On November 21st, the Audit Committee received the auditor's opinion, annual financial reports, and Memorandum on Internal Control (MOIC). At this meeting, the auditor discussed the City's financial results with the Audit Committee, along with City management. The Audit Committee determined that the reports and related information were fairly presented, to the extent such a determination can be made solely on the basis of

such conversations. The Audit Committee also determined the reports were comprehensive and adequately disclosed the financial position and results of operations for the City.

In addition, the Audit Committee formally received the MOIC from the City's independent auditor. A MOIC consists of notes to material weaknesses, significant deficiencies, and other matters that include new Government Accounting Standards Board (GASB) pronouncements that could impact financial reporting and operations taking effect in the next few years and opportunities for strengthening internal controls and operating efficiency.

As prescribed by policy, the Audit Committee at its meeting on November 21st directed the Chair to transmit this report to the City Council. By doing so, the Committee is recommending that that the financial reports and recommendations of the auditor are made public. Furthermore, in performing this function, the Audit Committee has discharged its duties and met its responsibilities.

As for discharging its other responsibilities, the Audit Committee makes the following comments:

1. The Audit Committee has reviewed its provision of funding. No changes are proposed.
2. The Audit Committee has considered and determined there is no need to retain a financial expert to assist in fulfilling its responsibilities.
3. The Audit Committee has reviewed updates to the best practices, which have been added to the City's financial policies.

With respect to the reports, the Audit Committee would like to draw attention to the following:

- The Independent Auditors have issued an unmodified opinion, which is the highest level of assurance possible.

The City of Belmont has a long history of being a best practice city and, as such, incorporates Best Practices and Advisories issued annually by the Government Finance Officers Association (GFOA) into its Financial Policies. GFOA Best Practices and Advisories are written as a guide, identifying specific policies and procedures contributing to improved government management. They aim to promote and facilitate positive change rather than to codify current accepted practices.

Periodically, the Best Practices and Advisories will include new or modified recommended practices that apply to the City. The Audit Committee recognizes the importance of Best Practices and Advisories in the design, operation, and administration of the City's internal control system in discharging its fiduciary duty and, similarly to the reports discussed previously, recommends City Council receive the updates to the Financial Policies. Staff would also like to draw attention to the annual budget document, which includes a Financial Policies section. It serves as a central reference point to the most important of the City's policies, which are critical to the continued financial health of our local government.

The Audit Committee wishes to express its appreciation to the City's management, and in particular, the Finance Department staff, for the information they have provided for the Committee to compile this report.

Measure I Advisory Committee

For fiscal year ended June 30, 2023, the Measure I financial statements have been audited by the City's independent auditor who issued a report on the financial statements and a report on Measure I compliance. The financial statements and the auditor's reports are attached, and hard copies have been provided to the Council under separate cover.

During the fiscal year, the City recognized revenues totaling $2,358,043 in Measure I transactions and use tax. For street improvements, $1,129,467 was expended, and $304,519 was expended for storm drain improvements, leaving a fund balance as of June 30, 2023, at $3,936,671 for project expenditures.

The Committee met on November 20th and, based on the Committee's review of information made available by City staff, including the Measure I financial statements and the audit opinions of the independent auditor, gained reasonable assurance that the Measure I funds are being properly spent and reported on. The Committee directed the Chair to transmit this report through the City Manager's Office and, by doing so, has discharged its duties and met its responsibilities for the year ended June 30, 2023, as required by the Belmont City Code.

The Committee noted that they continue to review supplemental materials provided by the Public Works Department regarding the nature of ongoing and planned improvements to streets and the storm drainage system.

The Committee wishes to express its appreciation to the City's management, the staff members of the Finance and Public Works Departments, for the information they have provided for the Committee to compile this report.

By:

Patrick Kong
Measure I Advisory Committee Chair

Alternatives

1. Take no action.
2. Refer to staff with direction.

Attachments

A. ACFR, including Transmittal Letter
B. Memorandum on Internal Control
C. Required Communications
D. Financial Policy Updates Memorandum
E. Measure I Fund Financial Statements

On file and available on the City's website:

1. Measure A Funds Report on Compliance
2. Measure W Funds Report on Compliance

3. Agreed Upon Procedures Report on Compliance with Proposition 111 (City) (on file and available in the Finance Department)
4. Agreed Upon Procedures Report on Compliance with Proposition 111 (BFPD) (on file and available in the Finance Department)

Fiscal Impact

☒ No Fiscal Impact	Receipt of the financial reports and recommendations of the City's independent auditor for the fiscal year ended June 30, 2023 has no fiscal impact.
☐ Funding Source Confirmed:	

Source:	**Purpose:**	**Public Outreach:**
Other*	Statutory/Contractual Requirement	Posting of Agenda

*Audit Committee and Measure I Advisory Committee



Annual Comprehensive Financial Report

City of Belmont, California | For Fiscal Year Ended June 30, 2023

Mission

To enrich the quality of life for our community with the services provided for a safe, fulfilling and vibrant life.

CALIFORNIA BELMONT

www.belmont.gov

Vision

We are celebrated for enhancing:

- Distinctive community character
- Easy mobility
- Natural beauty
- Thriving culture
- Thriving economy

CITY OF BELMONT, CALIFORNIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2023

Prepared by

FINANCE DEPARTMENT

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Introductory Section

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CITY OF BELMONT

Annual Comprehensive Financial Report
For the Year Ended June 30, 2023

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CITY OF Belmont

CALIFORNIA BELMONT

Message from the Finance Director

November 9, 2023

To the Citizens of the City of Belmont, California:

We are pleased to present the City of Belmont's Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2023. The format and content of this ACFR complies with the principles and standards of accounting and financial reporting adopted by the Governmental Accounting Standards Board (GASB), and contains all information needed for readers to gain an understanding of the City's financial activities. Responsibility for both the accuracy of the data, and completeness and fairness of the presentation, including all disclosures, rests with the management of the City.

The City's financial statements have been audited by Maze & Associates, a firm of licensed certified public accountants. The goal of the audit is to obtain reasonable assurance that the financial statements are free of material misstatement. The audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion on the City's basic financial statements as of and for the year ended June 30, 2023. The independent auditors' report is presented as the first component of the financial section of this report.

The following pages in this transmittal are intended to summarize and highlight the City's financial results for the fiscal year ended June 30, 2023, and complement the Management's Discussion & Analysis (MD&A) and basic financial statements.

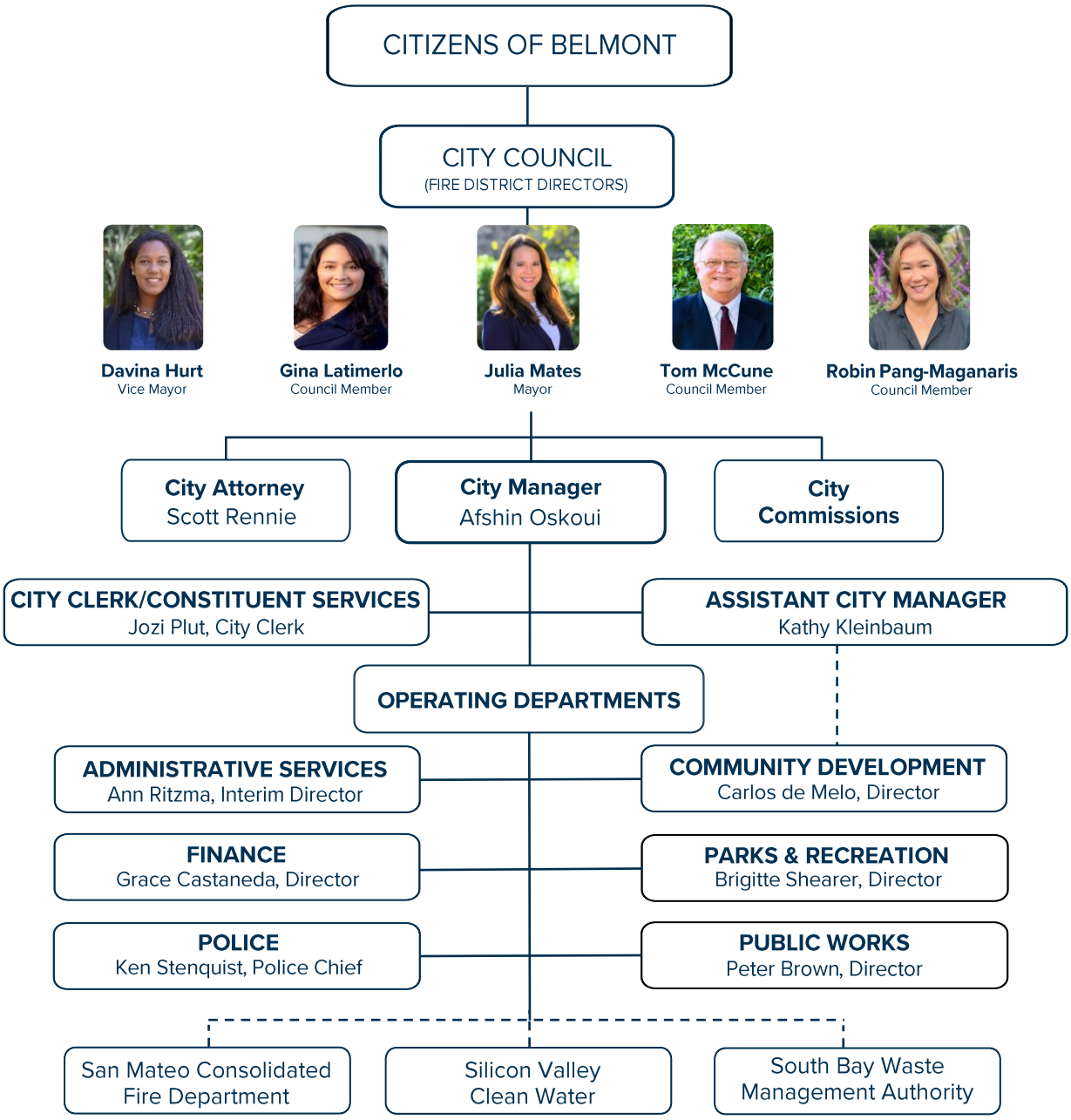
The MD&A, which provides a more comprehensive look at the City's financial results, includes a narrative introduction, overview, and analysis. Readers are encouraged to read the MD&A, which can be found immediately following the independent auditor's report in the financial section of the ACFR, along with accompanying basic financial statements.

The preparation of this ACFR was made possible by the dedicated service of the entire staff of the Finance Department. The dedication and cooperation of staff in all City departments in the administration of financial policies throughout the year is also appreciated. We also acknowledge the thorough and professional manner our independent auditors, Maze & Associates, conducted their audit.

Respectfully submitted,

Grace Castaneda
Finance Director

Organizational Chart and Principal Officials

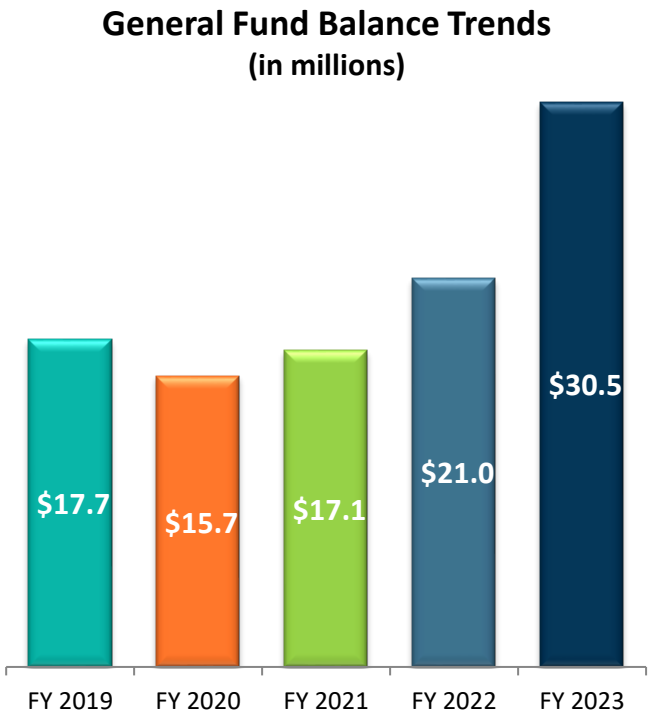


About City of Belmont

The City of Belmont, incorporated in 1926, is located on the San Francisco Peninsula, midway between San Francisco and San Jose. The City of Belmont operates under the council-manager form of government. Policy-making and legislative authority are vested in a governing council consisting of the mayor and four other members. The City Council is responsible, amongst other things, for passing ordinances, adopting the budget, appointing commissions, and hiring both the City Manager and City Attorney. The City Manager is responsible for carrying out the policies and ordinances of the Council, for overseeing day-to-day operations of the City, and for appointing the heads of the various departments.

The City provides a full range of services including police and fire protection; sanitation services; construction and maintenance of highways, streets, and infrastructure; community development; parks; recreational activities; and general government activities.

General Fund Results



*includes Measure I

The City is recovering steadily from the impacts of the pandemic with transient occupancy tax recovering while sales tax revenue remains relatively flat from the prior year.

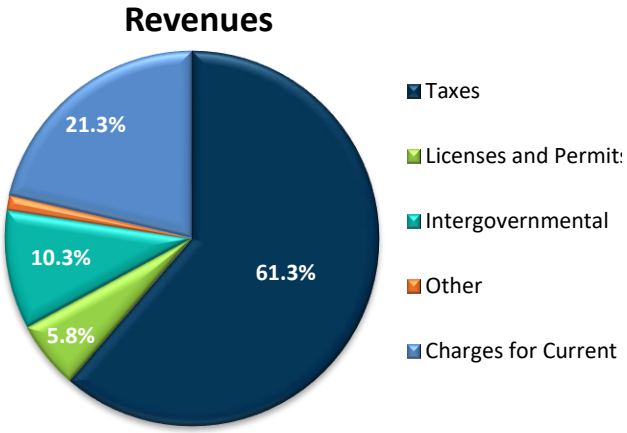
FY 2022-23 revenues increased by $6.4 million to $36.9 million from $30.5 million in prior year. Tax revenues were $25.5 million, including $2.4 million of Measure I revenue.

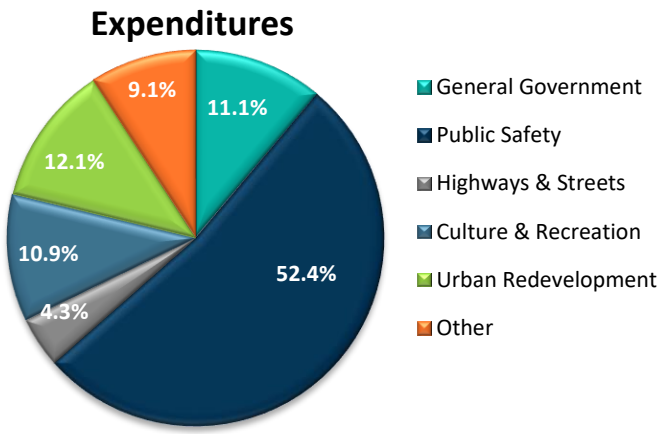
FY 2022-23 operating expenditures were managed and below the final budget by $1.6 million. Measure I projects' budget of $6.8 million was not materialized and was encumbered to the next fiscal year.

Total General Fund balance experienced an uptick to $30.5 million, an increase of $9.5 million from the prior year. It was primarily due to the second of two tranches of $3.2 million American Rescue Plan Act (ARPA) Federal Coronavirus State and Local Fiscal Recovery Funds, $1.4 million increase in properties taxes primarily due to the dissolution of Belmont Successor Agency, and the State's reimbursement of $1.5 million property tax in lieu of vehicle license fee (VLF) due to a shortfall from two years prior.

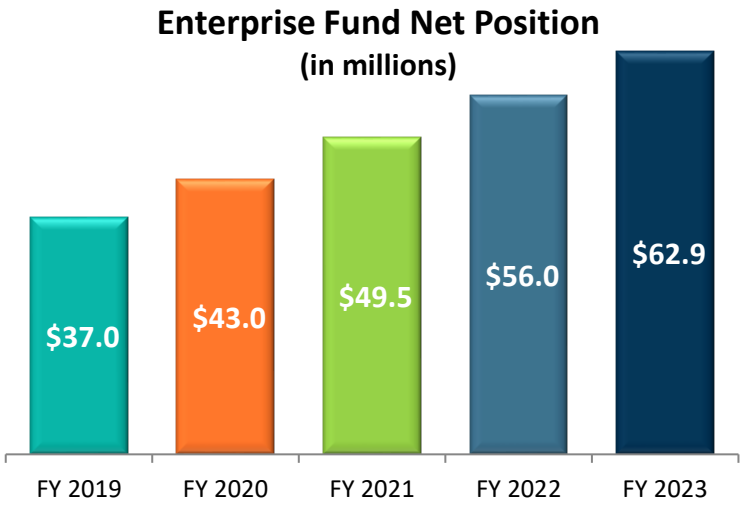
Looking forward, the FY 2023-24 adopted budget is $30.3 million, including $4.6 million transfer out to support other funds. It projects a General Fund reserve balance of $20.6 million. This meets the target reserve policy set by City Council, which is 33% of total General Fund operations, with a minimum of $5 million.

Governmental Fund Results





Enterprise Fund Results



FY 2022-23 operating revenues of $20.1 million were 5.0%, or $1.0 million, lower than last year. It was primarily due to $2.1 million decrease in the collection of sewer connection fees, which was partially mitigated by $0.8 million increase in the collection of sewer service charges.

FY 2022-23 operating expenses were flat at $11.6 million.

The FY 2023-24 adopted budget includes $16.7 million for operations and $7.9 million in sewer system capital improvements.

Budget Process and Control

The City's budget is based upon the principle of cost centers (i.e., fund, departments, and service area) and all funds are annually appropriated. Each department submits annual expenditure plans and revenue estimates to the City Council for approval.

Budgetary control is established at each individual fund. The City Manager is authorized to transfer appropriation between any departments. Any revisions which increase the total appropriations of any fund must be approved by the City Council. Unencumbered operating appropriations lapse at year end, while capital improvement appropriations are carried over to subsequent years until projects are completed.

Long-Term Debt

At the end of FY 2022-23, the City had a total of $74.9 million in long-term debt. The existing long-term debt does not include addressing deferred capital maintenance and retirement obligations discussed in greater detail below.

Cash Management

Cash temporarily idle during the year was invested in U.S. Government securities and with the State Treasurer's Local Agency Investment Fund (LAIF).

Risk Management

Since 2004, the City has purchased primary workers' compensation insurance with no deductible. All claims from that date are covered 100% by the carrier. Prior to 2004, the City maintained a self-insurance program for workers' compensation. The City also purchases commercial insurance against general liability and pollution with self-insured retention at $250,000.

Internal Control

Management is responsible for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control. Because the cost of internal controls should not exceed

anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatement.

Long-Term Financial Planning & Major Initiatives

The City has long been fiscally responsible with a focus on long-term sustainability. It provides an extended financial projection as part of the budget process, allowing the City to be proactive in seeking both short-term and long-term budget solutions.

The City Council annually performs a review of the City's strategic plan, including priorities and policy modifications. This year's collaborative and productive discussions to address Belmont's critical issues generated five Strategic Focus Areas to build on the City's continued momentum and success. A unified vision for the future uses the following City Council focus areas as its roadmap for action over the next 3-5 years, as highlighted below.

Strategic Focus Areas



Infrastructure and Mobility



Economic Development & Housing



Fiscal & Organizational Stability



Public Safety



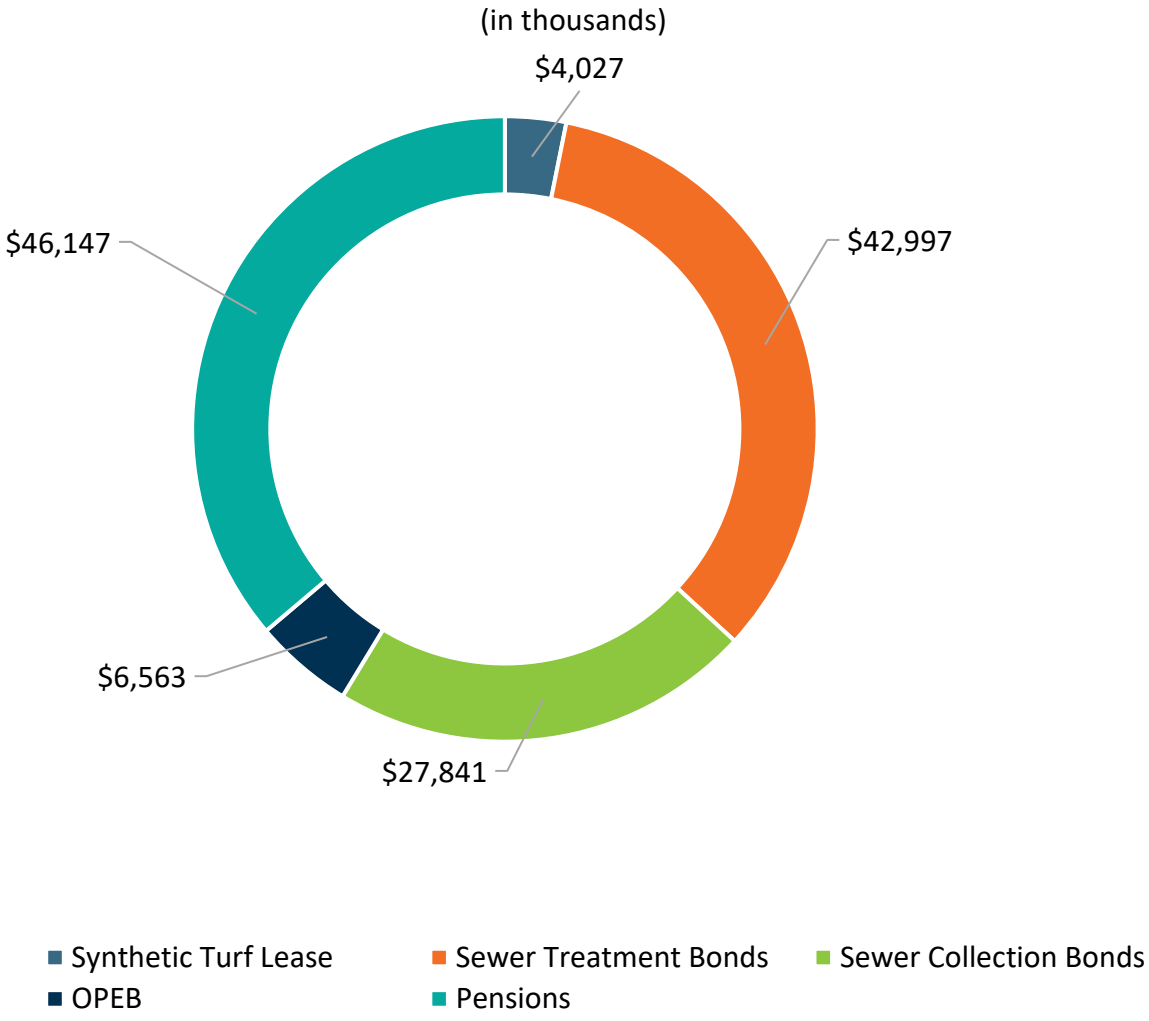
Quality of Life

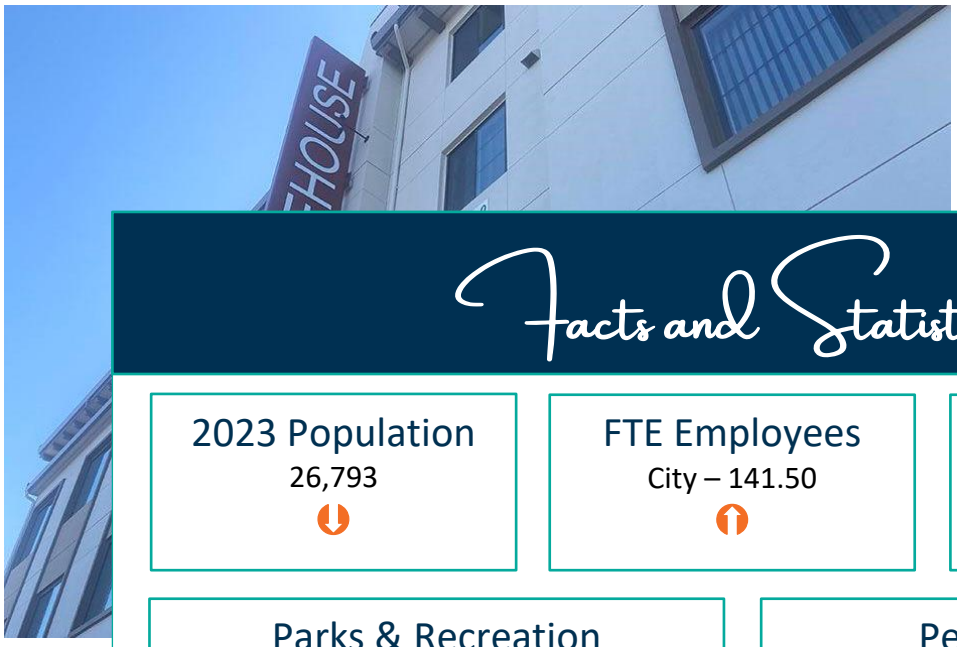
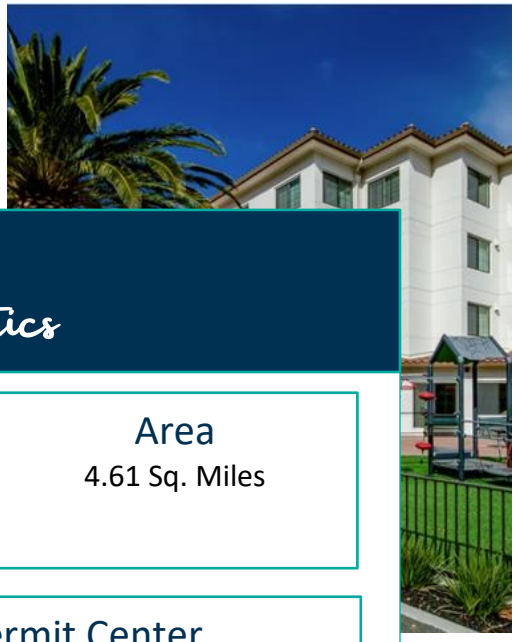
Major initiatives under these five Strategic Focus Areas include:

- Addressing economic development and supporting long range and advanced planning projects.
- Supporting delivery of capital projects from increased development activity.
- Advancing Belmont Community Center design.
- Enhancing funding for major development project reviews and comprehensive Harbor Industrial Area annexation analysis.
- Supporting public safety via investments in communication equipment.
- Supporting and delivering diversity, equity, and inclusion programs.

Capital and Retirement Obligations

The chart below summarizes the City's capital and retirement obligations as of June 30, 2023.



Facts and Statistics

2023 Population
26,793

FTE Employees
City – 141.50

Area
4.61 Sq. Miles

Parks & Recreation
Recreation Class Participants – 92,280
Developed Parks – 15
Acres of Open Space – 317.00
Acres of Developed Parks – 61.4

Permit Center
Permits Issued – 1,513
Inspections Performed – 6,444

Public Safety

Police

Calls for Service – 21,765
Parking Violations – 1,969
Physical Arrests – 551
Traffic Violations – 1,505

Fire

Calls for Service – 2,719
Plan Checks – 163
Annual Fire Inspections – 561

Public Works

Sewer

Miles of Sewer – 85
Sewer Connections – 7,690

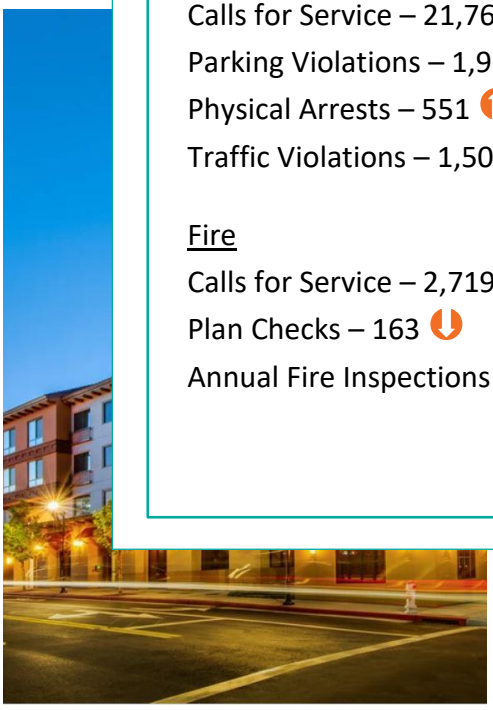
Storm Drains

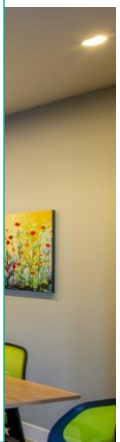
Miles of Storm Drains – 27
Storm Drain Inlets – 1,500

Streets

Miles of Streets – 70
Streetlights – 1,465
Traffic Signals – 18





Vision Statement

The City's Vision Statement typically drives Council's Strategic Focus Areas, goals and objectives, and includes the following areas:

- Distinctive Community Character
- Easy Mobility
- Natural Beauty
- Thriving Culture
- Thriving Economy



Top 10 Employers*

1. RingCentral, Inc.
2. Volkswagen Group of America ERL
3. Autobahn Motors
4. Carlmont Gardens Nursing Center
5. Safeway Store #1138
6. Silverado – Belmont Hills
7. Lunardi's Market
8. Nikon Precision Inc.
9. Innovative Mechanical Inc.
10. James Electronics/LTD

**Excludes governmental agencies and not for profit entities*



Request for Information

This financial report is designed to provide a general overview of the City of Belmont's finances for all those interested.

Questions concerning any information provided in this report should be addressed to the Finance Director or for additional information regarding the City's financial activities, including past award winning Annual Comprehensive Financial Reports, transparency efforts and best practices please visit the City at www.belmont.gov.

Contact Us:

Finance Director
Finance Department
Belmont City Hall
One Twin Pines Lane, Suite 320
Belmont, CA 94002

Phone (650) 595-7433
finance@belmont.gov



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Belmont
California

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

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Financial Section

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Members of the City Council
City of Belmont, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Belmont, California (City), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the Table of Contents.

In our opinion, based on our audit and report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons listed in the Table of Contents as part of the basic financial statements for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of San Mateo Consolidated Fire Department (SMC Fire) as of and for the year ended June 30, 2022, related to the calculation of the Investment in Joint Venture. The Investment in this Joint Venture represents 2%, 3% and 1%, respectively, of the assets, net position and revenues of the governmental activities. The financial statements of SMC Fire were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the calculation of the Investment in Joint Venture, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirement relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibility of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Change in Accounting Principles

Management adopted the provisions of the Governmental Accounting Standards Board Statement No. 96 – *Subscription-Based Information Technology Arrangements (SBITAs)* , which became effective during the year ended June 30, 2023 as discussed in Note 13 to the financial statements:

The emphasis of this matter does not constitute a modification to our opinions.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and other Required Supplementary Information as listed in the Table of Contents be presented to supplement the basic financial statements. Such information is the responsibility of management, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying Supplementary Information, as listed in the Table of Contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Supplementary Information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Introductory Section and Statistical Section listed in the Table of Contents, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exits, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 9, 2023 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Maze & Associates

Pleasant Hill, California
November 9, 2023

Management of the City of Belmont offers this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2023, to make the financial statements clearer and more understandable. We encourage readers to consider the information presented here in conjunction with the additional information furnished in our letter of transmittal.

FINANCIAL HIGHLIGHTS

- The City's total assets increased by $22.9 million to $332.4 million, of which $193.3 million represented governmental assets and $139.1 million represented business-type assets.
- City's total liabilities increased by $18.9 million to $136.3 million, of which $58.8 million were governmental liabilities and $77.5 million were business-type liabilities.
- The City's total net position increased by $33.3 million (19.4%) from the prior year . On June 30, 2023, net position totaled $205.3 million, comprised of $142.4 million for governmental activities and $62.9 million for business-type activities. Of the $205.3 million net position, $50.4 million is unrestricted which can be used to meet the City's ongoing obligations.
- City-wide revenues were $93.1 million, of which $71.5 million were generated by governmental activities and $21.6 million were generated by business-type activities.
- City-wide expenses were $59.8 million, of which $45.1 million were incurred by governmental activities and $14.7 million were incurred by business-type activities.
- Governmental Fund balances increased by $19.4 million (32.4%) to $79.2 million. Of this amount, $25.0 million, or 31.6%, was unassigned fund balance and available for spending at the City's discretion.
- Governmental Fund revenues were $68.1 million, an increase of $9.5 million (16.3%) from prior fiscal year.
- Governmental Fund expenditures decreased by $0.7 million to $51.6 million, from prior year.
- Enterprise Fund net position increased by $7.0 million (12.4%) to $62.9 million. Of this amount, $35.0 million (55.7%) was unrestricted net position and available for spending at the City's discretion.
- Enterprise Fund operating revenues were $20.1 million compared to $21.1 million in the prior year.
- Enterprise Fund operating expenses were $11.5 million, an increase of $0.2 million comparing to the prior fiscal year.
- The City received the second and last tranche of $3.2 million one-time ARPA Federal Coronavirus State and Local Fiscal Recovery Funds .
- Net pension liability increased by $21.9 million (90.2%) from prior year to $46.1 million. The increase was primarily due to low returns on CalPERS investments as of the measurement date on June 30, 2022.
- The City implemented GASB 96, Subscription Based IT Arrangements (SBITAs), effective July 1, 2022. GASB 96 requires that SBITAs be reported on the financial statements. Subscription liabilities were added to the financial statements and subscription assets were grouped into depreciable capital assets on the financial statements. Additional information and discussion of these changes can be found in Note 13 of the Notes to the Basic Financial Statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Annual Comprehensive Financial Report is composed of the following:

1. Introductory section, which includes the Transmittal Letter and general information,
2. Management's Discussion and Analysis (this part),
3. Basic Financial Statements, which include the Government-wide and the Fund financial statements along with the Notes to these financial statements,
4. Required and Other Supplemental Information, and
5. Statistical information.

The Basic Financial Statements

The Basic Financial Statements consist of the Government-wide Financial Statements and the Fund Financial Statements. These two sets of financial statements provide two different views of the City's financial activities and financial position—long-term and short-term.

The Government-wide Financial Statements provide a longer-term view of the City's activities as a whole and consist of the Statement of Net Position and the Statement of Activities. The Statement of Net Position provides information about the financial position of the City as a whole, including all its capital assets and long-term liabilities on the full accrual basis, similar to that used by corporations. The Statement of Activities provides information about all of the City's revenues and expenses, also on the full accrual basis, with the emphasis on measuring net revenues or expenses of each of the City's programs. The Statement of Activities explains in detail the change in Net Position for the year.

The Fund Financial Statements report the City's operations in more detail than the City-wide statement and focus primarily on the short-term activities of the City's General Fund and other Major Funds. The Fund Financial Statements measure only current revenues and expenditures, current assets, liabilities, and fund balances; they exclude capital assets, long-term debt, and other long-term amounts.

Major Funds account for the major financial activities of the City and are presented individually, while the activities of Non-major Funds are presented in summary, with subordinate schedules presenting the detail for each of these other funds. Major Funds are explained below.

The Government-wide Financial Statements

The Government-wide Financial Statements provide a broad view of the City's finances in a manner like private-sector businesses and consist of the Statement of Net Position and the Statement of Activities.

The Statement of Net Position provides information about the financial position of the City as a whole, including its capital assets plus deferred outflow of resources and long-term liabilities plus deferred inflow of resources, with the difference reported as net position. Over time, increase or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities presents information on all City's revenues and expenses with the emphasis on measuring net revenues or expenses of each of the City's programs. The statement explains in detail how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., loans receivable, and earned but unused compensated leaves).

The City's basic services are considered governmental activities, including general government, public safety, highways and streets, culture and recreation, urban development, and miscellaneous. These services are supported by taxes, intergovernmental revenues, and program revenues, such as user fees and charges. The City's governmental activities also include the activities of two separate legal entities: the Belmont Fire Protection District and the Belmont Joint Powers Financing Authority. The City is financially accountable for these entities.

The City's enterprise activities are reported as Business-type activities, including sewer, storm drainage, and solid waste. Unlike governmental services, these activities are supported by charges paid by users based on the amount of service they use and are intended to recover all costs.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Belmont, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All funds at the City of Belmont can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

The Fund financial statements provide detailed information about each of the City's significant funds, called Major Funds. Each Major Fund is presented individually with all Non-major Funds summarized and presented in a single column. Subordinate schedules present the detail of these non-major funds. Major Funds present the major activities of the City for the year. The General Fund is always a Major Fund, and other funds may change from year to year because of changes in the pattern of the City's activities.

The City has two Major Governmental Funds in fiscal year 2022-23 in addition to the General Fund, which is discussed in the Analysis of Major Governmental Funds section.

Comparisons of Budget and Actual financial information are presented for the General Fund and other Major governmental funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Governmental fund financial statements are prepared on the modified accrual basis, which means they measure only current financial resources and uses. Capital assets and other long-lived assets, along with long-term liabilities, are presented only in the government-wide financial statements.

The focus of governmental funds is narrower than that of government-wide financial statements, so it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions.

Because governmental fund financial statements do not encompass the long-term focus of the government-wide statements, additional information is provided that reconciles the governmental fund financial statements to the government-wide statements explaining the relationship (or differences) between them.

Proprietary funds. The City maintains two different types of proprietary funds, enterprise funds and internal service funds. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its sewer, storm drain, and solid waste activities. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its workers compensation, liability, vision, benefit prefunding, fleet and equipment, facilities management, and other such services. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for Sewer, Storm Drainage, and Solid Waste activities. Internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

Fiduciary funds. The City acts as an agent on behalf of outside parties, holding funds collected, and disbursing them as directed or required. The City's fiduciary activities are reported in the separate Statement of Fiduciary Net Position and Statement of Changes in Net Position. These activities are excluded from the City's other financial statements because the City cannot use these assets to finance its own operations.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found following the fund financial statements in this report.

Other Information

Information concerning the City's pension and other post-employment benefits can be found in Required Supplementary Information Section. The combining statements and schedules in connection with General Fund, non-major Governmental Funds, and Internal Service Funds can be found in the Supplemental information section of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Governmental Activities

Tables 1 and 2 present the net position and changes in net position of the City's governmental activities on June 30, 2022 and June 30, 2023.

Table 1
Governmental Activities Net Position on June 30
(in Thousands)

	2023	2022*
Current and other assets	$107,821	$89,175
Capital assets	85,443	84,835
Total assets	193,264	174,010
Deferred outflows related to pension	18,684	8,440
Deferred outflows related to OPEB	2,013	1,593
Total deferred outflows	20,697	10,033
Current and other liabilities	5,060	6,499
Long-term obligations outstanding	53,726	32,767
Total liabilities	58,786	39,266
Deferred inflows related to pension	3,428	17,176
Deferred inflows related to OPEB	1,879	3,678
Deferred inflows related to leases	7,490	7,925
Total deferred inflows	12,797	28,779
Net position:		
Net investment in capital assets	81,466	80,638
Restricted	45,547	31,882
Unrestricted	15,366	3,478
Total net position	**$142,379**	**$115,998**

*Due to the implementation of Government Accounting Standards Board Statement 96 on Subscription Based IT Arrangements (SBITAs) during the fiscal year ended June 30, 2023, financial data shown for the previous year has not been restated and may not be comparable. See Note 13 for additional information.

Table 2
Changes in Governmental Activities Net Position
for the year ended June 30
(in Thousands)

	2023	2022*
Revenues		
Program revenues:		
Charges for services	$16,209	$17,367
Operating grants and contributions	7,198	5,895
Capital grants and contributions	1,390	1,869
Total program revenues	24,797	25,131
General revenues:		
Taxes:		
Property taxes	25,203	20,469
Sales taxes	6,692	6,602
Transient occupancy taxes	3,771	2,432
Franchise taxes	1,524	1,474
Motor vehicle in lieu	4,683	2,833
Equity in (losses) of joint ventures	551	(221)
Gain on sale of capital assets	2,148	4,050
Investment earnings and Other	2,135	67
Total general revenues	46,707	37,706
Total revenues	71,504	62,837
Expenses		
General government	4,744	7,642
Public safety	25,349	24,909
Highways and streets	4,155	2,937
Culture and recreation	5,074	6,218
Urban redevelopment	5,705	5,520
Interest on long-term debt	96	108
Total expenses	45,123	47,334
Change in net position	26,381	15,503
Net position-Beginning	115,998	100,495
Net position-Ending	**$142,379**	**$115,998**

*Due to the implementation of Government Accounting Standards Board Statement 96 on Subscription Based IT Arrangements (SBITAs) during the fiscal year ended June 30, 2023, financial data shown for the previous year has not been restated and may not be comparable. See Note 13 for additional information.

Net Position

At the close of the FY 2022-23, the governmental activities' total assets and deferred outflows of resources exceeded total liabilities and deferred inflows of resources by $142.4 million, 22.7% increase from the prior year.

The largest portion, approximately $81.5 million, or 57.2%, of the City's net position represents its investment in infrastructure and other capital assets (e.g., land, buildings, machinery, equipment, and infrastructure), net of amounts borrowed to finance that investment. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be liquidated for these liabilities.

An additional portion of the City's governmental net position of $45.5 million, or 32.0%, represents resources that are subject to external restrictions and may only be used to construct specified capital projects, debt service, or special revenue programs. The restrictions on these funds were placed by outsiders and cannot be changed by the City.

The remaining $15.4 million, or 10.8%, of net position is unrestricted. Unrestricted net position can, when positive, be used to finance day-to-day operations without constraints established by debt covenants or other legal requirements or restrictions.

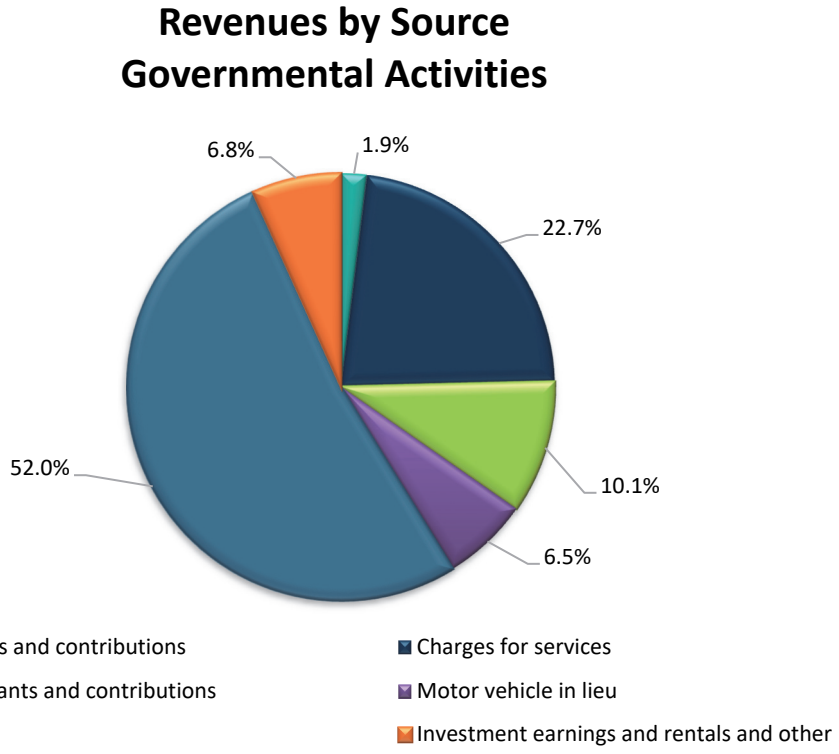
Changes in Net Position

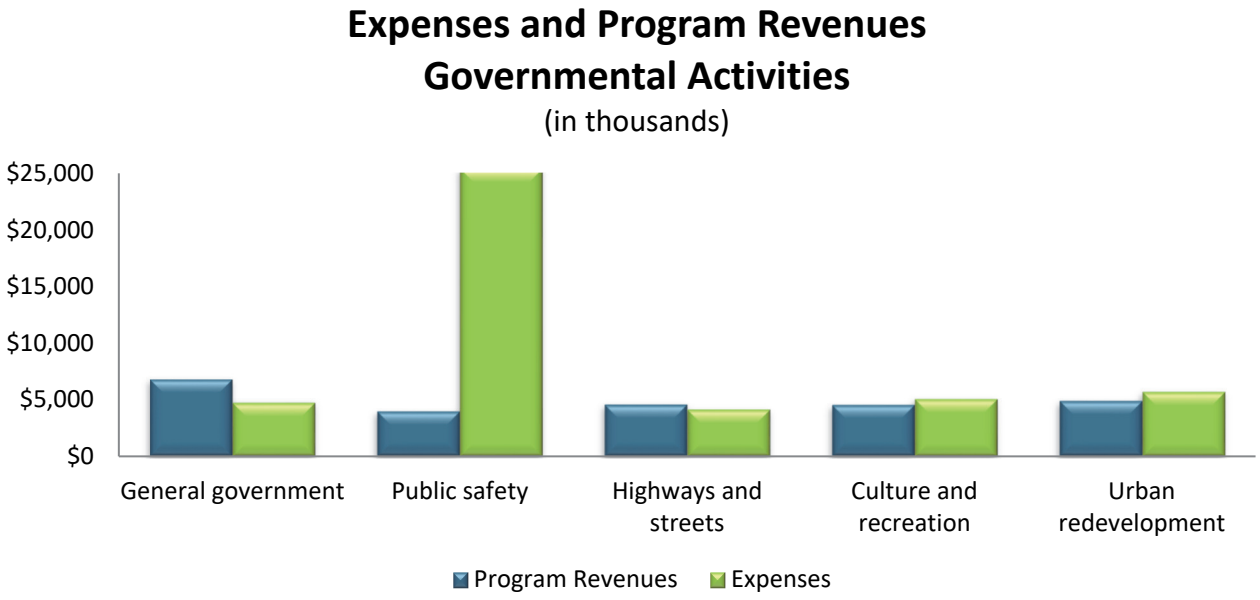
The Statement of Activities provides information about all the City's revenues and all its expenses, with the emphasis on measuring net revenues or expenses of each of the City's programs. The Statement of Activities explains in detail the change in Net Position for the year. At the close of the FY 2022-23, the City's governmental activities net position increased by $26.4 million.

Governmental activities revenue increased by $8.7 million to $71.5 million. Program revenues such as charges for services, operating grants and contributions, and capital grants and contributions are generated from or restricted to each activity. Total program revenues slightly decreased by $0.3 million from the prior year. The decrease in revenues generated from development fees and park impact fees was partially mitigated by the increase in revenues generated from operating grants and contributions from other local agencies. General revenues increased by $9.0 million, or 23.9%, from the prior year with $6.2 million from increase in tax revenues. Tax revenues for the year increased primarily due to increased property taxes revenue, which grew as a result of approximately 8.8% increase in taxable property values and the dissolution of Belmont Successor Agency in fiscal year 2021-22.

The governmental activities expenses were $45.1 million, a decrease of $2.2 million from the prior year primarily due to pension related adjustments for GASB 68.

The following charts display the City's governmental activities revenues by source, as well as expenses and program revenues for fiscal year 2022-23.





Business-Type Activities

The City's business-type activities include sewer collection, sewer treatment, storm drainage, and solid waste. Tables 3 and 4 present the net position and changes in net position of the City's business-type activities on June 30, 2022 and June 30, 2023.

Table 3
Business-Type Net Position on June 30
(in Thousands)

	2023	2022
Current and other assets	$106,137	$102,428
Capital assets	32,980	33,023
Total assets	139,117	135,451
Deferred outflows related to pension	1,649	714
Deferred outflows related to OPEB	178	135
Total deferred outflows	1,827	849
Current and other liabilities	4,799	4,475
Long-term debt outstanding	72,744	73,689
Total liabilities	77,543	78,164
Deferred inflows related to pension	321	1,862
Deferred inflows related to OPEB	166	311
Total deferred inflows	487	2,173
Net position:		
Net investment in capital assets	511	1,163
Restricted	27,391	25,992
Unrestricted	35,012	28,807
Total net position	**$62,914**	**$55,962**

Table 4 Business-Type Activities Changes in Net Position for the year ended June 30 (in Thousands)		
	2023	2022
Revenues		
Program Revenues:		
Charges for Services	$20,103	$21,150
Operating Grants and Contributions	34	59
Capital Grants and Contributions		
Total program revenues	20,137	21,209
General Revenues:		
Investment earnings and Other	1,467	15
Total general revenues	1,467	15
Total revenues	21,604	21,224
Expenses		
Sewer	12,400	12,072
Storm Drainage	1,718	2,190
Solid Waste	534	502
Total expenses	14,652	14,764
Change in net position	6,952	6,460
Net position-Beginning	55,962	49,502
Net position-Ending	**$62,914**	**$55,962**

Net Position

At the close of the fiscal year, the net position of business-type activities was $62.9 million, an increase of $7.0 million (12.4%) from the prior fiscal year. $0.5 million or 0.8% of net position was invested in capital assets, net of related debt, $27.4 million or 43.5% is restricted for sewer treatment facility activities, and $35.0 million or 55.7% are unrestricted and available for the operations of the proprietary funds.

Changes in Net Position

Total program revenues of business-type activities were $20.1 million in fiscal year 2022-23, a decrease of $1.1 million over the prior year. It was primarily due to $2.1 million decrease in the collection of sewer connection fees, which was partially mitigated by $0.8 million increase in the collection of sewer service charges. Total expenses were $14.7 million, a slight decrease of $0.1 million over the prior year.

GOVERNMENTAL FUNDS FINANCIAL ANALYSIS

Table 5 below summarizes the Governmental Funds' balances.

Table 5
Financial Highlights at Fund Level for the year ended June 30
(in Thousands)

	2023	2022
Total assets	$89,799	$72,102
Total liabilities	3,018	4,391
Deferred Inflows	7,628	7,925
Total fund balances	79,153	59,786
Total revenues	68,055	58,525
Total expenditures	51,628	52,318
Total other financing sources (uses)	2,940	2,785

As of June 30, 2023, the City's Governmental Funds reported combined ending fund balances of $79.2 million, an increase of $19.4 million, or 32.4%, from the prior year. In comparison with the prior year, revenues increased by $9.5 million to $68.1 million, and expenditures decreased by $0.7 million to $51.6 million.

Analysis of Major Governmental Funds

General Fund

As the principal operating fund of the City, the General Fund, by definition, is a Major Governmental Fund. The General Fund accounted for 54.2% of total governmental revenues and 46.2% of total expenditures. City basic services are accounted for in the General Fund, including public safety, general government, culture and recreation, and community development.

At the end of the current fiscal year, the total fund balance of General Fund increased by $9.6 million to $30.5 million, representing a 45.7% increase over the prior year. The fund balance is classified as follows: $0.7 million non-spendable, $4.9 million restricted and $25.0 unassigned. The unassigned fund balance of $25.0 million represents 81.8% of the total fund balance. Since the unassigned fund balance represents available liquid resources for spending at the City's discretion, it may be useful to compare the unassigned fund balance to total fund expenditures. The City's unassigned fund balance represents 104.7%, or equates to approximately 382 days, of total General Fund expenditures (excluding transfers out) for the year.

The City's General Fund revenues totaled $36.9 million, an increase of $6.4 million, or 21.1%, compared to the prior year. This increase was mainly due to $1.4 million increase in property taxes primarily due to approximately 8.8% increase in taxable property values and the dissolution of Belmont Successor Agency in fiscal year 2021-22, the State's reimbursement of $1.5 million property tax in lieu of vehicle license fee (VLF) due to a shortfall from two years prior, $1.2 million increase in interest earnings and market value adjustments of investments, and $1.3 million increase in transient occupancy tax which was partially contributed by the tax rate increased from 12% to 14% effective January 1, 2023.

General Fund expenditures increased by $0.5 million to $23.9 million. A $0.7 million increase in public safety expenditures was partially offset by $0.3 million drop in capital outlay expenditures.

General Fund Budgetary Highlights

The fiscal year 2022-23 adopted budget for General Fund expenditures amounted to $28.9 million, excluding $4.4 million transfers out. The final budget amount was $32.2 million. General Fund revenues budget was adopted at $33.1 million, and the final budget amount was $37.0 million.

Overall expenditures were $8.4 million less than the final budget, mainly due to unfilled positions and delay of capital projects that are expected to be completed in subsequent years. Overall revenues were less than the final budget by $0.1 million.

Belmont Fire Protection District Fund

The Belmont Fire Protection District Fund (the District) accounts for resources received by a special district, shown as a blended component unit, from the citizens of Belmont and the unincorporated Harbor Industrial Area to finance fire protection and suppression services. Since mid-January 2019, fire protection, fire prevention and emergency response services are provided to Belmont community by the San Mateo Consolidated Fire Department (SMC Fire) Joint Powers Authority (JPA).

As of June 30, 2023, the fund balance increased $4.0 million over the prior year to $20.2 million. Overall revenues increased by $3.8 million to $16.2 million. An increase of $3.6 million in tax revenues was primarily due to increased property taxes revenue, which grew because of approximately 8.8% increase in taxable property values and the dissolution of Belmont Successor Agency in fiscal year 2021-22. Overall expenditures increased by $0.6 million over the prior year to $12.2 million, mainly due to the increase in member agency contributions for contracted fire services. The District has a $11.3 million reserve set aside for replacing facilities.

Development Services Fund

This fund was classified as a Major Governmental Fund in FY 2022-23. It is used to account for the Permit Center and Development Regulation Programs. This fund provides financial data for staff to track and determine if development fees are covering the direct and indirect cost of providing these services. State law allows for full recovery of these costs.

As of June 30, 2023, the fund balance increased $0.5 million over the prior year to $1.5 million, with $1.5 million transfer in from the General Fund. Overall revenues decreased by $0.6 million to $4.5 million. The decrease in revenues was primarily due to the decrease in development fees collected. Overall expenditures increased by $0.8 million over the prior year to $5.5 million.

Analysis of the Enterprise Funds

Sewer Collections

Compared to the prior year, operating revenues decreased $1.0 million to $15.3 million. This was primarily due to $2.1 million decrease in the collection of sewer connection fees, which was partially mitigated by $0.8 million increase in the collection of sewer service charges. Operating expenses dropped slightly by $0.1 million to $8.4 million. Net position totaled $31.5 million, an increase of $5.9 million from the prior year. Of this amount, $33.8 million was unrestricted. The remaining net position was a negative $2.3 million in net investment in capital assets, due to the recording of the current net book value of the capital assets, less the outstanding balance of debt issued to finance these assets.

Sewer Treatment

Compared to the prior year, operating revenues were relatively unchanged at $3.1 million and operating expenses were increased to $0.9 million. Net position totaled $27.4 million, a $1.4 million increase compared to prior year, all of which is restricted for sewer treatment facility activities.

Storm Drainage Fund

This fund is used to account for the maintenance of the storm drain system and other activities related to the mandated National Pollution Discharge Elimination System (NPDES).

Storm drainage fund operating revenues, which consist primarily of NPDES storm drain charges and street sweeping charges, increased nominally to $1.1 million. Operating expenses decreased by $0.5 million $1.7 million. Net position totaled $2.2 million, with $2.8 million invested in capital assets and a negative $0.6 million in unrestricted net position due to the recording of the net pension and OPEB liabilities and related deferred outflows/inflows of resources.

Solid Waste Fund

Compared to the prior year, both operating revenues and operating expenses were relatively flat at $0.6 million and $0.5 million respectively. Net position was $1.9 million, which is unrestricted as to use.

CAPITAL ASSETS

Table 6 presents the City's capital assets on June 30, 2022 and June 30, 2023. Additional information can be found in Note 7 to the financial statements.

Table 6
Capital Assets on June 30
(in Thousands)

	2023	2022*
Governmental Activities		
Land	$13,010	$13,493
Construction in progress	1,330	4,402
Buildings	37,986	38,469
Improvements other than buildings	5,603	5,450
Streets and infrastructure	78,578	71,885
Machinery and equipment	7,313	7,032
Vehicles	5,033	4,792
Subscription assets	553	76
Less accumulated depreciation	(63,963)	(60,688)
Totals	**$85,443**	**$84,911**
Business-Type Activities		
Land	$15	$15
Construction in progress	649	6,229
Improvements other than buildings	56,042	48,557
Machinery and equipment	327	327
Less accumulated depreciation	(24,052)	(22,105)
Totals	**$32,981**	**$33,023**

*restated due to implementation of Government Accounting Standards Board Statement 96 on Subscription Based IT Arrangements (SBITAs) during fiscal year ended June 30, 2023.

DEBT ADMINISTRATION

Table 7 summarizes the City's long-term obligations on June 30, 2022 and June 30, 2023. Additional information on the City's long-term debt can be found in Note 8 to the financial statement.

Table 7
Long Term Obligations on June 30
(in Thousands)

	2023	2022*
Governmental Activities Debt:		
Capital Lease:		
2019 Synthetic Turf Installation project, 2%, due 2029	$4,027	$4,599
Subscription Based IT Arrangements	352	76
Subtotal Governmental Activities Debt	4,379	4,675
Business-type Activities Debt – Sewer Enterprise Funds:		
Long-Term Bonds Payable:		
2016 Sewer Refunding Revenue Bonds, 2%-5% due 2035	7,324	7,906
2016 Sewer Revenue Bonds, 2%-50% due 2046	15,542	15,656
2018 Sewer Treatment Revenue Bonds, 5% due 2048	22,753	23,233
2019 Sewer Collection Bonds, 5% due 2049	20,131	20,558
2022 Sewer Revenue Bonds, 2.15%, due 2033	5,088	6,408
Subtotal Business-type Activities Debt	70,838	73,761
Total Long-Term Obligations	**$75,217**	**$78,436**

***restated due to implementation of Government Accounting Standards Board Statement 96 on Subscription Based IT Arrangements (SBITAs) during fiscal year ended June 30, 2023**

On June 30, 2023, the City had total long-term obligations outstanding at $75.2 million, excluding compensated absences, pension and OPEB liabilities. The reduction in debt over the prior year was mainly due to scheduled retirements that were made. A majority of the outstanding long-term debt is composed of bonds secured by specified revenue sources, e.g., sewer charges.

ECONOMIC OUTLOOK AND MAJOR INITIATIVES

The economy of the City and its major initiatives for the coming year are discussed in detail in the accompanying Transmittal Letter.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This Annual Comprehensive Financial Report is intended to provide citizens, taxpayers, investors, and creditors with a general overview of the City's finances. Questions about this Report should be directed to the Finance Department at One Twin Pines Lane, Suite 320, Belmont, CA 94002. Additional information about the City's operations and activities can be obtained from the website at www.belmont.gov.

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STATEMENT OF NET POSITION AND STATEMENT OF ACTIVITIES

The Statement of Net Position and the Statement of Activities summarize the City's financial activities and financial position. They are prepared on the same basis as is used by most businesses, which means they include all the City's assets and deferred outflows of resources and all its liabilities and deferred inflows of resources, as well as all its revenues and expenses. This is known as the full accrual basis—the effect of all the City's transactions is taken into account, regardless of whether or when cash changes hands, but all material internal transactions between City funds have been eliminated.

The City's Governmental Activities include the activities of its General Fund, along with all its Special Revenue and Capital Projects Funds. Since the City's Internal Service Funds service these funds, their activities are consolidated with Governmental Activities, after eliminating inter-fund transactions and balances. The City's Business-type Activities include all its Enterprise Fund activities.

The Statement of Activities reports increases and decreases in the City's net position. It is also prepared on the full accrual basis, which means it includes all the City's revenues and all its expenses, regardless of when cash changes hands. This differs from the "modified accrual" basis used in the Fund financial statements, which reflect only current assets, current liabilities, current deferred outflows/inflows of resources, available revenues and measurable expenditures.

The format of the Statement of Activities presents the City's expenses first, listed by program, and follows these with the expenses of its business-type activities. Program revenues—that is, revenues which are generated directly by these programs—are then deducted from program expenses to arrive at the net expense of each governmental and business-type program. The City's general revenues are then listed in the Governmental Activities or Business-type Activities column, as appropriate, and the Change in Net Position is computed and reconciled with the Statement of Net Position.

Both these Statements include the financial activities of the City, the Belmont Fire Protection District and the Belmont Joint Powers Financing Authority, which are legally separate but are component units of the City because they are controlled by the City, which is financially accountable for the activities of these entities.

These financial statements along with the fund financial statements and footnotes are called *Basic Financial Statements*.

CITY OF BELMONT
STATEMENT OF NET POSITION
JUNE 30, 2023

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments (Note 3)	$82,170,667	$52,601,109	$134,771,776
Cash and investments with fiscal agent (Note 3)		6,227,479	6,227,479
Receivables:			
Accounts	1,334,611	88,696	1,423,307
Interest	1,040,192		1,040,192
Due from other governmental agencies	1,736,521	110,150	1,846,671
Notes receivable (Note 5)	6,776,600		6,776,600
Leases (Note 10)	7,871,842		7,871,842
Prepaids and other assets	542,172		542,172
Land held for resale (Note 6)	1,651,791		1,651,791
Investment in SVCW - Joint Venture (Note 15A)		47,109,207	47,109,207
Investment in SMC Fire - Joint Venture (Note 15A)	4,696,702		4,696,702
Capital assets (Note 7)			
Land and construction in progress	14,340,570	664,113	15,004,683
Depreciable assets, net	71,102,715	32,316,348	103,419,063
Total Assets	193,264,383	139,117,102	332,381,485
DEFERRED OUTFLOWS OF RESOURCES			
Related to pensions (Note 11B)	18,684,263	1,648,435	20,332,698
Related to OPEB (Note 12)	2,012,921	178,230	2,191,151
Total Deferred Outflows of Resources	20,697,184	1,826,665	22,523,849
LIABILITIES			
Accounts payable and other liabilities	1,994,293	1,975,669	3,969,962
Unearned revenue	4,952		4,952
Deposits	1,206,684		1,206,684
Compensated absences (Note 1H)			
Due within one year	1,029,233	142,635	1,171,868
Due in more than one year	1,752,968	103,710	1,856,678
Long-term debt (Note 8)			
Due within one year	584,022	2,681,000	3,265,022
Due in more than one year	3,443,238	68,156,921	71,600,159
Subscription liabilities (Note 13)			
Due within one year	191,830		191,830
Due in more than one year	160,644		160,644
Net Pension Liability (Note 11)			
Due in more than one year	42,198,044	3,948,760	46,146,804
Net OPEB Liability (Note 12)			
Due in more than one year	6,029,125	533,837	6,562,962
Claims payable (Note 14)			
Due within one year	49,089		49,089
Due in more than one year	141,883		141,883
Total Liabilities	58,786,005	77,542,532	136,328,537
DEFERRED INFLOWS OF RESOURCES			
Related to leases (Note 10)	7,489,487		7,489,487
Related to pensions (Note 11B)	3,427,966	320,581	3,748,547
Related to OPEB (Note 12)	1,879,224	166,392	2,045,616
Total Deferred Inflows of Resources	12,796,677	486,973	13,283,650
NET POSITION (Note 9)			
Net investment in capital assets	81,465,845	511,481	81,977,326
Restricted for:			
Capital projects	10,190,757		10,190,757
Special revenue programs:			
Belmont Fire Protection District	16,774,383		16,774,383
Public safety	6,821		6,821
Recreation	583,499		583,499
Senior Activities	92,455		92,455
Library Maintenance & Operations	814,528		814,528
City Trees	284,075		284,075
Street Improvements and Maintenance	605,938		605,938
Street Improvements - Measures A, W and Grants	3,712,138		3,712,138
Traffic Mitigation	96,631		96,631
Athletic Field Maintenance	365,599		365,599
Affordable Housing Successor Agency	9,448,102		9,448,102
Housing Inclusionary	2,571,617		2,571,617
Sewer Treatment Facility Charge		27,390,553	27,390,553
Total Restricted Net Position	45,546,543	27,390,553	72,937,096
Unrestricted	15,366,497	35,012,228	50,378,725
Total Net Position	$142,378,885	$62,914,262	$205,293,147

See accompanying notes to financial statements

CITY OF BELMONT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:							
General government	$4,744,236	$6,690,833	$102,958		$2,049,555		$2,049,555
Public safety	25,349,206	382,813	3,596,017		(21,370,376)		(21,370,376)
Highways and streets	4,155,398	623,278	3,027,385	$923,721	418,986		418,986
Culture and recreation	5,073,656	3,989,155	96,959	465,834	(521,708)		(521,708)
Urban redevelopment	5,704,749	4,522,634	375,000		(807,115)		(807,115)
Interest on long-term debt	95,990				(95,990)		(95,990)
Total Governmental Activities	45,123,235	16,208,713	7,198,319	1,389,555	(20,326,648)		(20,326,648)
Business-type Activities:							
Sewer Collections	10,491,755	15,330,295				$4,838,540	4,838,540
Sewer Treatment	1,908,406	3,142,057				1,233,651	1,233,651
Storm Drainage	1,717,872	1,076,079				(641,793)	(641,793)
Solid Waste	533,852	554,730	34,146			55,024	55,024
Total Business-type Activities	14,651,885	20,103,161	34,146			5,485,422	5,485,422
Total	$59,775,120	$36,311,874	$7,232,465	$1,389,555	(20,326,648)	5,485,422	(14,841,226)
General revenues:							
Taxes:							
Property taxes					25,203,194		25,203,194
Sales taxes					6,691,999		6,691,999
Transient occupancy taxes					3,771,039		3,771,039
Franchise					1,523,905		1,523,905
Motor vehicle in lieu, unrestricted					4,683,087		4,683,087
Gain on sale of capital assets (Note 7)					2,148,468		2,148,468
Gain on investment in joint venture (Note 15A)					551,157		551,157
Investment earnings and rentals					1,937,786	1,275,157	3,212,943
Miscellaneous					197,129	192,071	389,200
Total general revenues					46,707,764	1,467,228	48,174,992
Change in Net Position					26,381,116	6,952,650	33,333,766
Net Position-Beginning					115,997,769	55,961,612	171,959,381
Net Position-Ending					$142,378,885	$62,914,262	$205,293,147

See accompanying notes to financial statements

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FUND FINANCIAL STATEMENTS

Fund Financial Statements are presented by individual major funds, while non-major funds are combined in a single column. Major funds are defined generally as having significant activities or balances in the current year.

MAJOR GOVERNMENTAL FUNDS

The funds described below were determined to be Major Funds by the City. Individual non-major funds may be found in the Supplemental section.

GENERAL FUND

The General Fund is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the City that are not accounted for through other funds. For the City, the General Fund includes such activities as police protection, parks operations and maintenance, and legal and administrative services. The General Fund also accounts for Measure I, a half cent local district tax approved in 2016 that will expire in 30 years. This general tax funding source provides for street and road and storm drain repair.

BELMONT FIRE PROTECTION DISTRICT SPECIAL REVENUE FUND

This fund is used to account for property taxes received and expended by the District on providing fire protection services to the City of Belmont and the unincorporated Harbor Industrial Area.

DEVELOPMENT SERVICES

The fund is used to account for the Permit Center and Development Regulation Programs. This fund makes it possible for staff to track and determine if development fees are covering the direct and indirect cost of providing these services. State law allows for full recovery of these costs.

CITY OF BELMONT
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2023

	General	Belmont Fire Protection District	Development Services	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and investments (Note 3)	$28,153,426	$20,157,269	$1,676,987	$18,582,842	$68,570,524
Receivables:					
Accounts	527,510		86,567	194,812	808,889
Interest	1,040,192				1,040,192
Due from other governmental agencies	1,184,331	41,226		510,964	1,736,521
Notes (Note 5)				6,776,600	6,776,600
Leases (Note 10)	7,871,842				7,871,842
Due from other funds (Note 4B)	814,275				814,275
Prepaids and other assets	375,707			152,959	528,666
Land held for resale (Note 6)	298,748			1,353,043	1,651,791
Total Assets	$40,266,031	$20,198,495	$1,763,554	$27,571,220	$89,799,300
LIABILITIES					
Accounts payable and other liabilities	$1,115,820	$580	$226,004	$436,216	$1,778,620
Unearned revenue	4,952				4,952
Deposits	1,133,577			73,107	1,206,684
Due to other funds (Note 4B)				27,955	27,955
Total Liabilities	2,254,349	580	226,004	537,278	3,018,211
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue				138,395	138,395
Related to leases (Note 10)	7,489,487				7,489,487
Total Deferred Inflows of Resources	7,489,487			138,395	7,627,882
FUND BALANCES (Note 9)					
Nonspendable	674,455				674,455
Restricted	4,869,244	20,197,915		22,048,049	47,115,208
Committed for:					
Measure I Infrastructure					
Special Revenue Programs			1,537,550	1,621,603	3,159,153
Assigned				3,225,895	3,225,895
Unassigned	24,978,496				24,978,496
Total Fund Balances	30,522,195	20,197,915	1,537,550	26,895,547	79,153,207
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$40,266,031	$20,198,495	$1,763,554	$27,571,220	$89,799,300

See accompanying notes to financial statements

CITY OF BELMONT
Reconciliation of the
GOVERNMENTAL FUNDS -- BALANCE SHEET
with the
STATEMENT OF NET POSITION
JUNE 30, 2023

Total fund balances reported on the governmental funds balance sheet	$79,153,207
Amounts reported for Governmental Activities in the Statement of Net Position are different from those reported in the Governmental Funds above because of the following:	
CAPITAL ASSETS	
Capital assets used in Governmental Activities are not current assets or financial resources and therefore are not reported in the Governmental Funds.	85,443,285
ALLOCATION OF INTERNAL SERVICE FUND NET POSITION	
Internal service funds are not governmental funds. However, they are used by management to charge the costs of certain activities, such as insurance and central services and maintenance to individual governmental funds. The net current assets of the Internal Service Funds are therefore included in Governmental Activities in the following line items in the Statement of Net Position.	
Cash and investments	13,600,143
Accounts receivable	525,722
Prepaids and other assets	13,506
Accounts payable and other liabilities	(215,673)
Due to other funds	(786,320)
Claims payable	(190,972)
Compensated absences	(192,094)
Subscription liabilities	(352,474)
ACCRUAL OF NONCURRENT REVENUES AND EXPENSES	
Revenues which are deferred on the Fund Balance Sheets because they are not available currently are taken into revenue in the Statement of Activities	138,395
DEFERRED INFLOWS AND OUTFLOWS	
The deferred outflows below are not currents assets or financial resources; and the deferred inflows are not due and payable in the current period and therefore are not reported in the Governmental Funds.	
Deferred outflows related to pensions	18,684,263
Deferred outflows related to OPEB	2,012,921
Deferred inflows related to pensions	(3,427,966)
Deferred inflows related to OPEB	(1,879,224)
LONG-TERM ASSETS AND LIABILITIES	
The assets and liabilities below are not due and payable in the current period and therefore are not reported in the Funds:	
Investment in JPA Equity	4,696,702
Long-term debt	(4,027,260)
Net OPEB liability	(6,029,125)
Compensated absences	(2,590,107)
Net pension liability	(42,198,044)
NET POSITION OF GOVERNMENTAL ACTIVITIES	$142,378,885

See accompanying notes to financial statements

CITY OF BELMONT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2023

	General	Belmont Fire Protection District	Development Services	Other Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	$25,541,351	$16,303,859		$2,688,624	$44,533,834
Licenses and permits	1,261,972		$2,287,956		3,549,928
Fines and forfeitures	138,959			900	139,859
Use of money and property	1,705,003	(142,115)	14,811	643,675	2,221,374
Intergovernmental	3,461,233	36,865		2,642,967	6,141,065
Charges for current services	4,756,732		2,095,188	4,171,796	11,023,716
Miscellaneous	36,159		75,444	333,925	445,528
Total Revenues	36,901,409	16,198,609	4,473,399	10,481,887	68,055,304
EXPENDITURES					
Current:					
General government	5,735,226				5,735,226
Public safety	14,657,004	12,209,727		182,213	27,048,944
Highways and streets				2,232,006	2,232,006
Culture and recreation	2,036,222			3,611,356	5,647,578
Urban redevelopment			5,520,112	735,200	6,255,312
Capital outlay	1,433,986			2,607,340	4,041,326
Debt service:					
Principal				572,010	572,010
Interest and fiscal charges				95,990	95,990
Total Expenditures	23,862,438	12,209,727	5,520,112	10,036,115	51,628,392
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	13,038,971	3,988,882	(1,046,713)	445,772	16,426,912
OTHER FINANCING SOURCES (USES)					
Proceeds from the sale of capital assets				2,940,000	2,940,000
Transfers in (Note 4A)			1,500,000	2,361,938	3,861,938
Transfers (out) (Note 4A)	(3,468,172)	(8,250)		(385,516)	(3,861,938)
Total Other Financing Sources (Uses)	(3,468,172)	(8,250)	1,500,000	4,916,422	2,940,000
NET CHANGE IN FUND BALANCES	9,570,799	3,980,632	453,287	5,362,194	19,366,912
BEGINNING FUND BALANCES	20,951,396	16,217,283	1,084,263	21,533,353	59,786,295
ENDING FUND BALANCES	$30,522,195	$20,197,915	$1,537,550	$26,895,547	$79,153,207

See accompanying notes to financial statements

CITY OF BELMONT
Reconciliation of the
NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS
with the
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

The schedule below reconciles the Net Changes in Fund Balances reported on the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance, which measures only changes in current assets and current liabilities on the modified accrual basis, with the Change in Net Position of Governmental Activities reported in the Statement of Activities, which is prepared on the full accrual basis.

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	$19,366,912
Amounts reported for governmental activities in the Statement of Activities are different because of the following:	
CAPITAL ASSETS TRANSACTIONS	
Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is capitalized and allocated over their estimated useful lives and reported as depreciation expense.	
The capital outlay and departmental expenditures are therefore added back to fund balance	3,747,797
Assets transferred from land held for resale are added back to fund balance	
Retirements of capital assets are deducted from fund balance	(791,532)
Depreciation expense is deducted from the fund balance (Depreciation expense is net of internal service fund depreciation of $877,773 which has already been allocated to serviced funds)	(3,007,021)
LONG TERM DEBT PROCEEDS AND PAYMENTS	
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of bond principal is an expenditure in the governmental funds, but in the Statement of Net Position the repayment reduces long-term liabilities.	
Repayment of debt principal is added back to fund balance	572,010
ACCRUAL OF NON-CURRENT ITEMS	
The amounts below included in the Statement of Activities do not provide or (require) the use of current financial resources and therefore are not reported as revenue or expenditures in governmental funds (net change):	
Investment in SMC Fire - Joint Venture	856,433
Unavailable revenue	138,395
Compensated absences	(188,695)
Pension expense	4,013,517
OPEB expense	643,796
ALLOCATION OF INTERNAL SERVICE FUND ACTIVITY	
Internal Service Funds are used by management to charge the costs of certain activities, such as equipment acquisition, maintenance, and insurance to individual funds. The portion of the net revenue (expense) of these Internal Service Funds arising out of their transactions with governmental funds is reported with governmental activities, because they service those activities.	
Change in Net Position - All Internal Service Funds	1,029,504
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	$26,381,116

See accompanying notes to financial statements

CITY OF BELMONT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual Amounts	(Negative)
REVENUES:				
Taxes	$22,634,438	$26,124,438	$25,541,351	($583,087)
Licenses and permits	1,123,672	1,173,672	1,261,972	88,300
Fines and forfeitures	165,000	165,000	138,959	(26,041)
Use of money and property	1,147,933	1,366,933	1,705,003	338,070
Intergovernmental	3,260,916	3,323,916	3,461,233	137,317
Charges for current services	4,743,133	4,773,133	4,756,732	(16,401)
Miscellaneous	57,876	82,876	36,159	(46,717)
Total Revenues	33,132,968	37,009,968	36,901,409	(108,559)
EXPENDITURES:				
Current:				
General government	7,013,255	7,098,255	5,735,226	1,363,029
Public safety	14,658,491	14,678,491	14,657,004	21,487
Culture and recreation	2,214,009	2,214,009	2,036,222	177,787
Capital outlay	5,049,000	8,223,406	1,433,986	6,789,420
Total Expenditures	28,934,755	32,214,161	23,862,438	8,351,723
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	4,198,213	4,795,807	13,038,971	8,243,164
OTHER FINANCING SOURCES (USES)				
Transfers out (Note 4A)	(4,420,000)	(4,420,000)	(3,468,172)	951,828
Total Other Financing Sources (Uses)	(4,420,000)	(4,420,000)	(3,468,172)	951,828
NET CHANGE IN FUND BALANCE	($221,787)	$375,807	9,570,799	$9,194,992
BEGINNING FUND BALANCE			20,951,396	
ENDING FUND BALANCE			$30,522,195	

See accompanying notes to financial statements

CITY OF BELMONT
BELMONT FIRE PROTECTION DISTRICT SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES:				
Taxes	$14,519,084	$16,009,084	$16,303,859	$294,775
Use of money and property	17,502	192,502	(142,115)	(334,617)
Intergovernmental	69,290	41,790	36,865	(4,925)
Total Revenues	14,605,876	16,243,376	16,198,609	(44,767)
EXPENDITURES:				
Current:				
Public safety	12,317,615	12,317,615	12,209,727	107,888
Total Expenditures	12,317,615	12,317,615	12,209,727	107,888
Excess (Deficiency) of Revenues Over (Under) Expeditures	2,288,261	3,925,761	3,988,882	63,121
Other Financing Sources (Uses)				
Transfers out (Note 4A)		(8,250)	(8,250)	
Total Other Financing Sources (Uses)		(8,250)	(8,250)	
NET CHANGE IN FUND BALANCE	$2,288,261	$3,917,511	3,980,632	$63,121
BEGINNING FUND BALANCE			16,217,283	
ENDING FUND BALANCE			$20,197,915	

See accompanying notes to financial statements

CITY OF BELMONT
DEVELOPMENT SERVICES SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual Amounts	(Negative)
REVENUES:				
Licenses and permits	1,858,000	$1,858,000	$2,287,956	429,956
Use of money and property	2,419	2,419	14,811	12,392
Charges for current services	2,159,000	2,159,000	2,095,188	(63,812)
Miscellaneous	8,200	8,200	75,444	67,244
Total Revenues	4,027,619	4,027,619	4,473,399	445,780
EXPENDITURES:				
Current:				
Urban redevelopment	5,677,571	6,177,571	5,520,112	657,459
Total Expenditures	5,677,571	6,177,571	5,520,112	657,459
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,649,952)	(2,149,952)	(1,046,713)	1,103,239
OTHER FINANCING SOURCES (USES)				
Transfers in (Note 4A)	1,500,000	1,500,000	1,500,000	
Total Other Financing Sources (Uses)	1,500,000	1,500,000	1,500,000	
NET CHANGE IN FUND BALANCE	($149,952)	($649,952)	453,287	$1,103,239
BEGINNING FUND BALANCE			1,084,263	
ENDING FUND BALANCE			$1,537,550	

See accompanying notes to financial statements

PROPRIETARY FUNDS

Proprietary funds account for City operations financed and operated in a manner similar to a private business enterprise. The intent of the City is that the cost of providing goods and services be financed primarily through user charges.

The City has identified the funds below as major proprietary funds in fiscal year 2023.

SEWER COLLECTIONS FUND

To account for sanitary sewer services provided to the citizens of Belmont. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, capital improvement, and billing and collections.

SEWER TREATMENT FUND

To account for capital improvements made to the Silicon Valley Clean Water Authority treatment plant and related capital improvements. Revenue for the improvements comes from the sewer treatment facility charge paid by users connected to the sanitary system.

STORM DRAINAGE FUND

To account for the maintenance of the storm drain system, street sweeping and other activities related to the mandated National Pollution Discharge Elimination System (NPDES). Funding comes from customers connected to the City's sewer system, due to extensive infiltration and intrusion to the City's sewer system, street sweeping charges, and NPDES charges.

NON-MAJOR FUND:

SOLID WASTE FUND

To account for operating costs associated with administering the solid waste franchise.

CITY OF BELMONT
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2023

	Business-type Activities-Enterprise Funds					Governmental Activities-Internal Service Funds
	Sewer Collections	Sewer Treatment	Storm Drainage	Nonmajor-Solid Waste	Totals	
ASSETS						
Current Assets:						
Cash and investments (Note 3)	$44,342,392	$5,710,860	$325,436	$2,222,421	$52,601,109	$13,600,143
Cash and investments with fiscal agent (Note 3)	3,351,515	2,875,964			6,227,479	
Accounts receivable	87,913		783		88,696	525,722
Prepaids and other assets						13,506
Due from other governmental agencies			50,429	59,721	110,150	
Total Current Assets	47,781,820	8,586,824	376,648	2,282,142	59,027,434	14,139,371
Noncurrent Assets:						
Investment in SVCW joint venture (Note 15)		47,109,207			47,109,207	
Capital assets (Note 7):						
Land and construction in progress	616,404		47,709		664,113	
Depreciable assets, net	29,554,412		2,761,936		32,316,348	2,070,848
Total Noncurrent Assets	30,170,816	47,109,207	2,809,645		80,089,668	2,070,848
Total Assets	77,952,636	55,696,031	3,186,293	2,282,142	139,117,102	16,210,219
DEFERRED OUTFLOWS						
Related to pension (Note 11B)	962,339		480,167	205,929	1,648,435	
Related to OPEB (Note 12)	110,593		47,582	20,055	178,230	
Total Deferred Outflows	1,072,932		527,749	225,984	1,826,665	
LIABILITIES						
Current Liabilities:						
Accounts payable and other liabilities	1,466,481	464,643	44,545		1,975,669	215,673
Due to other funds (Note 4B)						786,320
Claims payable (Note 14)						49,089
Long-term debt (Note 8)	940,000	1,741,000			2,681,000	
Compensated absences (Note 1H)	83,770		44,899	13,966	142,635	64,890
Subscription liabilities (Note 13)						191,830
Total Current Liabilities	2,490,251	2,205,643	89,444	13,966	4,799,304	1,307,802
Noncurrent Liabilities:						
Claims payable (Note 14)						141,883
Compensated absences (Note 1H)	69,088		20,868	13,754	103,710	127,204
Long-term debt (Note 8)	42,057,086	26,099,835			68,156,921	
Subscription liabilities (Note 13)						160,644
Net pension liability (Note 11)	2,305,248		1,150,218	493,294	3,948,760	
Net OPEB liability (Note 12)	331,248		142,519	60,070	533,837	
Total Noncurrent Liabilities	44,762,670	26,099,835	1,313,605	567,118	72,743,228	429,731
Total Liabilities	47,252,921	28,305,478	1,403,049	581,084	77,542,532	1,737,533
DEFERRED INFLOWS						
Related to pension (Note 11B)	187,152		93,381	40,048	320,581	
Related to OPEB (Note 12)	103,247		44,422	18,723	166,392	
Total Deferred Inflows	290,399		137,803	58,771	486,973	
NET POSITION (Note 9)						
Net investment in capital assets	(2,298,164)		2,809,645		511,481	1,718,374
Restricted for treatment facility		27,390,553			27,390,553	
Unrestricted	33,780,412		(636,455)	1,868,271	35,012,228	12,754,312
Total Net Position	$31,482,248	$27,390,553	$2,173,190	$1,868,271	$62,914,262	$14,472,686

See accompanying notes to financial statements

CITY OF BELMONT
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
FOR THE YEAR ENDED JUNE 30, 2023

	Business-type Activities-Enterprise Funds					Governmental Activities-Internal Service Funds
	Sewer Collections	Sewer Treatment	Storm Drainage	Nonmajor-Solid Waste	Totals	
OPERATING REVENUES						
Charges for current services						
Sewer service charges	$14,822,694	$3,142,057			$17,964,751	
Sewer connection fees	180,373				180,373	
NPDES storm drain charges			$499,516		499,516	
Street sweeping			512,058		512,058	
Garbage franchise fee				$554,730	554,730	
Interdepartmental charges	327,228		64,505		391,733	$8,773,855
Insurance claims, change in claims payable						361,412
Total Operating Revenues	15,330,295	3,142,057	1,076,079	554,730	20,103,161	9,135,267
OPERATING EXPENSES						
Personnel services	1,238,959		489,442	343,342	2,071,743	
Services and supplies	5,480,769	894,849	986,791	190,510	7,552,919	
Insurance premiums						1,069,705
Professional and legal						2,042,788
Operating costs						3,785,283
Pension and other post employment benefits						1,000,050
Insurance claims, net of change in claims payable						16,268
Depreciation	1,705,929		241,639		1,947,568	877,773
Total Operating Expenses	8,425,657	894,849	1,717,872	533,852	11,572,230	8,791,867
Operating Income (Loss)	6,904,638	2,247,208	(641,793)	20,878	8,530,931	343,400
NONOPERATING REVENUES (EXPENSES)						
Interest	1,051,575	165,073	11,097	47,412	1,275,157	611,027
Interest expense	(1,348,454)	(1,013,557)			(2,362,011)	
Loss from investment in SVCW - Joint Venture (Note 15A)	(717,644)				(717,644)	
Gain from sale of capital assets						12,433
Intergovernmental and miscellaneous	9,128		182,943	34,146	226,217	62,644
Total Nonoperating Revenues (Expenses)	(1,005,395)	(848,484)	194,040	81,558	(1,578,281)	686,104
Income (Loss) Before Transfers	5,899,243	1,398,724	(447,753)	102,436	6,952,650	1,029,504
Transfers in (Note 4A)			32,851		32,851	
Transfers (out) (Note 4A)	(32,851)				(32,851)	
Net transfers	(32,851)		32,851			
Change in net position	5,866,392	1,398,724	(414,902)	102,436	6,952,650	1,029,504
BEGINNING NET POSITION	25,615,856	25,991,829	2,588,092	1,765,835	55,961,612	13,443,182
ENDING NET POSITION	$31,482,248	$27,390,553	$2,173,190	$1,868,271	$62,914,262	$14,472,686

See accompanying notes to financial statements

CITY OF BELMONT
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023

	Business-type Activities-Enterprise Funds					Governmental Activities-Internal Service Funds
	Sewer Collections	Sewer Treatment	Storm Drainage	Nonmajor-Solid Waste	Totals	
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from customers	$15,086,998	$3,197,620	$1,019,811	$641,409	$19,945,838	
Other receipts	9,128		182,943	34,146	226,217	
Interdepartmental charges	327,228		64,505		391,733	$8,828,913
Payments to suppliers	(5,303,588)	(894,849)	(947,037)	(190,510)	(7,335,984)	(5,169,481)
Payments to employees	(1,525,450)		(807,567)	(316,602)	(2,649,619)	(2,830,851)
Investment in SVCW		(72,871)			(72,871)	
Settlements received						1,267,549
Claims paid						(41,147)
Cash Flows from Operating Activities	8,594,316	2,229,900	(487,345)	168,443	10,505,314	2,054,983
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Interfund receipts			32,851		32,851	737,406
Interfund payments	(32,851)				(32,851)	
Cash Flows from Noncapital Financing Activities	(32,851)		32,851			737,406
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Proceeds from sale of capital assets						12,433
Acquisition of capital assets	(1,872,075)		(32,852)		(1,904,927)	(983,497)
Principal payments on capital debt	(900,000)	(1,695,000)			(2,595,000)	(200,613)
Interest paid	(1,587,371)	(1,105,029)			(2,692,400)	
Cash Flows from Capital and Related Financing Activities	(4,359,446)	(2,800,029)	(32,852)		(7,192,327)	(1,171,677)
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest and rents	1,051,575	165,073	11,097	47,412	1,275,157	611,027
Cash Flows from Capital and Related Investing Activities	1,051,575	165,073	11,097	47,412	1,275,157	611,027
Net Cash Flows	5,253,594	(405,056)	(476,249)	215,855	4,588,144	2,231,739
Cash and investments at beginning of period	42,440,313	8,991,880	801,685	2,006,566	54,240,444	11,368,404
Cash and investments at end of period	$47,693,907	$8,586,824	$325,436	$2,222,421	$58,828,588	$13,600,143
Reconciliation of Operating Income (Loss) to Cash Flows from Operating Activities:						
Operating income (loss)	$6,904,638	$2,247,208	($641,793)	$20,878	$8,530,931	$343,400
Adjustments to reconcile operating income (loss) to cash flows from operating activities:						
Depreciation	1,705,929		241,639		1,947,568	877,773
Miscellaneous	9,128		182,943	34,146	226,217	62,644
Change in assets, deferred outflows and liabilities:						
Receivables, net	83,931	55,563	8,237	86,679	234,410	1,269,577
Investment in SVCW joint venture		(72,871)			(72,871)	
Accounts payable	177,181		39,754		216,935	(80,959)
Claims payable						(379,579)
Deferred outflows	(583,125)		(250,150)	(144,632)	(977,907)	
Deferred inflows	(963,030)		(575,599)	(147,963)	(1,686,592)	
Net pension liability	1,135,033		458,048	312,782	1,905,863	
Net OPEB liability	105,279		42,753	9,004	157,036	
Compensated absences	19,352		6,823	(2,451)	23,724	(37,873)
Cash Flows from Operating Activities	$8,594,316	$2,229,900	($487,345)	$168,443	$10,505,314	$2,054,983
Non-cash transactions						
Amortization of Bond Premiums	$222,730	$105,513			$328,243	
Loss from investment in SVCW - Joint Venture (Note 15A)	(717,644)				(717,644)	
Subscription Assets						$476,857
Subscription Liabilities						(476,857)
	($494,914)	$105,513			($389,401)	

See accompanying notes to financial statements

FIDUCIARY FUNDS

Custodial Funds report resources, not in a trust, that are held by the City for other parties outside of the City's reporting entity. The Library Community Facilities District Custodial Fund accounts for payment of interest and principal on debt service of the District for the construction, maintenance and operations of the Library building.

CITY OF BELMONT

FIDUCIARY FUND

STATEMENT OF FIDUCIARY NET POSITION

JUNE 30, 2023

	Custodial Fund
	Library Community Facilities District
ASSETS	
Cash and investments (Note 3)	$285,876
Cash and investments with fiscal agent (Note 3)	29
Total Assets	285,905
NET POSITION:	
Restricted for:	
Bondholders	285,905
Total Net Position	$285,905

See accompanying notes to financial statements

CITY OF BELMONT

FIDUCIARY FUND

STATEMENT OF CHANGES IN NET POSITION

FOR THE YEAR ENDED JUNE 30, 2023

	Custodial Fund
	Library Community Facilities District
Additions:	
Special assessments	$694,594
Use of money and property	1,563
Total Additions	696,157
Deductions:	
Payments to bondholders	680,644
Total Deductions	680,644
Change in net position	15,513
Beginning Net Position	270,392
Ending Net Position	$285,905

See accompanying notes to financial statements

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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Belmont was incorporated as a general law city in 1926. The City operates under the Council-Manager form of government and is governed by a five member council elected by the City's voters. The City provides the following services: public safety (police and fire), highways and streets, sewer, storm drainage, solid waste, recreation, public improvements, planning and zoning, building inspections, general administration services, and economic development.

The financial statements and accounting policies of the City conform with generally accepted accounting principles applicable to governments in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Significant accounting policies are summarized below.

A. Reporting Entity

The financial statements of the City of Belmont include the financial activities of the City, the Belmont Fire Protection District and the Belmont Joint Powers Financing Authority. All of these entities are controlled by and dependent on the City and their financial activities have been aggregated and merged (termed "blended") with those of the City in the accompanying financial statements.

The **Belmont Fire Protection District**, established in 1928, is a special district created under the general laws of California to provide fire protection services to City residents. The District is controlled by the City and has the same governing board as the City, which also performs all accounting and administrative functions for the District. The financial activities of the District have been included in these financial statements in the Belmont Fire Protection District Special Revenue Fund. The District does not issue separate financial statements.

The **Belmont Joint Powers Financing Authority** is a separate government entity whose purpose is to assist with the financing certain public capital facilities for the City through the issuance of bonds or other forms of debt. The Authority is controlled by the City and has the same governing body as the City, which also performs all accounting and administrative functions for the Authority. The Authority does not issue separate financial statements.

B. Major Funds

The City's major governmental and enterprise funds are identified and presented separately in the fund financial statements. All other funds, called non-major funds, are combined and reported in a single column, regardless of their fund-type.

Major funds are defined as funds that have either assets, liabilities, revenues or expenditures/expenses equal to ten percent of their fund-type total and five percent of the grand total. The General Fund is always a major fund. The City may also select other funds it believes should be presented as major funds.

The City reported the following major governmental funds in the accompanying financial statements:

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

General Fund – The General Fund is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the City that are not accounted for through other funds. For the City, the General Fund includes such activities as police protection, parks operations and maintenance, and legal and administrative services. The General Fund also accounts for Measure I, a half cent local district tax approved in 2016 that will expire in 30 years. This general tax funding source provides for street and road and storm drain repair.

Belmont Fire Protection District Special Revenue Fund – To account for property taxes received and expended by the District on providing fire protection services to the City of Belmont and the unincorporated Harbor Industrial Area.

Development Services – To account for the Permit Center and Development Regulation Programs. This fund makes it possible for staff to track and determine if development fees are covering the direct and indirect cost of providing these services. State law allows for full recovery of these costs.

The City reported the following enterprise funds as major funds in the accompanying financial statements:

Sewer Collections Fund – To account for certain sanitary sewer services provided to the citizens of Belmont. Activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, capital improvement, and billing and collections.

Sewer Treatment Fund – To account for capital improvements made to the Silicon Valley Clean Water Authority treatment plant and related capital improvements. Revenue for the improvements comes from the sewer treatment facility charge paid by users connected to the sanitary system.

Storm Drainage Fund – To account for the maintenance of the storm drain system, street cleaning and other activities related to the mandated National Pollution Discharge Elimination System (NPDES). Funding comes from customers connected to the City's sewer system, due to extensive infiltration and intrusion to the City's sewer system, street sweeping charges, and NPDES charges.

The City also reports the following fund types:

Internal Service Funds

The funds account for workers' compensation, general liability, vision, benefit prefunding, fleet and equipment management, and facilities management; all of which are provided to other departments on a cost-reimbursement basis.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fiduciary Funds

Trust Funds and Custodial Funds are used to account for assets held by the City as an agent or trustee for individuals, private organizations, and other governments. The City has one custodial fund: the Library Community Facilities District Fund, a fund reporting cash and investments for the District. The financial activities of the fund are excluded from the Government-wide financial statements, and are presented in a separate Fiduciary Fund financial statement.

C. Basis of Accounting

The government-wide, proprietary fund and fiduciary fund financial statements are reported using the *economic resources measurement focus* and the full *accrual basis* of accounting. Revenues are recorded when *earned* and expenses are recorded at the time liabilities are *incurred,* regardless of when the related cash flows take place.

Governmental funds are reported using the *current financial resources* measurement focus and the *modified accrual* basis of accounting. Under this method, revenues are recognized when *measurable* and *available*. The City considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, lease liabilities, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. Governmental capital asset acquisitions, including entering into contracts giving the City the right to use leased assets and right to use subscription assets, are reported as *expenditures* in governmental funds. Proceeds of governmental long-term debt and financing through leases are reported as *other financing sources*.

Those revenues susceptible to accrual are property, sales and use, transient occupancy, franchise and gas taxes, business license taxes, intergovernmental revenues, grants, parking fines and interest revenue. Other fines, licenses and permits, and charges for services are not susceptible to accrual because they are not measurable until collected.

Non-exchange transactions, in which the City gives or receives value without directly, receiving or giving equal value in exchange, include taxes, grants, entitlements, and donations. On the accrual basis, revenue from taxes is recognized in the fiscal year for which the taxes are levied or assessed. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Certain indirect costs are included in program expenses reported for individual functions and activities.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Presentation

The City's Basic Financial Statements are prepared in conformity with accounting principles generally accepted in the United States of America. The Government Accounting Standards Board is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the U.S.A.

These Standards require that the financial statements described below be presented.

Government-wide Statements: The Statement of Net Position and the Statement of Activities display information about the primary government (the City) and its component units. These statements include the financial activities of the overall City government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the *governmental* and *business-type activities* of the City. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The Statement of Activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs, (b) grants and contributions that are restricted to meeting the operational needs of a particular program and (c) fees, grants and contributions that are restricted to financing the acquisition or construction of capital assets. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the government's proprietary funds and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Fund Financial Statements: The fund financial statements provide information about the City's funds, including fiduciary funds and blended component units. Separate statements for each fund category—*governmental, proprietary*, and *fiduciary*—are presented. The emphasis of fund financial statements is on major individual governmental and enterprise funds, each of which is displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Proprietary fund *operating* revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. *Nonoperating* revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

E. Revenue Recognition for Enterprise Funds

Sewer and Storm Drain user fee revenues are placed on the county tax rolls. The County bills customers annually and requires payment prior to year-end. Solid waste revenue is remitted by Recology San Mateo County as part of garbage services. At year-end there were no material uncollected sewer, storm drain, or solid waste user fees.

F. Property Tax

San Mateo County assesses properties, and it bills, collects, and distributes property taxes to the City. The County remits the entire amount levied and handles all delinquencies, retaining interest, and penalties. Secured and unsecured property taxes are levied on January 1 of the preceding fiscal year.

Secured property tax is due in two installments, on November 1 and February 1, and becomes a lien on those dates. It becomes delinquent on December 10 and April 10, respectively. Unsecured property tax is due on July 1 and becomes delinquent on August 31. Collection of delinquent accounts is the responsibility of the County, which retains all penalties.

The term "unsecured" refers to taxes on personal property other than real estate, land, and buildings. These taxes are secured by liens on the property being taxed. Property tax revenues are recognized by the City in the fiscal year they are assessed provided they become available as defined above, generally within sixty days.

G. Capital Assets

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available, except for intangible right to use lease assets, the measurement of which is discussed in Note 10 below, and intangible right to use subscription assets, the measurement of which is discussed in Note 13 below. Contributed capital assets are valued at their estimated acquisition value on the date contributed.

The City has recorded all its public domain (infrastructure) capital assets, which include roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems.

Capital assets with limited useful lives and the right to use leased assets are depreciated over their estimated useful lives. The purpose of depreciation is to spread the cost of capital assets equitably among all users over the life of these assets. The amount charged to depreciation expense each year represents that year's pro rata share of the cost of capital assets.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Depreciation is provided using the straight line method which means the cost of the asset is divided by its expected useful life in years and the result is charged to expense each year until the asset is fully depreciated. The City has assigned the useful lives listed below to capital assets:

Building and Building Improvements	40 years
Improvements Other than Buildings	25-75 years
Streets and Infrastructure	25-100 years
Machinery and Equipment	5-10 years
Vehicles	5-10 years

Non-infrastructure and infrastructure assets with historical costs exceeding $5,000 and $25,000 respectively are capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

H. Compensated Absences

Compensated absences comprise unpaid vacation and the vested portion of sick leave, which are accrued as earned. Employee bargaining unit agreements specify the vested portion of unused sick leave, which accumulates and is paid at time of termination of City employment. The City's liability for compensated absences is recorded in various Governmental funds and Proprietary funds as appropriate. The liability for compensated absences is determined annually. For all governmental funds, amounts expected to be paid due to terminations are recorded as fund liabilities; the long term portion is recorded in the Statement of Net Position.

The changes of the compensated absences were as follows:

		Business-Type Activities			
	Governmental Activities	Sewer Collections	Storm Drainage	Solid Waste	Total
Summary of Activity:					
Beginning Balance	$2,631,379	$133,506	$58,944	$30,171	$2,854,000
Additions	1,313,037	106,384	52,276	15,184	1,486,881
Retirements	(1,162,215)	(87,032)	(45,453)	(17,635)	(1,312,335)
Ending Balance	$2,782,201	$152,858	$65,767	$27,720	$3,028,546
Financial Statement Presentation:					
Due within One Year	$1,029,233	$83,770	$44,899	$13,966	$1,171,868
Due in More than One Year	1,752,968	69,088	20,868	13,754	1,856,678
Total Ending Balance	$2,782,201	$152,858	$65,767	$27,720	$3,028,546

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Compensated absences are liquidated by the fund that has recorded the liability. The long-term portion of governmental activities compensated absences is liquidated primarily by the General Fund.

I. Fair Value Hierarchy

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels based on the extent to which inputs used in measuring fair value are observable in the market.

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 inputs are inputs – other than quoted prices included within level 1 – that are observable for an asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for an asset or liability.

If the fair value of an asset or liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

J. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

K. Estimates and Assumptions

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, deferred outflows/inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 – BUDGETS AND BUDGETARY ACCOUNTING

The City Manager submits to the City Council a proposed annual operating budget for the ensuing fiscal year. The operating budget includes proposed expenditures and the means of financing them and is subjected to public hearings where comments are obtained for consideration. The Council adopts the budget through passage of a budget resolution at which time the proposed expenditures become appropriations. The budget is effective the following July 1 and may be amended by subsequent resolutions. The City Manager is authorized to transfer appropriations between any departments; however, any revisions, which increase the total appropriations of any fund, must be approved by the Council. Transfers not included in the original budget must be approved by the Finance Director. Where not contractually committed, expenditures may not exceed appropriations at the fund level. Unencumbered operating appropriations lapse at year end, while capital improvement appropriations are carried over to subsequent years until projects are completed. Supplemental appropriations adopted by the Council are included in the budget versus actual statements.

Formal budgetary integration is employed as a management control device. Encumbrance accounting is employed as an extension of formal budgetary integration in all funds. Under encumbrance accounting, purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation.

Encumbrances outstanding at year end do not constitute expenditures or liabilities and are reappropriated in the following year budget. Budget amounts include appropriations, which are formally integrated into the City's accounting records for all funds. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for all funds. Encumbrances outstanding by fund as of June 30, 2023 were as follows:

Major Governmental Funds:	
General Fund	$324,849
Development Services Special Revenue Fund	24,518
Non-Major Governmental Funds	56,709
Total Encumbrances	$406,076

NOTE 3 – CASH AND INVESTMENTS

The City pools cash from all sources and all funds except Cash and Investments held by Trustees so that it can be invested consistent with the principles of safety and liquidity, while individual funds can make expenditures at any time.

A. Policies

California Law requires banks and savings and loan institutions to pledge government securities with a market value of 110% of the City's cash on deposit, or first trust deed mortgage notes with a market value of 150% of the deposit, as collateral for these deposits. Under California Law this collateral is held in a separate investment pool by another institution in the City's name and places the City ahead of general creditors of the institution.

The City invests in individual investments and in investment pools. Individual investments are evidenced by specific identifiable securities instruments, or by an electronic entry registering the owner in the records of the institution issuing the security, called the book entry system. In order to increase security, the City employs the Trust Department of a bank as the custodian of certain City managed investments, regardless of their form.

The City's investments are carried at fair value, as required by generally accepted accounting principles. The City adjusts the carrying value of its investments to reflect their fair value at each fiscal year end, and it includes the effects of these adjustments in income for that fiscal year.

B. Classification

Cash and investments are classified in the financial statements as shown below, based on whether or not their use is restricted under the terms of City debt instruments or Agency agreements.

Cash and investments as of June 30, 2023 consist of the following:

Statement of Net Position	
Cash and investments	$134,771,776
Cash and investments with fiscal agent	6,227,479
Fiduciary Funds	
Cash and investments	285,876
Cash and investments with fiscal agent	29
Total Cash and Investments	$141,285,160

Cash and Investments Available for Operations is used in preparing proprietary fund statements of cash flows because these assets are highly liquid and are expended to liquidate liabilities arising during the year.

As of June 30, 2023, the City holds $7,176,591 in unexpended proceeds from the Sewer Revenue Bonds, Series 2019, which were included in Cash and Investments, but recorded in the Sewer Collections Enterprise Fund. The restricted funds are to be spent on project costs as defined in the underlying indenture.

NOTE 3 – CASH AND INVESTMENTS (Continued)

C. Investments Authorized by the California Government Code and the City's Investment Policy

The City's Investment Policy and the California Government Code allow the City to invest in the investment types included in the following schedule, provided the credit ratings of the issuers are acceptable to the City, and approved percentages and maturities are not exceeded. The table below also identifies certain provisions of the California Government Code, or the City's Investment Policy where the City's Investment Policy is more restrictive.

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality	Maximum % of Portfolio	Maximum Investment In One Issuer
Local Agency Municipal Bonds	5 years	None	None	None
U.S. Treasury Obligations	5 years	None	None	None
State of California and Other State Obligations	5 years	None	None	None
CA Local Agency Obligations	5 years	None	None	None
U.S. Agency Securities	5 years	None	None	None
Bankers Acceptances	180 days	None	40%	30%
Commercial Paper (pooled)	270 days	A1 / P1	40%	(C)
Commercial Paper (non-pooled)	270 days	A1 / P1	25%	(C)
Negotiable Certificates of Deposit	5 years	None	30%	None
Non-Negotiable Certificates of Deposit	5 years	None	None	None
Placement Service Deposits	5 years	None	50% (A)	None
Placement Service Certificates of Deposit	5 years	None	50% (A)	None
Repurchase Agreements	1 year	None	None	None
Reverse Repurchase Agreements and Securities Lending Agreements	92 days	None	20% of base value of portfolio	None
Medium Term Corporate Notes	5 years	A	30%	(C)
Mutual Funds	N/A	Top rating category	20%	10%
Money Market Mutual Funds	N/A	Top rating category	20%	None
Collateralized Bank Deposits	5 years	None	None	None
Mortgage Pass-Through and Asset-Backed Securities	5 years	AA	20%	None
County Pooled Investment Funds	N/A	None	None	None
Joint Powers Authority Pool	N/A	Multiple	None	None
California Local Agency Investment Fund	N/A	None	None	$75M per account
Voluntary Investment Program Fund	N/A	None	None	None
Supranational Obligations (B)	5 years	AA	30%	None
Public Bank Obligations	5 years	None	None	None

(A) 50% maximum % of portfolio is for deposits and certificates of deposit combined.

(B) Only those obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), and Inter-American Development Bank (IADB)

(C) 10% maximum of the outstanding commercial paper and medium term notes of any single issuer.

NOTE 3 – CASH AND INVESTMENTS (Continued)

D. Investments Authorized by Debt Agreements

The City must maintain required amounts of cash and investments with trustees or fiscal agents under the terms of certain debt issues. These funds are unexpended bond proceeds or are pledged reserves to be used if the City fails to meet its obligations under these debt issues. The California Government Code requires these funds to be invested in accordance with City resolutions, bond indentures or State statutes. These bond indentures did not disclose limitations for maximum percentage of portfolio and investment in one issuer. The table below identifies the investment types that are authorized for investments held by fiscal agents. The table also identifies certain provisions of these debt agreements:

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality
Local Agency Municipal Bonds	N/A	Two highest rating categories
U.S. Treasury Obligations	N/A	N/A
State of California Obligations	N/A	A2/A
CA Local Agency Obligations	N/A	N/A
U.S. Agency Securities (A)	N/A	N/A
Bankers Acceptances	1 year	A1
Commercial Paper	270 days	A-1 +
Short-Term Certificates of Deposit	1 year	A-1+
Repurchase Agreements	30 days	A, A-
Money Market Mutual Funds	N/A	AA-M
Collateralized Bank Deposits	N/A	N/A
Fund	N/A	N/A
Unsecured CD's, deposit accounts, time deposits, bankers acceptances	365 Days	A-1+
Special Revenue Bonds	N/A	AA-
Prefunded Municipal Obligations	N/A	AAA
FDIC insured deposit	N/A	N/A
Investment Agreements	N/A	AA-
Pre Refunded Municipal Obligations	N/A	Two highest rating categories
Cash	N/A	N/A

(A) Securities issued by agencies of the federal government such as the Federal Farm Credit Bank (FFCB), the Federal Home Loan Bank (FHLB), the Federal National Mortgage Association (FNMA), Export-Import Bank, Farm Credit System Financial Assistance Corporation, Farmers Home Administration, General Services Administration, United States Maritime Administration, Small Business Administration, Government National Mortgage Association (GNMA), United States Department of Housing & Urban Development (PHA's), the Federal Home Loan Mortgage Corporation (FHLMC) and Federal Housing Administration debentures.

The 2019 Sewer Revenue Bonds also allow investment in Federal Housing Administration debentures.

NOTE 3 – CASH AND INVESTMENTS (Continued)

E. Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of the City's investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

Information about the sensitivity of the fair values of the City's investments (including investments held by bond trustees) to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity or earliest call date:

Investment Type	12 Months or less	13 to 24 Months	Total
California Local Agency Investment Fund	$133,276,077		$133,276,077
Held by Trustees:			
Money Market Mutual Funds	382,138		382,138
U.S. Treasury Notes	4,230,578	$1,614,790	5,845,368
Total Investments	$137,888,793	$1,614,790	139,503,583
Cash in banks and on hand			1,781,577
Total Cash and Investments			$141,285,160

F. Local Agency Investment Fund

The City is a participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The City reports its investment in LAIF at the amortized costs provided by LAIF, which is the same as the value of the pool share. The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. Each regular LAIF account is permitted to have up to 15 transactions per month, with a minimum transaction amount of $5,000, a maximum transaction amount of $75 million and at least 24 hours advance notice for withdrawals of $10 million or more. Bond proceeds accounts are subject to a one-time deposit with no cap and are set up with a monthly draw down schedule. Included in LAIF's investment portfolio are collateralized mortgage obligations, mortgage-backed securities, other asset-backed securities, loans to certain state funds, and floating rate securities issued by federal agencies, government-sponsored enterprises, United States Treasury Notes and Bills, and corporations. At June 30, 2023, these investments matured in an average of 260 days.

G. Fair Value Hierarchy

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure fair value of the assets. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

NOTE 3 – CASH AND INVESTMENTS (Continued)

The following is a summary of the fair value hierarchy of the City's investments as of June 30, 2023:

Investment Type	Level 1	Exempt or Amortized Cost	Total
California Local Agency Investment Fund		$133,276,077	$133,276,077
Held by Trustees:			
Money Market Mutual Funds		382,138	382,138
U.S. Treasury Notes	$5,845,368		5,845,368
Total Investments	$5,845,368	$133,658,215	$139,503,583

U.S. Treasury Notes totaling $5,845,368 classified in Level 1 of the fair value hierarchy are valued using quoted prices in an active market for identical assets. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. These prices are obtained from various pricing sources by the custodian bank. As an external investment pool, the Local Agency Investment Fund is exempt from the fair value hierarchy.

H. Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The actual ratings as of June 30, 2023 are provided by Standard and Poor's except as noted.

Investment Type	AAAm	Total Investments
Money Market Mutual Funds	$382,138	$382,138
Not rated:		
California Local Agency Investment Fund		133,276,077
Exempt from rating requirement:		
U.S. Treasury Notes		5,845,368
Total investments		$139,503,583

NOTE 4 – INTERFUND TRANSACTIONS

A. Transfers Between Funds

The purpose of the majority of transfers is to provide annual subsidiary to the transit fund, which has made an expenditure on behalf of another fund. Less often, a transfer may be made to open or close a fund.

NOTE 4 – INTERFUND TRANSACTIONS (Continued)

Transfers between funds during the fiscal year ended June 30, 2023 were as follows:

Fund Receiving Transfer	Fund Making Transfer	Amount Transferred	
Special Revenue Funds			
Development Services	General Fund	$1,500,000	
Recreation	General Fund	1,303,072	
Supplemental Law Enforcement Services	General Fund	20,000	
Street Maintenance	General Fund	645,100	
Street Improvements	Measure W Special Revenue Fund	270,196	(a)
	Traffic Impact Fees Special Revenue Fund	115,320	(a)
Capital Projects Fund			
Open Space	Belmont Fire Protection District Special Revenue	8,250	(a)
Enterprise Fund			
Storm Drainage	Sewer Collections Enterprise Fund	32,851	(a)
		$3,894,789	

The purpose of the significant transfers that were not routine in nature or consistent with activities of the fund making the transfers is set forth below:

(a) Transfer to fund capital projects.

B. Current Interfund Balances

Current interfund balances arise in the normal course of business and are expected to be repaid shortly after at the end of the fiscal year. The Street Maintenance Special Revenue Fund and the Facilities Management Internal Service Fund owed the General Fund $27,955 and $786,320, respectively, as of June 30, 2023.

NOTE 5 – NOTES RECEIVABLE

These notes are summarized below:

Project	Amount
Mid-Peninsula Horizons, Inc.	$244,877
Home Buyer Assistance Program	228,250
Firehouse Square	6,303,473
Total notes receivable	$6,776,600

NOTE 5 – NOTES RECEIVABLE (Continued)

The former Belmont Redevelopment Agency (Agency) entered into the loan programs below to improve the quality of housing and to increase the availability of affordable housing. With the dissolution of the former Redevelopment Agency, the City elected to become the successor to the former Agency's housing activities and as a result assumed the loans receivable as of February 1, 2012.

On September 30, 1992 the former Agency made a loan to **Mid-Peninsula Horizons, Inc.,** a nonprofit corporation, to assist in financing an affordable housing project. The Agency loan is secured by a second deed of trust. The loan bears interest at one percent per annum and is due along with interest in 2039 or the date the project is no longer subject to a related regulatory agreement with HUD, whichever is later.

In fiscal year 1999, the former Agency began providing financial assistance for first time home buyers through the **Home Buyer Assistance Program**. Loans provide down payment assistance to qualified home buyers in Belmont. Loans are long-term low interest loans for down payments on the purchase of single-family residences, town homes, or condominiums. Loans are secured by a deed of trust.

On October 22, 2019 the City approved Development Agreements with **MP Firehouse Square Associates, L.P**., and **Belmont Firehouse Square LLC** for the construction of a new four-story, mixed-use residential/commercial building consisting of 65 affordable rental apartment units, a manager's unit, amenity space, a community room, and 3,748 square feet of retail and commercial space; and a 15-unit market rate for sale townhome component. The project site is located on City-owned property at 1300 El Camino Real and 875 O'Neill Avenue that was to be sold to the developer for $2,616,150. The City had committed to loan the Developer up to $5,598,000, comprised of the Predevelopment Component ($316,000), the Construction Component ($2,000,000) and the Construction Contingency Amount ($2,598,000). On July 14, 2020, the City amended the terms of the Development Agreements to instead ground lease the property to the Developer for a period of seventy (70) years at the rate of one dollar ($1.00) per year, paid annually, and reduce the project funding to a predevelopment loan of up to $1,000,000, a construction loan of up to $1,150,000, and a grant of $1,000,000. Total potential costs to the City will not exceed $5,648,000. During the year ended June 30, 2020, the developer drew down $1,000,000 of the predevelopment loan, and during the year ended June 30, 2021, the developer drew down the construction loan of $1,150,000 and the grant of $1,000,000. The loans bear simple interest at three percent per annum and is payable from residual receipts as defined in the Agreement and is due upon the earliest of the transfer of the project or the developer's interest in the property in a manner that is not approved by the City, the occurrence of a Developer event of default, or 70 years from the date of the promissory note or August 2090. The balance of the loans as of June 30, 2023, including accrued interest, was $2,351,473.

NOTE 5 – NOTES RECEIVABLE (Continued)

In August 2021, the City and Belmont Firehouse Square, LLC entered into an amended and restated Development Agreement that includes selling property for its appraised value of $4,800,000 for phase 2 of the project, which includes the 15-unit market rate for sale townhomes. In June 2022, the Agreement was assigned to Belmont Firehouse Square Property, LLC. On June 30, 2022 the City and Belmont Firehouse Square Property, LLC, closed the sale of phase 2 of the Firehouse Square project. Per the Amended and Restated Development Agreement, the developer paid the City $1,000,000 at close of escrow; the balance of the sales price of $3,800,000 was funded by a loan from the City's affordable housing funds. The loan is secured by a promissory note and deed of trust on the property. Prior to or concurrently with the sale of each townhome unit in the project, the Developer is required to pay the City in cash an amount equal to the then outstanding indebtedness under the Promissory Note divided by the number of unsold townhome units existing immediately prior to the sale of such townhome unit, which will be credited to the outstanding balance of the loan. The loan bears compound interest at four percent per month and is payable no later than December 31, 2024. The balance of the loan as of June 30, 2023 was $3,952,000.

NOTE 6 – LAND HELD FOR RESALE

The City purchased parcels of land as part of efforts to develop or redevelop properties. Land held for resale is carried in the financial statements at the lower of cost or estimated net realizable value.

With the dissolution of the Redevelopment Agency in fiscal year 2012, the City elected to assume housing activities as the Housing Successor, and the land held for resale was transferred to the Affordable Housing Special Revenue Fund on February 1, 2012.

NOTE 7 – CAPITAL ASSETS

A. Capital Asset Additions and Retirements

Capital assets at June 30 comprise:

	Balance June 30, 2022 (as restated, Note 13)	Additions	Retirements	Transfers	Balance June 30, 2023
Governmental Activities					
Capital assets not being depreciated:					
Land	$13,492,933		($482,605)		$13,010,328
Construction in progress	4,401,541	$1,585,840		($4,657,139)	1,330,242
Total capital assets not being depreciated	17,894,474	1,585,840	(482,605)	(4,657,139)	14,340,570
Capital assets being depreciated:					
Buildings and building improvements	38,468,962		(482,605)		37,986,357
Improvements other than buildings	5,449,902	153,318			5,603,220
Streets and infrastructure	71,885,356	2,035,325		4,657,139	78,577,820
Machinery and equipment	7,031,745	280,939			7,312,684
Vehicles	4,792,363	675,872	(435,332)		5,032,903
Subscription assets	76,230	476,857			553,087
Total capital assets being depreciated	127,704,558	3,622,311	(917,937)	4,657,139	135,066,071
Less accumulated depreciation for:					
Buildings and building improvements	18,984,464	897,124	(173,678)		19,707,910
Improvements other than buildings	2,156,614	240,926			2,397,540
Streets and infrastructure	29,176,789	1,786,945			30,963,734
Machinery and equipment	6,190,763	377,388			6,568,151
Vehicles	4,178,942	385,344	(435,332)		4,128,954
Subscription assets		197,067			197,067
Total accumulated depreciation	60,687,572	3,884,794	(609,010)		63,963,356
Net depreciable assets	67,016,986	(262,483)	(308,927)	4,657,139	71,102,715
Governmental activities capital assets, net	$84,911,460	$1,323,357	($791,532)		$85,443,285

At the direction of Council, the City has been leveraging real estate housing assets and reinvestment of assets towards funding development of new affordable housing units in the City. In August and December 2022, the City closed the sale of properties at 30 Oxford Place, 400 Davey Glen Road #4606 and 300 Davey Glen Road #3507. These 3 properties were sold to market rate buyers approved by Council pursuant to Health & Safety Code Section 33433. The carrying value of the properties was $791,532, which were sold for $2,940,000, resulting in a gain on sale of $2,148,468.

NOTE 7 – CAPITAL ASSETS (Continued)

	Balance June 30, 2022	Additions	Transfers	Balance June 30, 2023
Business-type activities				
Capital assets not being depreciated:				
Land	$14,792			$14,792
Construction in progress	6,229,099	$1,783,781	($7,363,559)	649,321
Total capital assets not being depreciated	6,243,891	1,783,781	(7,363,559)	664,113
Capital assets being depreciated:				
Improvements other than buildings	48,557,129	121,146	7,363,559	56,041,834
Machinery and equipment	326,766			326,766
Total capital assets being depreciated	48,883,895	121,146	7,363,559	56,368,600
Less accumulated depreciation				
Improvements other than buildings	21,786,529	1,945,597		23,732,126
Machinery and equipment	318,155	1,971		320,126
Total accumulated depreciation	22,104,684	1,947,568		24,052,252
Net depreciable assets	26,779,211	(1,826,422)	7,363,559	32,316,348
Business-type activities capital assets, net	$33,023,102	($42,641)		$32,980,461

B. Capital Asset Contributions

Some capital assets may be acquired using federal and State grant funds, or they may be contributed by developers or other governments. These contributions are required to be accounted for as revenues at the time the capital assets are acquired.

C. Depreciation Allocation

Depreciation expense is charged to functions and programs based on their usage of the related assets. The amounts allocated to each function or program are as follows:

Governmental Activities	
General Government	$1,131,181
Public Safety	88,895
Highways and Streets	1,476,230
Culture and Recreation	310,715
Depreciation Charges to Internal Service Funds	877,773
Total Governmental Activities	$3,884,794
Business-Type Activities	
Sewer Collections	$1,705,929
Storm Drainage	241,639
Total Business-Type Activities	$1,947,568

NOTE 8 – LONG TERM DEBT

The City generally incurs long-term debt to finance projects or purchase assets, which will have useful lives equal to or greater than the related debt.

This debt will be repaid only out of governmental funds but is not accounted for in these funds because this debt does not require an appropriation or expenditure in this accounting period.

Proprietary Fund (Enterprise) long-term debt is accounted for in the proprietary funds, which will repay the debt because these funds are accounted for on the full-accrual basis in a similar manner to commercial operations.

The City's debt issues and transactions are summarized below and discussed in detail thereafter.

A. Current Year Transactions and Balances

	Balance June 30, 2022	Retirements	Balance as of June 30, 2023 Due Within One Year	Balance as of June 30, 2023 Due Beyond One Year
GOVERNMENTAL ACTIVITIES DEBT				
Lease Financing				
2019 San Mateo County				
2%, due 2029	$4,599,270	$572,010	$584,022	$3,443,238
Total Governmental Activities Debt	4,599,270	572,010	584,022	3,443,238
BUSINESS-TYPE ACTIVITIES DEBT				
Bonds:				
2016 Sewer Revenue Refunding Bonds				
2.00%-5.00%, due serially to 2035	7,235,000	505,000	525,000	6,205,000
Premium	670,752	76,657		594,095
2016 Sewer Revenue Bonds				
2.00%-5.00%, due serially to 2046	15,620,000	110,000	115,000	15,395,000
Premium	36,370	4,158		32,212
2018 Sewer Treatment Revenue Bonds				
5%, due serially to 2048	20,490,000	375,000	395,000	19,720,000
Premium	2,743,348	105,513		2,637,835
2019 Sewer Revenue Bonds				
5%, due serially to 2049	16,655,000	285,000	300,000	16,070,000
Premium	3,902,694	141,915		3,760,779
Subtotal Bonds	67,353,164	1,603,243	1,335,000	64,414,921
Direct Placement:				
2022 Sewer Treatment Revenue Refunding Obligations				
2.15%, due serially to 2033	6,408,000	1,320,000	1,346,000	3,742,000
Total Business-Type Activities Debt	73,761,164	2,923,243	2,681,000	68,156,921
Total Long-Term Obligations	$78,360,434	$3,495,253	$3,265,022	$71,600,159

NOTE 8 – LONG TERM DEBT (Continued)

B. 2019 San Mateo County Lease Agreement

On December 18, 2019, the City entered into Lease and Sublease Agreements with the County of San Mateo under which the City leased the Belmont Sports Complex & Conference Center to the County for which the County made a one-time up-front lease payment to the City in the amount of $6,000,000. Simultaneously, the City will sublease back from the County with annual rental payments over a lease term of 10 years, at a fixed interest rate of 2% per year. The Sublease is secured by the Belmont Sports Complex and the funds are to be used for turf replacement. The Sublease is repayable in semi-annual payments of $334,000 beginning April 15, 2020 through December 15, 2029. While the pledge of repayment is from the General Fund, repayment will be made from Planned Park (Quimby/Park In Lieu) and Park Impact Fees. To terminate the Sublease after having fully paid all installment payments through and including the year seven payment, the City may make a one-time, lumpsum payment to the County of $1,926,013.

C. Summary of Sewer Debt Issues

On October 1, 2018, the Authority issued $21,385,000 in **Sewer Treatment Facility Revenue Bonds, Series 2018**. Proceeds will be used to finance certain improvements to the Silicon Valley Clean Water's sewer treatment facility. Interest is due semiannually on February 1 and August 1 and principal is due annually on August 1 and is payable on parity with the 2009A bonds solely from Sewer Treatment Facility Revenues. Interest on the Bonds commenced August 1, 2019. The bond covenants contain events of default that require the revenue of the City to be applied by the Trustee as specified in the terms of the agreement if any of the following conditions occur: default on debt service payments; the failure of the City to observe or perform the conditions, covenants, or agreement terms of the debt; or bankruptcy filing by the City. There were no such events during the fiscal year ending June 30, 2023.

On April 29. 2022, the Authority issued $6,408,000 principal amount of 2022 Sewer Treatment Facilities Revenue Refunding Obligations. Proceeds from the Installment Purchase Agreement were used to refund the Sewer Treatment Facility Revenue Bonds, Series 2009A. Interest is due semiannually on February 1 and August 1 and principal is due annual on August 1 and is payable solely from Sewer Treatment Facility Revenues. The Agreement is on parity with the Series 2018 Bonds. Principal and interest payments on the Agreement commence on August 1, 2022 and continue through 2033. The Agreement contains events of default that allow the Authority to declare all principal and accrued interest to be immediately due and payable if any of the following conditions occur: default on debt service payments; failure of the City to observe or perform the conditions, covenants or agreement terms of the Agreement; or bankruptcy filing by the City. There were no such events during the fiscal year ending June 30, 2023. The 2009A Bonds were called on May 27, 2022.

The pledge of future Sewer Treatment Facility charges ends upon repayment of $41,333,247 in remaining debt service on the 2018 Bonds and 2022 Obligations which is scheduled to occur in 2048. For fiscal year 2023, Sewer Treatment Facility Revenues amounted to $3,142,057 and debt service was $2,800,029.

NOTE 8 – LONG TERM DEBT (Continued)

On March 2016, the Authority issued $9,945,000 in **Sewer Revenue Refunding Bonds, Series 2016** and $16,120,000 in **Sewer Revenue Bonds, Series 2016** with interest rates ranging from 3.0% to 5.0% and 2.0% to 5.0% respectively. The $11,094,848 in net proceeds (including a $1,149,848 premium and after payment of $104,670 in underwriting fees and other issuance costs) of the Sewer Revenue Refunding Bonds, Series 2016, were used to refund $10,830,000 of outstanding 2001 and 2006 Series Sewer Revenue Bonds which had interest rates ranging from 4.375% to 5.00% and 4.00% to 4.375% respectively. The net proceeds of $15,182,357 from the Sewer Revenue Bonds, Series 2016 (including a $62,357 premium and after payment of $169,662 in underwriting fees and other issuance costs) will be used to finance improvements to the City's sewer system.

The 2016 Revenue Bonds are general obligations of the City, payable solely from System Revenues and all amounts on deposit in the System Revenue Fund collected by the City of Belmont. The bond covenants contain events of default that require the revenue of the City to be applied by the Trustee as specified in the terms of the agreement if the following conditions occur: default on debt service payments. There were no such events during the fiscal year ending June 30, 2023.

On November 20, 2019, the Authority issued $17,095,000 principal amount of **Sewer Revenue Bonds, Series 2019**. Proceeds will be used to finance certain improvements to the sewer collection, conveyance and treatment system of the City. Interest is due semiannually on February 1 and August 1, commencing February 1, 2020 and principal is due annually on August 1. The Bonds are payable on parity with the 2016 bonds, solely from System Revenues and all amounts on deposit in the System Revenue Fund collected by the City. The Bonds are structured with a par optional redemption date of August 1, 2029. The bond covenants contain events of default that require the revenue of the City to be applied by the Trustee as specified in the terms of the agreement if the following conditions occur: default on debt service payments. There were no such events during the fiscal year ending June 30, 2023.

The pledge of future Sewer Collections Fund Revenues ends upon repayment of $61,401,534 in remaining debt service on the 2016 Sewer Revenue Refunding Bonds, 2016 Sewer Revenue Bonds and 2019 Sewer Revenue Bonds, which is scheduled to occur in 2049. For fiscal year 2023, Sewer Fund Revenues, excluding sewer treatment facility revenue, including operating revenues, but not connection charges or non-operating interest earnings, amounted to $15,149,923 and operating costs including operating expenses, but not interest, depreciation or amortization amounted to $6,719,728. Net revenues available for debt service amounted to $8,430,195 and debt service was $2,487,371.

NOTE 8 – LONG TERM DEBT (Continued)

D. Debt Service Requirements

Annual debt service requirements are shown below for all long-term debt with specified repayment terms:

For the Year Ending June 30	Governmental Activities		Business-Type Activities			
	Lease Financing		Bonds		Direct Placement	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	$584,022	$83,978	$1,335,000	$2,540,321	$1,346,000	$94,923
2025	596,729	71,271	1,405,000	2,471,820	725,000	72,660
2026	609,489	58,511	1,470,000	2,399,946	740,000	56,911
2027	622,522	45,478	1,545,000	2,324,572	757,000	40,818
2028	635,757	32,243	1,625,000	2,257,021	304,000	29,412
2029 - 2033	978,741	23,259	9,065,000	10,274,827	1,029,000	69,888
2034 - 2038			11,145,000	8,174,231	187,000	2,010
2039 - 2043			13,660,000	5,592,640		
2044 - 2048			14,060,000	2,381,156		
2049 - 2050			3,415,000	138,625		
Total	$4,027,260	$314,740	$58,725,000	$38,555,159	$5,088,000	$366,622

E. Special Assessment Debt With No City Commitment

On February 4, 2004, the Community Facilities District No. 2000-1 issued Special Tax Bonds, Series 2004A for $8,650,000 to finance the construction, maintenance and building operations of a new library. The City has no legal or moral liability with respect to the payment of this debt, which is secured by proceeds of an annual special tax levy received by the District. Therefore, this debt is not included in the long-term debt of the City. As of June 30, 2023, the outstanding balance was $4,035,000.

Pursuant to the terms of the underlying indenture for the Special Tax Bonds, the Trustee holds a Surety Bond issued by AMBAC Assurance Corporation as a debt service reserve for the Bonds. During fiscal 2010-11, AMBAC declared bankruptcy. As of the date of this report, the Trustee had not requested, and the District had not obtained, a replacement surety bond.

NOTE 9 – NET POSITION AND FUND BALANCES

Net Position is measured on the full accrual basis while Fund Balance is measured on the modified accrual basis.

A. Net Position

Net Position is the excess of all the City's assets and deferred outflows, if any, over all its liabilities and deferred inflows, if any, regardless of fund. Net Position is divided into three captions. These captions apply only to Net Position, which is determined only at the Government-wide level, and are described below.

NOTE 9 – NET POSITION AND FUND BALANCES (Continued)

Net Investment in Capital Assets describes the portion of Net Position which is represented by the current net book value of the City's capital assets, less the outstanding balance of any debt issued to finance these assets.

Restricted describes the portion of Net Position which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the City cannot unilaterally alter. These principally include developer fees received for use on capital projects, debt service requirements, and redevelopment funds restricted to low and moderate income housing purposes.

Unrestricted describes the portion of Net Position which is not restricted to use.

B. Fund Balances

Governmental fund balances represent the net current assets of each fund. Net current assets generally represent a fund's cash and receivables, less its liabilities.

The City's fund balances are classified in accordance with generally accepted accounting principles which require the City to classify its fund balances based on spending constraints imposed on the use of resources. For programs with multiple funding sources, the City prioritizes and expends funds in the following order: Restricted, Committed, Assigned, and Unassigned. Each category in the following hierarchy is ranked according to the degree of spending constraint:

Nonspendables represents balances set aside to indicate items do not represent available, spendable resources even though they are a component of assets. Fund balances required to be maintained intact, such as Permanent Funds, and assets not expected to be converted to cash, such as prepaids, notes receivable, and land held for resale are included. However, if proceeds realized from the sale or collection of nonspendable assets are restricted, committed or assigned, then Nonspendable amounts are required to be presented as a component of the applicable category.

Restricted fund balances have external restrictions imposed by creditors, grantors, contributors, laws, regulations, or enabling legislation which requires the resources to be used only for a specific purpose. Nonspendable amounts subject to restrictions are included along with spendable resources.

Committed fund balances have constraints imposed by resolution of the City Council which may be altered only by resolution of the City Council. Nonspendable amounts subject to council commitments are included along with spendable resources.

NOTE 9 – NET POSITION AND FUND BALANCES (Continued)

Assigned fund balances are amounts constrained by the City's intent to be used for a specific purpose, but are neither restricted nor committed. Intent is expressed by the City Council or its designee and may be changed at the discretion of the City Council or its designee. This category includes encumbrances; Nonspendables, when it is the City's intent to use proceeds or collections for a specific purpose, and residual fund balances, if any, of Special Revenue, Capital Projects and Debt Service Funds which have not been restricted or committed. Through a Council Resolution, the City Council has designated the City Manager to determine the amount of assigned fund balances.

Unassigned fund balance represents residual amounts that have not been restricted, committed, or assigned. This includes the residual general fund balance and residual fund deficits, if any, of other governmental funds.

Detailed classifications of the City's fund balances, as of June 30, 2023, are below:

Fund Balance Classifications	General Fund	Belmont Fire Protection District	Development Services	Other Governmental Funds	Total
Nonspendables:					
Items not in spendable form:					
Prepaids	$375,707				$375,707
Land held for resale	298,748				298,748
Total Nonspendable Fund Balances	674,455				674,455
Restricted for:					
Qualified Capital Outlay	4,869,244	$2,661,538			7,530,782
Transportation and Street Maintenance				$4,414,707	4,414,707
Belmont Fire Protection District		17,536,377			17,536,377
Special Revenue Programs:					
Recreation				583,499	583,499
Library Maintenance & Operations				814,528	814,528
City Trees				284,075	284,075
Athletic Field Maintenance				365,599	365,599
Senior Donations				92,455	92,455
Public Art				404,377	404,377
Affordable Housing				12,019,719	12,019,719
Public Safety				6,821	6,821
Capital Projects				2,747,079	2,747,079
Special Assessment District				315,190	315,190
Total Restricted Fund Balances	4,869,244	20,197,915		22,048,049	47,115,208
Committed to:					
Measure I Infrastructure					
Special Revenue Programs:					
Development Services			$1,537,550		1,537,550
General Plan Maintenance				1,591,574	1,591,574
Public Safety				30,029	30,029
Total Committed Fund Balances			1,537,550	1,621,603	3,159,153
Assigned to:					
Capital Projects				3,225,895	3,225,895
Total Assigned Fund Balances				3,225,895	3,225,895
Unassigned	24,978,496				24,978,496
Total Unassigned Fund Balances	24,978,496				24,978,496
Total Fund Balances	$30,522,195	$20,197,915	$1,537,550	$26,895,547	$79,153,207

NOTE 9 – NET POSITION AND FUND BALANCES (Continued)

C. Minimum Fund Balance Policies

The City Council has established a policy with adoption of the annual budget that the General Fund balance should be maintained at a target of 33% of operating expenditures with a $5,000,000 minimum. In addition, the City Council has established a $250,000 Contingency appropriation which may be used to pay for an emergency or an uncertain occurrence. The use of contingency funds requires City Council approval. As of June 30, 2023, the City is in compliance with its minimum fund balance policies.

D. Net Position and Fund Balance Restricted for Qualified Capital Outlay

The City established Reserves for Qualified Capital Outlay in the General Fund and in the Belmont Fire Protection District Special Revenue Fund and transferred $4,869,244 and $2,661,538, respectively, into the reserves amounts from fiscal year 2023 necessary to ensure compliance with State Gann Limit provisions. These funds will be used solely to pay for Gann Limit excludable capital expenditures. To qualify, they must be for assets with a value greater than $100,000 and a useful life of at least 10 years.

E. Belmont Fire Protection District

The District established a $10,000,000 reserve of fund balance for the future replacement of a fire station. The reservation is included in the Belmont Fire Protection District Special Revenue Fund's restricted fund balance.

F. Net Investment In Capital Assets

The balances related to Net Investment in Capital Assets are comprised of the following as of June 30, 2023:

	Governmental Activities	Business-Type Activities	Total
Capital Assets, Net of Accumulated Depreciation	$85,443,285	$32,980,461	$118,423,746
Less Capital Debt	(4,379,734)	(42,997,086)	(47,376,820)
Plus Unspent Bond Proceeds	402,294	10,528,106	10,930,400
Net Investment in Capital Assets	$81,465,845	$511,481	$81,977,326

G. Restatement

The City implemented the provisions of Governmental Accounting Standards Board Statement No. 96 – *Subscription-Based Information Technology Arrangements (SBITAs)* during the year ended June 30, 2023. As a result, the City determined that beginning the balances of capital assets and subscription liabilities were $76,230 as of July 1, 2022 and restated and increased the balances in that amount, and the net effect on beginning net position was zero. See the disclosure in Note 13.

NOTE 9 – NET POSITION AND FUND BALANCES (Continued)

H. Net Position Deficit

The Facilities Management Internal Service Fund had deficit net position of $603,030 as of June 30, 2023. Future interdepartmental charges for services are expected to offset this deficit.

NOTE 10 – LEASES

A. Policies

A lease is defined as a contract that conveys control of the right to use another entity's nonfinancial asset (the underlying asset) as specified in the contract for a period of time in an exchange or exchange-like transaction. Examples of nonfinancial assets include buildings, land, vehicles, and equipment. The City recognizes lease receivable or liabilities with an initial, individual value of $100,000 or more, based on the future lease payments remaining at the start of the lease.

Lessee – The City does not have any noncancellable leases of nonfinancial assets as of June 30, 2022, other than the financed purchase discussed in Note 8. If there were such leases outstanding, the City would recognize a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements.

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments as follows:

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

NOTE 10 – LEASES (Continued)

Lessor – The City is a lessor for noncancellable leases of buildings and facilities. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and fund financial statements.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts as follows:

- The City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The City monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

B. Leases Receivable

The balances related to leases receivable and deferred inflows of resources as of June 30, 2023 were:

	Lease Receivable	Deferred Inflows of Resources
Governmental Activities		
Leases Receivable (Lessor)		
1070 Sixth Avenue Rentals	$343,000	$327,025
Facilities Rentals	866,421	814,817
Billboard Lease	4,896,183	4,624,837
Airspace Lease	1,766,238	1,722,808
Total governmental activities leases receivable	$7,871,842	$7,489,487

NOTE 10 – LEASES (Continued)

The City's leases receivable and transactions are summarized below and discussed in detail thereafter.

	Balance June 30, 2022	Additions	Retirements	Balance June 30, 2023
Governmental Activities				
Leases Receivable (Lessor)				
1070 Sixth Avenue Rentals	$311,578	$161,479	$130,057	$343,000
Facilities Rentals	998,171		131,750	866,421
Billboard Lease	4,952,751		56,568	4,896,183
Airspace Lease	1,849,356		83,118	1,766,238
Total governmental activities leases receivable	$8,111,856	$161,479	$401,493	$7,871,842

1070 Sixth Avenue Rentals – The City leases office space attached to City Hall to third parties. During the year ended June 30, 2023, of the three office space leases, the City had two leases that were subject to being recorded as leases receivable under generally accepted accounting principles. The original lease terms were just over five years each and as of June 30, 2023, the two leases had four years remaining. The leases can be renewed for one additional five year term upon written notice of the tenant. The City recognized $141,503 in lease revenue and $8,717 in interest revenue during the current fiscal year related to these leases. Also, the City has deferred inflows of resources associated with these leases that will be recognized as revenue over the lease term.

Facilities Rentals – The City leases various facilities to third parties. During the year ended June 30, 2023, the City had three leases, with original lease terms ranging from ten to thirty years and as of June 30, 2023, the leases had 3.5 to 9 years remaining. The City recognized $154,341 in lease revenue and $28,157 in interest revenue during the current fiscal year related to these leases. Also, the City has deferred inflows of resources associated with these leases that will be recognized as revenue over the lease term.

Billboard Lease – The City leases billboard space to a third party. The original term of the lease was thirty years and as of June 30, 2023, the lease had 24 years remaining. The rent is based on a minimum annual guaranteed payment, paid on a monthly basis, which increases 3% per year. In addition, the City receives a percentage rent if that amount exceeds the minimum annual guaranteed payment. The City recognized $194,730 in lease revenue and $147,826 in interest revenue during the current fiscal year related to this lease. Also, the City has deferred inflows of resources associated with this lease that will be recognized as revenue over the lease term.

Airspace Lease – The City leases airspace to a third party. The original term of the lease was twenty years, but the most recent amendment in October 2019 extended the lease term for ten years, with two five year options. As of June 30, 2023, the City determined that the remaining lease term is sixteen years. The City recognized $106,019 in lease revenue and $54,344 in interest revenue during the current fiscal year related to this lease. Also, the City has deferred inflows of resources associated with this lease that will be recognized as revenue over the lease term.

NOTE 11 – PENSION PLAN

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Plan and additions to/deductions from the Plan fiduciary net position have been determined on the same basis as they are reported by the CalPERS Financial Office. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

A. General Information about the Pension Plan

Plan Description – All qualified employees are eligible to participate in the City's separate Safety (Police and Fire) and Miscellaneous (all other) Employee Pension Rate Plans. The City's Miscellaneous and Safety Rate Plans are part of the public agency cost-sharing multiple-employer defined benefit pension plan (PERF C), which is administered by the California Public Employees' Retirement System (CalPERS). PERF C consists of a miscellaneous pool and a safety pool (also referred to as "risk pools"), which are comprised of individual employer miscellaneous and safety rate plans, respectively. Individual employers may sponsor more than one miscellaneous and safety rate plan. The employer participates in one cost-sharing multiple-employer defined benefit pension plan, regardless of the number of rate plans the employer sponsors. The City sponsors six rate plans and the District sponsors three rate plans as follows:

- City Miscellaneous (Tier 1)
- City Miscellaneous (Tier 2)
- City Miscellaneous (Tier 3)
- City Safety (Tier 1)
- City Safety (Tier 2)
- City Safety (Tier 3)
- District Safety (Tier 1)
- District Safety (Tier 2)
- District Safety (Tier 3)

The Plan is administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plan are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website (www.calpers.ca.gov.)

With the transfer of the District's personnel to the San Mateo Consolidated Fire Department Joint Powers Authority in January 2019 discussed in Note 15A, the District's Safety Plan is closed to new entrants.

NOTE 11 – PENSION PLAN (Continued)

Benefits Provided – CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1959 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plan's provisions and benefits in effect at June 30, 2023 are summarized as follows:

	City Miscellaneous Rate Plans		
	Tier 1	***Tier 2***	***Tier 3***
Hire date	Prior to August 1, 2012 (1)	On or after August 1, 2012 (1)	On or after January 1, 2013
Benefit formula	2% @ 55	2% @ 55	2% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Final Average Compensation Period	One Year	Three Year	Three Year
Retirement age	50 - 67	50 - 67	52 - 67
Monthly benefits, as a % of eligible compensation	1.426% to 2.418%	1.426% to 2.418%	1.0% to 2.5%
Required employee contribution rates	7.0%	7.0%	7.0%
Required employer contribution rates (normal cost)	11.18%	10.63%	7.56%

	City Safety Rate Plans		
	Tier 1	***Tier 2***	***Tier 3***
Hire date	Prior to October 1, 2011	On or after October 1, 2011	On or after January 1, 2013
Benefit formula	3% @ 50	3% @ 55	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Final Average Compensation Period	One Year	Three Year	Three Year
Retirement age	50	50 - 55	50 - 57
Monthly benefits, as a % of eligible compensation	3.0%	2.4% to 3.0%	2.0% to 2.7%
Required employee contribution rates	9.0%	9.0%	13.0%
Required employer contribution rates (normal cost)	23.75%	20.64%	12.78%

	District Safety Rate Plans		
	Tier 1	***Tier 2***	***Tier 3***
Hire date	Prior to January 1, 2012	On or after January 1, 2012	On or after January 1, 2013
Benefit formula	3% @ 55	2% @ 50	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Final Average Compensation Period	Three Year	Three Year	Three Year
Retirement age	50 - 55	50 - 55	50 - 57
Monthly benefits, as a % of eligible compensation	2.4% to 3.0%	2.0% to 2.7%	2.0% to 2.7%
Required employee contribution rates	0.0%	0.0%	0.0%
Required employer contribution rates (normal cost)	0.0%	0.0%	0.0%

(1) For unrepresented employees, the hire date that determines the level of benefits is December 28, 2012.
(2) The District's Safety Plan has no active participants as of January 2019.

NOTE 11 – PENSION PLAN (Continued)

Beginning in fiscal year 2016, CalPERS collects employer contributions for the Plan as a percentage of payroll for the normal cost portion as noted in the rates above and as a dollar amount for contributions toward the unfunded liability. The dollar amounts are billed on a monthly basis or may be paid in a lump sum at a discount. The City's and District's required contributions for the unfunded liability were $3,829,423 and $114,399, respectively, in fiscal year 2023, which were made under the lump sum option.

Contributions – Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plan are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions.

For the year ended June 30, 2023, the contributions recognized as part of pension expense for the Plan were as follows:

	Safety	Miscellaneous	Total
Contributions - employer	$2,926,740	$2,977,193	$5,903,933

During fiscal year 2023, the City made additional contributions to reduce the unfunded liability balances in the Safety and Miscellaneous rate plans in the amounts of $120,524 and $154,460, respectively, which are Included in the contribution amounts above.

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2023, the City reported the collective net pension liabilities for its proportionate shares of the net pension liability of the Plan as follows:

	Share of Net Pension Liability
Safety Rate Plans	$22,083,670
Miscellaneous Rate Plans	24,063,134
Total Net Pension Liability	$46,146,804

Pension liabilities are liquidated by the fund that has recorded the liability. The long-term portion of governmental activities net pension liabilities is liquidated primarily by the General Fund and the Belmont Fire Protection District Special Revenue Fund.

NOTE 11 – PENSION PLAN (Continued)

The City's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2022, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021, rolled forward to June 30, 2022 using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The City's proportionate share of the net pension liability for the Plan as of June 30, 2022 and 2023 was as follows:

	Safety	Miscellaneous
Proportion - June 30, 2022	0.34%	0.66%
Proportion - June 30, 2023	0.32%	0.51%
Change - Increase (Decrease)	-0.02%	-0.15%

For the year ended June 30, 2023, the City recognized pension expense of $1,320,050. On June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$5,903,933	
Differences between actual and expected experience	1,397,197	($563,462)
Changes in assumptions	4,692,473	
Net differences between projected and actual earnings on plan investments	7,895,047	
Change in proportion and differences between actual contributions and proportionate share of contributions	444,048	(3,185,085)
Total	$20,332,698	($3,748,547)

$5,903,933 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense (credits) as follows:

Year Ended June 30	Annual Amortization
2024	$2,611,324
2025	2,108,652
2026	1,137,019
2027	4,823,223

NOTE 11 – PENSION PLAN (Continued)

Actuarial Assumptions – For the measurement period ended June 30, 2022, the total pension liability was determined by rolling forward the June 30, 2021 total pension liability. The June 30, 2022 total pension liability was based on the following actuarial methods and assumptions:

Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Salary Increases	Varies by entry age and service
Mortality	Derived using CalPERS' membership data for all funds (1)
Post Retirement Benefit Increase	The lesser of contract COLA or 2.30% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.30% thereafter

(1) The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study for the period from 2001 to 2019. Pre-retirement and Post-retirement mortality rates include generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from November 2021 that can be found on the CalPERS website.

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2021 valuation were based on the results of a November 2021 actuarial experience study for the period 2001 to 2019. Further details of the Experience Study can be found on the CalPERS website.

Discount Rate – The discount rate used to measure the total pension liability for the Plan was 6.90%. The projection of cash flows used to determine the discount rate for the Plan assumed that contributions from all plan members in the Public Employees Retirement Fund (PERF) will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the next 20 years using a building-block approach. The expected rate of return was then adjusted to account for assumed administrative expenses of 10 basis points.

NOTE 11 – PENSION PLAN (Continued)

The expected real rates of return by asset class are as follows:

Asset Class (a)	Assumed Asset Allocation	Real Return Years [a,b]
Global Equity - Cap-weighted	30%	4.54%
Global Equity - Non-Cap-weighted	12%	3.84%
Private Equity	13%	7.28%
Treasury	5%	0.27%
Mortgage-backed Securities	5%	0.50%
Investment Grade Corporates	10%	1.56%
High Yield	5%	2.27%
Emerging Market Debt	5%	2.48%
Private Debt	5%	3.57%
Real Assets	15%	3.21%
Leverage	-5%	-0.59%
Total	100%	

(a) An expected inflation of 2.30% used for this period.
(b) Figures are based on the 2021 Asset Liability Management Study.

Changes of Assumptions – Effective with the June 30, 2021 valuation date (2022 measurement date), the accounting discount rate was reduced from 7.15% to 6.90%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated, combined with risk estimates, and are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return. In addition, demographic assumptions and the inflation rate assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the City's proportionate share of the net pension liability for the Plan, calculated using the discount rate for the Plan, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Discount Rate		
	1% Decrease 5.90%	Current 6.90%	1% Increase 7.90%
Safety	$33,210,248	$22,083,670	$12,990,203
Miscellaneous	36,327,008	24,063,134	13,973,009
Total	$69,537,256	$46,146,804	$26,963,212

NOTE 11 – PENSION PLAN (Continued)

C. Reduction of CalPERS Discount Rate

On July 12, 2021, CalPERS reported a preliminary 21.3% net return on investments for fiscal year 2020-21. Based on the thresholds specified in CalPERS Funding Risk Mitigation policy, the excess return of 14.3% prescribes a reduction in investment volatility that corresponds to a reduction in the discount rate used for funding purposes of 0.20%, from 7.00% to 6.80%. Since CalPERS was in the final stages of the four-year Asset Liability Management (ALM) cycle, the CalPERS Board elected to defer any changes to the asset allocation until the ALM process concluded, and the board could make its final decision on the asset allocation in November 2021.

On November 17, 2021, the board adopted a new strategic asset allocation. The new asset allocation along with the new capital market assumptions, economic assumptions and administrative expense assumption support a discount rate of 6.90% (net of investment expense, but without a reduction for administrative expense) for financial reporting purposes. This includes a reduction in the price inflation assumption from 2.50% to 2.30% as recommended in the November 2021 CalPERS Experience Study and Review of Actuarial Assumptions. This study also recommended modifications to retirement rates, termination rates, mortality rates and rates of salary increases that were adopted by the CalPERS Board. These new assumptions are reflected in the CalPERS GASB 68 accounting valuation reports for the June 30, 2022 measurement date.

NOTE 12 – OTHER POST EMPLOYMENT BENEFITS

A. General Information about the City's Other Post Employment Benefit (OPEB) Plans

By resolution and through agreements with its labor units, the City and District provide certain health care benefits for retired employees (spouse and dependents are not included) under third-party insurance plans (Retiree Health Care Benefits Plans). The City and District participate in the CalPERS health care plan, which is governed under the California Public Employees Health and Medical Care Act (PEMCHA). During fiscal year 2008, the City Council and, during fiscal year 2012, the District passed resolutions to participate in the California Employers Retirees Benefit Trust (CERBT), an irrevocable trust established to fund OPEB. CERBT is an agent multiple-employer defined benefit other postemployment benefits plan administrated by CalPERS, and is managed by an appointed board not under the control of the City Council or Fire Board of Directors. CERBT consists of participating employers of the State of California and public agencies. Individual employers may establish more than one plan.

The CERBT was established by Chapter 331 of the 1988 California Statutes, and employers elect to participate in the CERBT to pre-fund health, dental, and other non-pension postemployment benefits for their retirees and survivors. The CERBT has pooled administrative and investment functions, while separate employer accounts are maintained to prefund and pay for health care or other postemployment benefits in accordance with the terms of the participating employers' plans. There are three CalPERS Board approved investment strategies for employers to choose from depending on their expected levels of return and volatility. Benefit provisions are established by participating employers.

NOTE 12 – OTHER POST EMPLOYMENT BENEFITS (Continued)

The CERBT Trusts are not considered a component unit by the City or District and have been excluded from these financial statements. Separately issued financial statements for CERBT may be obtained from CALPERS at P.O. Box 942709, Sacramento, CA 94229-2709.

A summary of eligibility and retiree contribution requirements for the City and District Plans are shown below by bargaining unit:

Eligibility	Service or Disability Retirement from the City - Age and service requirements: AFSCME - 50 & 10 hired before 7/1/1985 and retired before 7/1/2001 - 50 & 12 retired after 7/1/2001 and retired before 8/1/2012 - 50 & 12 hired after 8/1/2012 or who retire due to disability BPOA - 50 & 12 retired before 7/1/2001 - 50 & 12 retired on or after 7/1/2001 and hired before 10/11/2011 - 50 & 12 hired on or after 10/11/2011 MMCEA - 50 & 12 retired before 7/1/2001 - 50 & 12 retired on or after 7/1/2001 and hired before 10/1/2012 - 50 & 12 hired on or after 10/1/2012 or who retire due to disability Unrepresented - 50 & 12 retired before 7/1/2001 - 50 & 12 retired on or after 7/1/2001 and hired before 1/1/2013 - 50 & 12 hired on or after 1/1/2013 or who retire due to disability Service or Disability Retirement from District - 50 & 5 Transitioning to District from BSCFD - 50 & 15 including service with BSCFD or South County Fire Authority, provided that 5 years must be with the District; or effective 10/1/2012, employees with 25 years of service (including any time served with SCFA or BSCFD) may retire after 3 years.
Benefit	Service Retirement: - Retire before 7/1/2001 - Bay Area Single premium for retiree selected plan - Retire on or after 7/1/2001 and hired prior to 10/11/2011 (BPOA), 10/1/2012 (MMCEA), 8/1/2012 (AFCME), 1/1/2013 (Unrepresented) - Receive a benefit which, when added to the CalPERS Minimum Employer Contribution, brings the total up to the lesser of the Bay Area single premium rate for the medical plan selected by the retiree and the Bay Area Kaiser single rate. - Hired on or after 10/11/2011 (BPOA), 10/1/2012 (MMCEA), 8/1/2012 (AFCME), 1/1/2013 (Unrepresented)- Public Employees' Medical Hospital Care Act (PEMHCA) minimum only. Disability Retirement: - Miscellaneous Group - Same benefit as service retirement or PEMHCA minimum if eligibility requirement not met. - BPOA - same benefit as service retirement but without the age or service requirement. Retirement from District: - PEHMCA minimum, subject to "unequal method" Transitioning to District from BSCFD (or on active eligible list until 10/1/12): - Receive a benefit which, when added to the CalPERS Minimum Employer Contribution, brings the total up to the lesser of the Bay Area single premium rate for the medical plan selected by the retiree and the Bay Area Kaiser single rate.
Surviving Spouse Continuation	**City:** - Public Employees Medical Hospital Care Act (PEMHCA) minimum only. **District:** - Based on CalPERS retirement election - PEMHCA Minimum - Unequal Method
Public Employees' Medical Hospital Care Act (PEMHCA) minimum	**CalPERS minimum employer contribution:** YEAR PEMHCA Minimum 2023 $151 2024+ Increase medical care component of CPI

NOTE 12 – OTHER POST EMPLOYMENT BENEFITS (Continued)

In accordance with the City and District budgets, the Actuarially Determined Contribution (ADC) is to be funded throughout the year as a percentage of payroll. For the year ended June 30, 2023, the City's contributions to the Plan were $881,459, and the District's Contributions to the Plan were $100,059.

Employees Covered by Benefit Terms – Membership in the Plans consisted of the following at the June 30, 2022 measurement date:

City	
Inactive employees or beneficiaries currently receiving benefits	106
Inactive employees entitled to but not yet receiving benefits	23
Active employees	129
Total	258
District	
Inactive employees or beneficiaries currently receiving benefits	8
Inactive employees entitled to but not yet receiving benefits	14
Active employees	0
Total	22

As of June 30, 2023, there were approximately 129 active City eligible participants, 104 eligible City retirees or surviving spouses, exclusive of living spouses and dependents, receiving benefits, and 28 retirees that were eligible, but not enrolled in the Plan benefits. For the District, as of June 30, 2023 there were no active District eligible participants and there were 8 eligible District retirees or surviving spouses, exclusive of living spouses and dependents, receiving benefits and 14 retirees that were eligible, but not enrolled in the Plan benefits.

OPEB Liabilities, OPEB Expenses and Deferred Outflows/Inflows of Resources Related to OPEB – For purposes of measuring the net OPEB liabilities, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City's and District's OPEB Plans and additions to/deductions from the OPEB Plans' fiduciary net position have been determined on the same basis as they are reported by CERBT. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 12 – OTHER POST EMPLOYMENT BENEFITS (Continued)

B. Net OPEB Liability

Actuarial Methods and Assumptions – The City and District net OPEB liabilities were measured as of June 30, 2022 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2021, rolled forward to June 30, 2022, based on the following actuarial methods and assumptions:

City

Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Actuarial Cost Method	Entry Age Normal level percent of pay
Actuarial Assumptions:	
Discount Rate	6.25%
Inflation	2.50%
Salary Increases	2.75%
Mortality Rates	Same as CalPERS (1)
Healthcare Cost Trend Rates	Pre-Medicare: 6.50% for 2023, and trending down to 3.75% in 2076 and beyond. Medicare (Non-Kaiser): 5.65% in 2023, trending down to 3.75% in 2076 and beyond. Medicare (Kaiser): 4.60% in 2022, trending down to 3.75% in 2076 and beyond. PEMHCA: 4.00% of retiree premium

District

Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Actuarial Cost Method	Entry Age Normal level percent of pay
Actuarial Assumptions:	
Discount Rate	5.25%
Inflation	2.50%
Salary Increases	No active District employees
Mortality Rates	Same as CalPERS (1)
Healthcare Cost Trend Rates	Pre-Medicare: 6.50% for 2022, and trending down to 3.75% in 2076 and beyond. Medicare (Non-Kaiser): 5.65% in 2022, trending down to 3.75% in 2076 and beyond. Medicare (Kaiser): 4.60% in 2022, trending down to 3.75% in 2076 and beyond. PEMHCA: 4.00% of retiree premium

(1) The mortality table used was developed based on CalPERS' specific data. The table includes 15 years of mortality improvements using Society of Actuaries Mortality Improvement Scale MP 2021. For more details on this table, please refer to the CalPERS 2000-2019 experience study report available on the CalPERS website.

NOTE 12 – OTHER POST EMPLOYMENT BENEFITS (Continued)

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

City

Asset Class	Target Allocation	Long-term expected real rate of return
Global Equity	49.0%	4.56%
Fixed Income	23.0%	1.56%
TIPS	5.0%	-0.08%
Commodities	3.0%	1.22%
REITs	20.0%	4.06%
Total	100.0%	
Assumed Long-Term Rate of Inflation		2.50%
Expected Long-Term Net Rate of Return		6.25%

District

Asset Class	Target Allocation	Long-term expected real rate of return
Global Equity	23.0%	4.56%
Fixed Income	51.0%	1.56%
TIPS	9.0%	-0.08%
Commodities	3.0%	1.22%
REITs	14.0%	4.06%
Total	100.0%	
Assumed Long-Term Rate of Inflation		2.50%
Expected Long-Term Net Rate of Return		5.25%

Discount Rate – The discount rate used to measure the total OPEB liability was 6.25% for the City and 5.25% for the District. The projection of cash flows used to determine the discount rate assumed that City and District contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plans' fiduciary net position were each projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

NOTE 12 – OTHER POST EMPLOYMENT BENEFITS (Continued)

C. Changes in Net OPEB Liability

The changes in the net OPEB liability for each plan follows:

City	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability (Asset)
Balance at Report Date June 30, 2022	$14,294,172	$9,307,409	$4,986,763
Changes for the year:			
Service Cost	273,028		273,028
Interest on the Total OPEB Liability	884,652		884,652
Differences between Expected and Actual Experience			-
Changes of Assumptions			-
Contributions			
Employer - Department's contribution		907,627	(907,627)
Employer - implicit subsidy		152,139	(152,139)
Employee			-
Net Investment Income		(1,262,499)	1,262,499
Benefit payments, including Refunds of Employee Contributions	(673,399)	(673,399)	-
Implicit Rate Subsidy Fulfilled	(152,139)	(152,139)	-
Administrative Expense		(4,461)	4,461
Other Changes			-
Net changes	332,142	(1,032,732)	1,364,874
Balance at June 30, 2023	$14,626,314	$8,274,677	$6,351,637

District	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability (Asset)
Balance at June 30, 2022	$2,292,820	$2,448,983	($156,163)
Changes for the year:			
Service Cost	55,838		55,838
Interest on the Total OPEB Liability	120,973		120,973
Differences between Expected and Actual Experience			-
Changes of Assumptions			-
Contributions			
Employer - Department's contribution		64,436	(64,436)
Employer - implicit subsidy		24,649	(24,649)
Employee			-
Net Investment Income		(278,843)	278,843
Benefit payments, including Refunds of Employee Contributions	(64,138)	(64,138)	-
Implicit Rate Subsidy Fulfilled	(24,649)	(24,649)	-
Administrative Expense		(919)	919
Other Changes			-
Net changes	88,024	(279,464)	367,488
Balance at June 30, 2023	$2,380,844	$2,169,519	$211,325
June 30, 2023 Total, Both Plans	$17,007,158	$10,444,196	$6,562,962

NOTE 12 – OTHER POST EMPLOYMENT BENEFITS (Continued)

Detailed information about the OPEB plans' fiduciary net position is available in the separately issued CalPERS Annual Comprehensive Financial Report that may be obtained from CalPERS website.

OPEB liabilities are liquidated by the fund that has recorded the liability. The long-term portion of governmental activities net OPEB liabilities is liquidated primarily by the General Fund and the Belmont Fire Protection District Special Revenue Fund.

D. Sensitivity of the Net OPEB Liability to Changes in the Discount Rate and Healthcare Cost Trend Rates

The following presents the net OPEB liability of the City and District, as well as what the City's or District's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

City	Trend Rate
1% Decrease	5.25%
Net OPEB Liability (Asset)	$8,048,294
Current Discount Rate	6.25%
Net OPEB Liability (Asset)	$6,351,637
1% Increase	7.25%
Net OPEB Liability (Asset)	$4,924,394

District	Trend Rate
1% Decrease	4.25%
Net OPEB Liability (Asset)	$485,281
Current Discount Rate	5.25%
Net OPEB Liability (Asset)	$211,325
1% Increase	6.25%
Net OPEB Liability (Asset)	($17,391)

NOTE 12 – OTHER POST EMPLOYMENT BENEFITS (Continued)

The following presents the net OPEB liability of the City and District, as well as what the City's and District's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

City	Trend Rate
1% Decrease	5.5% Decreasing to 2.75%
Net OPEB Liability (Asset)	$4,782,412
Trend Rate	6.5% Decreasing to 3.75%
Net OPEB Liability (Asset)	$6,351,637
1% Increase	7.5% Decreasing to 4.75%
Net OPEB Liability (Asset)	$8,233,032

District	Trend Rate
1% Decrease	5.5% Decreasing to 2.75%
Net OPEB Liability (Asset)	($65,089)
Trend Rate	6.5% Decreasing to 3.75%
Net OPEB Liability (Asset)	$211,325
1% Increase	7.5% Decreasing to 4.75%
Net OPEB Liability (Asset)	$546,258

NOTE 12 – OTHER POST EMPLOYMENT BENEFITS (Continued)

E. OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the year ended June 30, 2023, the City and District recognized OPEB expense of $248,813 and $57,675, respectively, for total OPEB expense of $306,488. At June 30, 2023, the City and District reported deferred outflows and inflows of resources related to OPEB from the following sources:

City	Deferred Outflows of Resources	Deferred Inflows of Resources
Employer contributions subsequent to measurement date	$881,459	
Differences between actual and expected experience		($1,689,198)
Changes of assumptions	430,120	(332,288)
Net differences between projected and actual earnings on OPEB plan investments	676,302	
Total	$1,987,881	($2,021,486)

District	Deferred Outflows of Resources	Deferred Inflows of Resources
Employer contributions subsequent to measurement date	$100,059	
Differences between actual and expected experience		
Changes of assumptions		($24,130)
Net differences between projected and actual earnings on OPEB plan investments	103,211	
Total	$203,270	($24,130)
Grand Total, Both Plans	$2,191,151	($2,045,616)

$981,518 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as part of OPEB expense as follows:

Fiscal Year	Annual Amortization	
Ended June 30	City	District
2024	($325,672)	$9,206
2025	(331,576)	5,694
2026	(293,816)	(6,098)
2027	173,322	77,169
2028	(137,322)	(4,310)
Thereafter		(2,580)

F. Deferred Compensation Plans

City employees may defer a portion of their compensation under a City sponsored Deferred Compensation Plan created in accordance with Internal Revenue Code Section 457. Under the Plan, participants are not taxed on the deferred portion of their compensation until distributed to them; distributions may be made only at termination, retirement, and death or in an emergency as defined by the Plan.

NOTE 12 – OTHER POST EMPLOYMENT BENEFITS (Continued)

The Plan is part of the public agency agent multiple-employer defined contribution plans that are administered by Mission Square Retirement (formerly ICMA RC). Benefit provisions under the Plan are established by City resolution.

The City has no liability for any losses incurred by the Plan and does not participate in any gains, but does have the duty of due care that would be required of an ordinary prudent investor. The City has a contract with Mission Square to manage and invest the assets of the Plan. The administrator pools the assets of the Plan with those of other participants and does not make separate investments for the City. The assets in the Plan are the sole property of the participants or their beneficiaries. Since the assets held under the Plan are not the City's property and are not subject to claims by general creditors of the City, they have been excluded from these financial statements. The Plan requires investments to be stated at fair market value and it requires all gains and losses on Plan investments to accrue directly to participant accounts.

A summary of eligibility and employer contribution requirements for the City's Plan are shown below by bargaining unit:

AFSCME

All employees:

-1.3% of base salary plus $150.00 per month.

Employees hired before October 1, 2012 receive additional deferred compensation contributions as follows:

- Employees that waive the City's medical insurance receive $150.07 per month for plan year 2022
- Employees that continue to waive coverage as of January 1, 2023 receive an additional $150.07 per month (for a total of $300.14).
- Employees that later elect to be covered by the City's medical insurance no longer receive the additional deferred compensation contributions.

Employees hired on or after October 1, 2012 receive additional deferred compensation contributions as follows

- Employees that waive the City's medical insurance may elect to receive $389.94 per month

BPOA

Police Records Specialist I and II, Community Service Officer and Police Dispatcher:

- $100.00 per month.

Employees hired before October 11, 2011 receive additional deferred compensation contributions as follows:

- Employees that waive the City's medical insurance receive $192.38 per month for plan year 2022
- Employees that change coverage status (i.e., waiver to coverage, coverage to waiver, or increase/decrease in level of coverage) are treated as an employee hired after October 11, 2011.
- Employees who previously waived coverage, but elected coverage due to a qualifying life event occurring in plan year 2021 shall be permitted on a one-time basis to waive coverage on or before June 1, 2022 as part of a qualifying life event occurring before that date and receive the $192.38 in deferred compensation as if the employee had waived coverage as of January 1, 2022 for plan year 2022.
- Employees that later elect to be covered by the City's medical insurance no longer receive the additional deferred compensation contributions.

NOTE 12 – OTHER POST EMPLOYMENT BENEFITS (Continued)

MMCEA

Certain classifications (31 specific class titles):
-$335.00 per month

Employees hired before October 1, 2012 receive additional deferred compensation contributions as follows:
- Employees that waive the City's medical insurance receive $150.07 per month for plan year 2022
- Employees that continue to waive coverage as of January 1, 2023 receive an additional $150.07 per month (for a total of $300.14).
- Employees that later elect to be covered by the City's medical insurance no longer receive the additional deferred compensation contributions.

Employees hired on or after August 1, 2012 receive additional deferred compensation contributions as follows:
- Employees that waive the City's medical insurance may elect to receive $389.94 per month

Unrepresented

Management:
-$350.00 per month

Non-Management:
Certain classifications:
-$335.00 per month

Employees hired before October 1, 2012 receive additional deferred compensation contributions as follows:
- Employees that waive the City's medical insurance receive $150.07 per month for plan year 2022
- Employees that continue to waive coverage as of January 1, 2023 receive an additional $150.07 per month (for a total of $300.14).
- Employees that later elect to be covered by the City's medical insurance no longer receive the additional deferred compensation contributions.

Employees hired on or after August 1, 2012 receive additional deferred compensation contributions as follows:
- Employees that waive the City's medical insurance may elect to receive $389.94 per month

City Manager:
-5% of annual base salary

City Attorney:
-4% of annual base salary

The City's required contributions for the year ended June 30, 2023 totaled $409,307.

The District previously sponsored two public agency agent multiple-employer defined contribution Deferred Compensation Plans. Since the District does not have any active employees, it no longer makes contributions to the Plans.

NOTE 13 – SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs)

A SBITA is a contract that conveys control of the right to use another party's (a SBITA vendor's) IT software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction. The City recognizes subscription assets and liabilities with an initial, individual value of $100,000 or more, based on the up front or future subscription payments remaining at the start of the agreement.

NOTE 13 – SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs) (Continued)

At the commencement of a SBITA, the City initially measures the subscription liability at the present value of payments expected to be made during the contract term. Subsequently, the subscription liability is reduced by the principal portion of payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for payments made at or before the SBITA commencement date, plus certain initial direct costs. Subsequently, the subscription asset is amortized on a straight-line basis over shorter of the subscription term or the useful life of the underlying IT assets.

Key estimates and judgments related to SBITAs include how the City determines (1) the discount rate it uses to discount the expected subscription payments to present value, (2) subscription term, and (3) subscription payments as follows:

- The City uses the interest rate charged by the IT vendor as the discount rate. When the interest rate charged by the IT vendor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for subscription liabilities.

- The subscription term includes the noncancellable period of the subscription.

- Subscription payments included in the measurement of the subscription liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its subscription and will remeasure the subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the subscription liability.

Subscription assets are reported with other capital assets and subscription liabilities are reported as long-term debt on the statement of net position.

A summary of governmental activities SBITA transactions for the fiscal year ended June 30, 2023, are as follows:

	Balance June 30, 2022 (as restated)	Additions	Retirements	Balance June 30, 2023
Governmental Activities				
Subscription Liabilities				
Software One - Office 365		$287,552	$97,944	$189,608
ESRI - GIS Software	$76,230		38,500	37,730
Granicus - Communications Cloud		189,305	64,169	125,136
Total Subscription Liabilities	$76,230	$476,857	$200,613	$352,474

NOTE 13 – SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs) (Continued)

In July 2022, the City entered into a three-year SBITA for the use of Microsoft Office 365. An initial subscription liability was recorded in the amount of $287,552 during the current fiscal year. As of June 30, 2023, the balance of the subscription liability was $189,608. The City is required to make annual principal and interest payments of $97,944. The software has a three-year estimated useful life. The value of the right-to-use asset as of the end of the current fiscal year was $287,552 and had accumulated amortization of $95,851.

During fiscal year 2021, the City entered into a three year SBITA for the use of GIS software. An initial subscription liability was recorded in the amount of $76,230 during the current fiscal year. As of June 30, 2023, the balance of the subscription liability was $37,730. The City is required to make annual principal and interest payments of $38,500. The software has a three-year estimated useful life. The value of the right-to-use asset as of the end of the current fiscal year was $76,230 and had accumulated amortization of $38,115.

In July 2022, the City entered into a three-year SBITA for the use of the Granicus Communications Cloud software. An initial subscription liability was recorded in the amount of $189,305 during the current fiscal year. As of June 30, 2023, the balance of the subscription liability was $125,136. The City is required to make an annual principal and interest payments from $63,079 to $64,169. The software has a three-year estimated useful life. The value of the right-to-use asset as of the end of the current fiscal year was $189,305 and had accumulated amortization of $63,101.

The future principal and interest subscription liability payments as of June 30, 2023, were as follows:

For the Year Ended June 30	Principal	Interest	Total
2024	$191,830	$7,694	$199,524
2025	160,644	3,534	164,178
Totals	$352,474	$11,228	$363,702

NOTE 14 – RISK MANAGEMENT

The City is exposed to various risks of loss related to theft of, damage to, and destruction of assets; general liability; errors and omissions; injuries to employees; natural disasters; and inverse condemnation.

NOTE 14 – RISK MANAGEMENT (Continued)

The City is a member of Public Risk Innovation, Solutions and Management (PRISM) (formerly the California State Association of Counties Excess Insurance Authority (CSAC EIA)) for general liability, worker's compensation and other coverage. PRISM is a public entity risk pool of cities and counties within California. Loss contingency reserves established by the PRISM are funded by contributions from member agencies. The City pays an annual contribution to the PRISM, which includes its pro-rata share of excess insurance premiums, charges for pooled risk, claims adjusting and legal costs, and administrative and other costs to operate the risk pool. The City paid contributions of $1,052,456 for the year ended June 30, 2023. PRISM provides insurance through the pool up to a certain level, beyond which group purchased commercial excess insurance is obtained. PRISM is currently fully funded. No provision has been made on these financial statements for liabilities related to possible additional assessments.

Audited financial statements for PRISM are available from PRISM, 75 Iron Point Circle, Suite 200, Folsom, CA 95630.

A. Liability Coverage

PRISM provides general liability coverage up to $25,000,000 per occurrence above the City's $250,000 self-insured retention. The City has auto physical damage commercial coverage through PRISM of $3,938,697 above the City's deductible of $1,000 or $5,000, depending on the size of the vehicle, and commercial property coverage at the replacement value of the property with a limit of $200,000,000 above the City's deductible of $10,000. The City also purchases dual pollution insurance policies through both PRISM and Alliant's property insurance program (APIP) with program aggregates of $50,000,000 and $25,000,000 and per named insured aggregate limits of $10,000,000 and $2,000,000, respectively.

B. Workers Compensation Coverage

Effective December 1, 2004 the City purchased insurance for workers compensation through PRISM with coverage up to statutory limits after the City's self-insured retention of zero. This policy also covered the District as of October 1, 2011, until the San Mateo Consolidated Fire Department discussed in Note 15A commenced operations on January 13, 2019. Prior to those dates, the City purchased commercial insurance for workers compensation coverage up to statutory limits that had deductibles ranging from $100,000 to $275,000.

C. Liability for Uninsured Claims

The City provides for the uninsured portion of claims and judgments in the Workers' Compensation and General Liability Internal Service Funds. Claims and judgments, including a provision for claims incurred but not reported, are recorded when a loss is deemed probable of assertion and the amount of the loss is reasonably determinable. As discussed, above, the City has coverage for such claims, but it has retained the risk for the deductible or uninsured portion of these claims.

For the fiscal years ended June 30, 2023, 2022 and 2021 the amount of settlements did not exceed insurance coverage.

NOTE 14 – RISK MANAGEMENT (Continued)

The City's liability for uninsured claims is limited to workers' compensation and general liability claims, as discussed above, and was estimated by management based on prior year's claims experience as follows:

	2023	2022
Balance, July 1	$570,551	$577,920
Net change in claims liabilities	(252,564)	7,030
Claims paid	(127,015)	(14,399)
Balance, June 30	$190,972	$570,551

NOTE 15 – JOINT VENTURES

The City participates in the joint ventures discussed below through formally organized and separate entities established under the Joint Exercise of Powers Act of the State of California. As separate legal entities, these entities exercise full powers and authorities within the scope of the related Joint Powers Agreements including the preparation of annual budgets, accountability for all funds, the power to make and execute contracts and the right to sue and be sued. Each joint venture is governed by a board consisting of representatives from member municipalities. Each board controls the operations of the respective joint venture, including selection of management and approval of operating budgets, independent of any influence by member municipalities beyond their representation on that board. Obligations and liabilities for certain of these joint ventures are not the City's responsibility and the City generally does not have an equity interest in the assets of each joint venture except upon dissolution of the joint venture.

A. Equity Interests

The City has recorded its equity interest in the following joint ventures:

Silicon Valley Clean Water Joint Powers Authority (SVCW), formerly known as the South Bayside System Authority, was formed in 1975 between the Cities of San Carlos, Belmont and Redwood City and the West Bay Sanitary District to operate a wastewater treatment facility. The cost of operating and maintaining the facility is divided in proportion to the volume of sewage entering from each member entity, based on three-year averages and updated annually. SVCW applies the JPA-defined formula to allocate annual budgeted operating costs to the four member entities and the City's proportionate share was 11.1% for fiscal year 2023 and is projected to be 10.5% in fiscal year 2024. The City's share of debt service of SVCW is allocated to the member entities according to the Joint Power Authority Agreement-defined percentage of ownership, as well as member's participation in each debt issuance. As SVCW continues to fund capital construction projects, debt service payments will peak in fiscal year 2029-30, once significant projects are complete, and all necessary debt is secured. The City's actual and projected share of debt service costs range from $178,425 in fiscal year 2023 to $1.44 million in fiscal year 2034. The City's proportionate share of operating and maintaining the facility and debt service, during the year ended, June 30, 2023 was $3,639,504.

NOTE 15 – JOINT VENTURES (Continued)

In addition, during fiscal year 2009, the SVCW and its members authorized the commencement of a major renovation and replacement project to its infrastructure wastewater facility. In conjunction with that project, the City is obligated to fund its share of project costs. The City's share of project costs is 9.45%, based on the percentages for each member entity defined in the Joint Power Authority Agreement, which are based on each member's dry weather capacity owned and its allocated share of future dry weather capacity.

The City has an equity interest in the net assets of SVCW, which has been recorded as Investment in SVCW in the Sewer Enterprise Funds based on the latest audited financial statements of SVCW as of June 30, 2022, plus the additional capital contribution made during the year ended June 30, 2023. The loss from investment in SVCW was $1,464,286 for the year ended June 30, 2023, and the investment was comprised of the following:

	Sewer Collections	Sewer Treatment	Total
Balance June 30, 2022	$717,644	$47,036,336	$47,753,980
Change in investment	(717,644)	(746,642)	(1,464,286)
Additional capital contribution		819,513	819,513
Balance June 30, 2023	$0	$47,109,207	$47,109,207

Financial statements may be obtained by mailing a request to the Silicon Valley Clean Water, 1400 Radio Road, Redwood City, CA 94065.

San Mateo Consolidated Fire Department (SMC Fire) Joint Powers Authority (JPA) was established on November 22, 2017 by the City of San Mateo, the City of Belmont/Belmont Fire Protection District and the City of Foster City/Estero Municipal Improvement District to provide integrated and comprehensive fire protection, fire prevention, and emergency response services to all three communities serving a population of over 164,000. SMC Fire commenced operations on January 13, 2019. Thereafter, certain costs, including the annual employer contribution associated with the unfunded CalPERS pension liability remain with Belmont. Effective January 13, 2019, Belmont's financial contributions to SMC Fire are accounted for annually as an investment in equity interest in its government-wide financial statements.

NOTE 15 – JOINT VENTURES (Continued)

SMC Fire is governed under the terms of the JPA Agreement by a Board of Directors consisting of one voting representative and one alternate who are elected members from the governing boards of the three JPA Member Agencies. Each member agency has the following weighted vote: City of San Mateo (60%), Belmont (20%) and City of Foster City (20%). The City's contributions to SMC Fire in fiscal year 2023 to fund capital outlay and operations totaled $8,722,543. The City has an equity interest in the net assets of SMC Fire, which has been recorded as an Investment in SMC Fire in the governmental activities based on the latest audited financial statements of SMC Fire as of June 30, 2022, plus the capital contributions made during the year ended June 30, 2023, and the investment is comprised of the following:

	Governmental Activities
Balance June 30, 2022	$3,840,269
Change in investment	551,157
Additional capital contribution	305,276
Balance June 30, 2023	$4,696,702

Audited financial statements are available from City of San Mateo, 330 West 20th Avenue, San Mateo, CA 94403.

B. Other Jointly Governed Organizations

The City also participates in the following jointly governed organizations under which it is obligated to fund annual operating costs, but there is no ongoing equity interest in the net assets of the organizations:

City/County Association of Governments of San Mateo County (C/CAG) was formed in 1990 between the various cities in San Mateo County to prepare, adopt, monitor and enforce state mandated plans for the management of traffic congestion, integrated solid waste, airport land use, hazardous waste and county-wide housing element. The City's contribution to C/CAG was $85,421 for the year ended June 30, 2023. Financial statements may be obtained by mailing a request to the City of San Carlos, 666 Elm Street, San Carlos, CA 94070.

Peninsula Traffic Congestion Relief Agency was formed by the cities of San Mateo County and San Mateo County to attempt to mitigate traffic congestion. The Agency is funded through a Countywide sales tax levied for transportation systems improvements.

Belmont-San Carlos Fire Department was formed in 1979 between the City of San Carlos and Belmont Fire Protection District on an equal basis to provide more efficient fire protection services. Any assets used by the Department but owned by the member agencies prior to the creation of the Department remain the property of the members.

NOTE 15 – JOINT VENTURES (Continued)

On September 30, 2011, the Department terminated providing services to the Members. As a result, the Department's employees were laid off, its capital assets were distributed to the Members and certain lease obligations were assumed by the Members. Subsequent to that date, the Department operates in an inactive mode, collecting Member contributions to fund legacy costs, such as pension and retiree medical obligations and claims payable, remaining after service termination. As required under the Agreement, these legacy costs are funded through contributions from Members according to the average of annual funding formulas used to determine Member contributions. The City's contribution was roughly $1.8 million for the year ended June 30, 2023.

The Department had a negative net position balance of $24.5 million per its audited financial statements as of June 30, 2023. Belmont's share of this balance was 47.1% or approximately $11.5 million. The negative position is due to unfunded liabilities of the Department.

South Bayside Waste Management Authority (SBWMA) is a joint powers agreement formed on October 13, 1999. Members of the South Bayside Waste Management Authority currently include the cities of Atherton, Belmont, Burlingame, East Palo Alto, Foster City, Hillsborough, Menlo Park, Redwood City, San Carlos, San Mateo, as well as the West Bay Sanitary District and the County of San Mateo. The Members are required by AB939 to reduce, recycle and reuse solid waste generated within their respective jurisdictions and to provide source reduction, recycling and composting activities. The South Bayside Waste Management Authority's purpose is to assist its members in meeting these requirements.

NOTE 16 – COMMITMENTS AND CONTINGENT LIABILITIES

A. Litigation

The City is subject to litigation arising in the normal course of business. In the opinion of the City Attorney there is no pending litigation, which is likely to have a material adverse effect on the financial position of the City.

B. Grant Programs

The City participates in Federal, State and local grant programs. These programs have been audited by the City's independent accountants in accordance with the provisions of the Federal Single Audit Act as amended and applicable State requirements. No cost disallowances were proposed as a result of these audits; however, these programs are still subject to further examination by the grantors and the amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time. The City expects such amounts, if any, to be immaterial.

NOTE 16 – COMMITMENTS AND CONTINGENT LIABILITIES (Continued)

C. San Mateo County Animal Shelter

Since 1951 cities in San Mateo County have contracted with the County to manage animal control field and sheltering services. The current shelter has been determined to be inadequate to meet current animal sheltering services. In May 2014, all the municipalities signed an agreement, effective September 9, 2014, to share in the construction costs for a new animal control center by repaying the County through a 30-year, interest free lease agreement in the amount of $20.2 million. The certificate of occupancy for the shelter was issued in May 2020 and the final costs of construction totaled $25.7 million. The City's share of annual lease payment is based on a methodology of three year average of shelter use and percentage of population. Payment on the lease commenced on July 1, 2020 and the City paid $25,821 for the year ended June 30, 2023.

The cities and the County entered into a new animal care and control, shelter services, and animal licensing agreement effective July 1, 2021 for 5 years ending on June 30, 2026, under which the annual shared contractor and administrative costs total $6.9 million and the annual license fees are expected to be approximately $190 thousand. The City's share of the costs is 2.58%, or $180 thousand per year for the contractor and administrator costs, plus actual license fees of approximately $5 thousand per year. Payments under the agreement totaled $144,502 for the year ended June 30, 2023.

D. Linc-Hill Street, L.P., Loan

In February 2023, the City agreed to loan up to $1,000,000 to Linc-Hill Street, L.P., with a 3% simple annual interest rate for the development of a 37-unit 100% affordable rental housing project. Under the terms of the agreement the City will also sell City-owned property to the developer for $1.00. As of October 2023, the project is still in process and no loan draws were made during fiscal year 2023.

E. ROEM Development Corporation Loan

In September 2022, the City agreed to loan up to $2,500,000 for the construction of a 125-unit affordable housing project. As of October 2023, the project is still in process and no loan draws were made during fiscal year 2023.

NOTE 17 – SUCCESSOR AGENCY TRUST FUND (SUCCESSOR AGENCY) ACTIVITIES

A. Redevelopment Dissolution

Effective January 31, 2012, all Redevelopment Agencies were dissolved. Certain assets of the former Belmont Redevelopment Agency Low and Moderate Income Housing Fund were distributed to a Housing Successor; and all remaining former Redevelopment Agency assets and liabilities were distributed to the Successor Agency.

NOTE 17 – SUCCESSOR AGENCY TRUST FUND (SUCCESSOR AGENCY) ACTIVITIES (Continued)

ABx1 26 and AB1484 directed the State Controller to review the activities of all former redevelopment agencies and successor agencies to determine whether an asset transfer between a former redevelopment agency and any public agency occurred on or after January 1, 2011. If an asset transfer did occur and the public agency that received the asset is not contractually committed to a third party for the expenditure or encumbrance of the asset, the legislation purports to require the State Controller to order the asset returned to the redevelopment agency. The Belmont Successor Agency received a Finding of Completion from the California Department of Finance (DOF) in October 1, 2014, pursuant to Health and Safety Code (HSC) Section 34179.7.

The City, acting as the Successor Agency, prepared a Long Range Property Management Plan (LRPMP) in compliance with AB 1484, which was approved by the Belmont Oversight Board on February 12, 2015, and subsequently submitted to the State DOF. Following the submission of the LRPMP to DOF, the Successor Agency identified additional information which necessitated revising the LRPMP previously submitted. On May 28, 2015, the Successor Agency Oversight Board approved a revised LRPMP, which was approved by the State DOF on September 4, 2015.

On December 19, 2017, the State DOF approved the Belmont Successor Agency's Last and Final Recognized Obligations Payment Schedule.

In April 2021, both the Belmont Successor Agency and San Mateo Countywide Oversight Board took a series of actions to initiate early defeasance of the outstanding Senior Series 2014A and Subordinate Series 2014B Bonds ("2014 Series Bonds") held by the Successor Agency. This included approval of amendments to the 2014 Series Bonds indentures of trust, approval of an Amended Last and Final Recognized Obligations Payment Schedule, and directing the Successor Agency to defease the bonds and initiate final dissolution of the Successor Agency. DOF approved the Amended Last and Final ROPS on July 30, 2021.

The 2014 Series Bonds were defeased in January 2022 as detailed below, after which the Successor Agency and San Mateo Countywide Oversight Board took the required actions to dissolve the Belmont Successor Agency. DOF issued a final dissolution approval letter on April 27, 2022; all Successor Agency operations were terminated as of June 30, 2022.

B. San Mateo Countywide Consolidated Oversight Board

On July 1, 2018, the duties of the Belmont Oversight Board transferred to a new San Mateo Countywide Consolidated Oversight Board, which is responsible for overseeing the winddown affairs of all Successor Agencies in San Mateo County, including the Belmont Successor Agency.

C. Defeased Bonds

On August 19, 2014, the Successor Agency issued the $7,375,000 Series 2014A Senior Tax Allocation Refunding Bonds to facilitate a current refunding of the outstanding 1999A Bonds; and the $3,050,000 Series 2014AB Subordinate Tax Allocation Refunding Bonds to facilitate a current refunding of both outstanding 1999B Bonds and 1996 Housing Set-Aside Bonds.

NOTE 17 – SUCCESSOR AGENCY TRUST FUND (SUCCESSOR AGENCY) ACTIVITIES (Continued)

In December 2021, the Successor Agency received a one-time lump sum allocation of property taxes from San Mateo County in the amount of $3,856,881, which the Successor Agency used along with cash on hand and available debt service fund totaling $598,684 to advance refund $4,100,000 of the outstanding 2014AB Bonds, which were to mature in fiscal year 2030. In January 2022, the Successor Agency deposited $4,455,565 in an irrevocable trust with an escrow agent to provide funds for the future debt service payments on the refunded bonds until they can be called in August 2024. As a result, the 2014AB Bonds are considered defeased and the liability for those bonds has been removed from the statement of net position. The defeasance was undertaken to terminate the Successor Agency's enforceable financial obligations, expedite dissolution of the Successor Agency, and generate tax savings and benefit for local taxing entities and resulted in a savings to the Redevelopment Property Tax Trust Fund of $719,564. The outstanding balance of the defeased bonds was $3,360,000 as of June 30, 2023.

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REQUIRED SUPPLEMENTARY INFORMATION

City of Belmont
Cost Sharing Multiple-Employer Defined Benefit Pension Plan
Last 10 Years*
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

	Safety Rate Plan								
Measurement Date - June 30,	2014	2015	2016	2017	2018	2019	2020	2021	2022
Plan's proportion of the Net Pension Liability (Asset)	0.20%	0.20%	0.31%	0.31%	0.31%	0.31%	0.30%	0.34%	0.32%
Plan's proportion share of the Net Pension Liability (Asset)	$12,312,595	$13,427,040	$16,249,057	$18,263,828	$18,172,487	$19,293,513	$20,251,178	$11,813,386	$22,083,670
Plan's Covered Payroll	$3,572,606	$3,842,764	$4,758,030	$4,919,474	$5,180,593	$4,397,264	$4,078,548	$4,078,548	$4,035,453
Plan's Proportionate Share of the Net Pension Liability/(Asset) as a Percentage of its Covered Payroll	345%	349%	342%	371%	351%	439%	497%	290%	547%

	Miscellaneous Rate Plan								
Measurement Date - June 30,	2014	2015	2016	2017	2018	2019	2020	2021	2022
Plan's proportion of the Net Pension Liability (Asset)	0.48%	0.48%	0.48%	0.48%	0.48%	0.50%	0.50%	0.66%	0.51%
Plan's proportion share of the Net Pension Liability (Asset)	$16,585,515	$13,198,544	$16,585,515	$19,048,251	$18,686,649	$20,209,752	$21,245,410	$12,449,103	$24,063,134
Plan's Covered Payroll	$8,929,517	$8,858,005	$9,854,986	$10,289,053	$10,592,598	$10,632,569	$9,489,183	$9,890,731	$9,621,685
Plan's Proportionate Share of the Net Pension Liability/(Asset) as a Percentage of its Covered Payroll	186%	149%	168%	185%	176%	190%	224%	126%	250%

	Plan Totals								
Measurement Date - June 30,	2014	2015	2016	2017	2018	2019	2020	2021	2022
Plan's proportion of the Net Pension Liability (Asset)	0.68%	0.68%	0.79%	0.79%	0.79%	0.81%	0.80%	1.00%	0.83%
Plan's proportion share of the Net Pension Liability (Asset)	$28,898,110	$26,625,584	$32,834,572	$37,312,079	$36,859,136	$39,503,265	$41,496,588	$24,262,489	$46,146,804
Plan's Covered Payroll	$12,502,123	$12,700,769	$14,613,016	$15,208,527	$15,773,191	$15,029,833	$13,567,731	$14,051,612	$14,051,612
Plan's Proportionate Share of the Net Pension Liability/(Asset) as a Percentage of its Covered Payroll	231.15%	209.64%	224.69%	245.34%	233.68%	262.83%	305.85%	172.67%	328.41%
Plan's Fiduciary Net Position as a Percentage of the Total Pension Liability	79.82%	78.40%	74.06%	73.31%	75.26%	75.26%	75.10%	88.29%	76.68%

* Fiscal year 2015 was the first year of implementation

City of Belmont
Cost Sharing Multiple-Employer Defined Benefit Pension Plan
Last 10 Years*
SCHEDULE OF CONTRIBUTIONS

Safety Rate Plan

Fiscal Year Ended June 30,	2015	2016	2017	2018	2019	2020	2021	2022	2023
Actuarially determined contribution	$1,125,011	$2,287,426	$2,058,664	$2,263,676	$2,293,736	$2,660,652	$2,700,413	$2,752,531	$2,926,740
Contributions in relation to the actuarially determined contributions	(1,125,011)	(2,287,426)	(2,058,664)	(2,263,676)	(2,293,736)	(2,660,652)	(2,700,413)	(2,752,531)	(2,926,740)
Contribution deficiency (excess)	$0	$0	$0	$0	$0	$0	$0	$0	$0
Covered payroll	$3,842,764	$4,758,030	$4,919,474	$5,180,593	$4,397,264	$4,078,548	$4,160,881	$4,035,453	$4,317,810
Contributions as a percentage of covered payroll	29.28%	48.08%	41.85%	43.70%	52.16%	65.24%	64.90%	68.21%	67.78%

Miscellaneous Rate Plan

Fiscal Year Ended June 30,	2015	2016	2017	2018	2019	2020	2021	2022	2023
Actuarially determined contribution	$1,137,293	$1,903,476	$1,523,004	$1,663,314	$1,921,271	$2,633,458	$2,799,829	$2,825,996	$2,977,193
Contributions in relation to the actuarially determined contributions	(1,137,293)	(1,903,476)	(1,523,004)	(1,663,314)	(1,921,271)	(2,633,458)	(2,799,829)	(2,825,996)	(2,977,193)
Contribution deficiency (excess)	$0	$0	$0	$0	$0	$0	$0	$0	$0
Covered payroll	$8,858,005	$9,854,986	$10,289,053	$10,592,598	$10,632,569	$9,489,183	$9,890,731	$9,621,685	$9,318,728
Contributions as a percentage of covered payroll	12.84%	19.31%	14.80%	15.70%	18.07%	27.75%	28.31%	29.37%	31.95%

Plan Totals

Fiscal Year Ended June 30,	2015	2016	2017	2018	2019	2020	2021	2022	2023
Actuarially determined contribution	$2,262,304	$4,190,902	$3,581,668	$3,926,990	$4,215,007	$5,294,110	$5,500,242	$5,578,527	$5,903,933
Contributions in relation to the actuarially determined contributions	(2,262,304)	(4,190,902)	(3,581,668)	(3,926,990)	(4,215,007)	(5,294,110)	(5,500,242)	(5,578,527)	(5,903,933)
Contribution deficiency (excess)	$0	$0	$0	$0	$0	$0	$0	$0	$0
Covered payroll	$12,700,769	$14,613,016	$15,208,527	$15,773,191	$15,029,833	$13,567,731	$14,051,612	$13,657,138	$13,636,538
Contributions as a percentage of covered payroll	17.81%	28.68%	23.55%	24.90%	28.04%	39.02%	39.14%	40.85%	43.29%

* Fiscal year 2015 was the first year of implementation.

City of Belmont
Schedule of Changes in the City's Net OPEB Liability and Related Ratios
Agent Multiple Employer Defined Benefit OPEB Plan
For the measurement year ending June 30
Last 10 Years*

Measurement Date - June 30,	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
Total OPEB Liability						
Service Cost	$370,743	$381,865	$375,298	$336,270	$346,358	$273,028
Interest on the total OPEB Liability	1,013,089	1,022,229	1,101,266	974,383	1,012,016	884,652
Actual and expected experience difference	-	-	(2,333,966)	-	(1,009,642)	-
Changes in assumptions	-	(430,465)	1,023,392	-	(304,718)	-
Changes in benefit terms	-	-	-	-	-	-
Benefit Payments	(592,208)	(608,758)	(669,829)	(581,052)	(629,633)	(673,399)
Implicit rate subsidy fulfilled	(218,910)	(234,234)	(234,234)	(152,749)	(162,997)	(152,139)
Net change in total OPEB liability	572,714	130,637	(738,073)	576,852	(748,616)	332,142
Total OPEB liability - beginning	14,500,658	15,073,372	15,204,009	14,465,936	15,042,788	14,294,172
Total OPEB liability - ending (a)	$15,073,372	$15,204,009	$14,465,936	$15,042,788	$14,294,172	$14,626,314
Plan fiduciary net position						
Contributions - employer-City's contribution	$920,754	$880,232	$940,286	$909,577	$876,080	$907,627
Contributions - employer-implicit subsidy	218,910	234,234	234,234	152,749	162,997	152,139
Net investment income	465,943	401,898	370,618	258,178	1,964,480	(1,262,499)
Benefit payments	(592,208)	(608,758)	(669,829)	(581,052)	(629,633)	(673,399)
Implicit rate subsidy fulfilled	(218,910)	(234,234)	(234,234)	(152,749)	(162,997)	(152,139)
Administrative expense	(2,373)	(2,813)	(1,269)	(5,308)	(4,676)	(4,461)
Net change in plan fiduciary net position	792,116	670,559	639,806	581,395	2,206,251	(1,032,732)
Plan fiduciary net position - beginning	4,417,282	5,209,398	5,879,957	6,519,763	7,101,158	9,307,409
Plan fiduciary net position - ending (b)	$5,209,398	$5,879,957	$6,519,763	$7,101,158	$9,307,409	$8,274,677
Net OPEB liability - ending (a)-(b)	$9,863,974	$9,324,052	$7,946,173	$7,941,630	$4,986,763	$6,351,637
Plan fiduciary net position as a percentage of the total OPEB liability	34.56%	38.67%	45.07%	47.21%	65.11%	56.57%
Covered-Employee Payroll	$13,696,266	$14,265,327	$14,953,325	$15,418,025	$15,860,488	$15,413,540
Net OPEB liability as percentage of covered-employee payroll	72.02%	65.36%	53.14%	51.51%	31.44%	41.21%

Notes to Schedule:
*The City adopted GASB 75 during the fiscal year ended June 30, 2018.

City of Belmont
For the fiscal year ending June 30
Last 10 Years*

SCHEDULE OF CONTRIBUTIONS

Agent Multiple Employer Defined Benefit OPEB Plan

Fiscal Year Ending June 30,	2018	2019	2020	2021	2022	2023
Actuarially determined contribution	$1,153,043	$1,229,277	$1,018,423	$1,039,077	$1,061,419	$708,498
Contributions in relation to the actuarially determined contributions	(1,139,664)	(1,174,520)	(1,062,326)	(1,039,077)	(1,059,766)	(881,459)
Contribution deficiency (excess)	$13,379	$54,757	($43,903)	$0	$1,653	($172,961)
Covered-employee payroll	$14,265,327	$14,953,325	$15,418,025	$15,860,488	$15,413,540	$17,165,922
Contributions as a percentage of covered-employee payroll	8.0%	7.9%	6.9%	6.6%	6.9%	5.1%
Notes to Schedule						
Valuation date:	7/1/2017	7/1/2017	7/1/2019	7/1/2019	7/1/2019	7/1/2021

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry age normal, level percent of pay
Amortization Method	Closed period, level percent of pay
Amortization Period	14 years
Inflation	2.5% for 2018 and 2019; 2.75% for 2020, 2021 and 2022; 2.5% for 2023
Assumed Payroll Growth	3.0% for 2018; 2.75% for 2019; 3.0% for 2020 and 2021; 2.75% for 2022 and 2023
Healthcare trend rates	6.50%, trending down to 3.84% for 2018 7.0%, trending down to 3.84% for 2019 6.3%, trending down to 4.0% for 2020, 2021 and 2022 Medicare (Non-Kaiser) - 5.65%, trending down to 3.75% for 2023 Medicare (Kaiser) - 4.60%, trending down to 3.75% for 2023
Rate of return on assets	7.0% for 2018; 7.28% for 2019; 6.75% for 2020, 2021 and 2022; 6.25% for 2023
Mortality rate	CalPERS Rates
Retirement Rates	CalPERS Rates

City of Belmont
Schedule of Changes in the Belmont Fire Protection District's
Net OPEB Liability and Related Ratios
Agent Multiple Employer Defined Benefit OPEB Plan
For the measurement year ending June 30
Last 10 Years*

Measurement Date - June 30,	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
Total OPEB Liability						
Service Cost	$135,523	$139,589	$140,544	$ -	$ -	$55,838
Interest on the total OPEB Liability	123,123	132,415	152,041	87,946	87,950	120,973
Actual and expected experience difference	-	-	(956,257)	-	781,678	-
Changes in assumptions	-	(45,680)	98,289	-	167,346	-
Changes in benefit terms	-	-	-	-	-	-
Benefit Payments	(60,100)	(39,972)	(43,125)	(63,553)	(68,772)	(64,138)
Implicit rate subsidy fulfilled	(32,332)	(34,595)	(34,595)	(18,011)	(25,449)	(24,649)
Net change in total OPEB liability	166,214	151,757	(643,103)	6,382	942,753	88,024
Total OPEB liability - beginning	1,668,817	1,835,031	1,986,788	1,343,685	1,350,067	2,292,820
Total OPEB liability - ending (a)	$1,835,031	$1,986,788	$1,343,685	$1,350,067	$2,292,820	$2,380,844
Plan fiduciary net position						
Contributions - employer-District's contribution	$338,844	$179,326	$139,141	$363	$ -	64,436
Contributions - employer-implicit subsidy	32,332	34,595	34,595	18,011	-	24,649
Net investment income	90,364	114,253	113,037	75,366	550,861	(278,843)
Investment Gains on Expected Return	27,956		-	-		-
Benefit payments	(60,100)	(39,972)	(43,125)	(63,553)	(68,772)	(64,138)
Implicit rate subsidy fulfilled	(32,332)	(34,595)	(34,595)	(18,011)	(25,449)	(24,649)
Administrative expense	(608)	(839)	(385)	(1,311)	(1,066)	(919)
Net change in plan fiduciary net position	396,456	252,768	208,668	10,865	455,574	(279,464)
Plan fiduciary net position - beginning	1,124,652	1,521,108	1,773,876	1,982,544	1,993,409	2,448,983
Plan fiduciary net position - ending (b)	$1,521,108	$1,773,876	$1,982,544	$1,993,409	$2,448,983	$2,169,519
Net OPEB liability - ending (a)-(b)	$313,923	$212,912	($638,859)	($643,342)	($156,163)	$211,325
Plan fiduciary net position as a percentage of the total OPEB liability	82.89%	89.28%	147.55%	147.65%	106.81%	91.12%
Covered-employee payroll	$4,177,634	$4,249,486	$2,979,220	$217,500	$ -	$ -
Net OPEB liability as percentage of covered-employee payroll	7.51%	5.01%	-21.44%	-295.79%	n/a	n/a

Notes to Schedule:

* Fiscal year 2018 was the first year of implementation.

City of Belmont
Belmont Fire Protection District
For the fiscal year ending June 30
Last 10 Years*
SCHEDULE OF CONTRIBUTIONS
Agent Multiple Employer Defined Benefit OPEB Plan

Fiscal Year Ending	2018	2019	2020	2021	2022	2023
Actuarially determined contribution	$185,827	$165,429	$0	$0	$0	$59,137
Contributions in relation to the actuarially determined contributions	(371,176)	(213,921)	(18,374)	-	(89,085)	(100,059)
Contribution deficiency (excess)	($185,349)	($48,492)	($18,374)	-	($89,085)	($40,922)
Covered payroll	$4,249,486	$2,979,220	$217,500	$0	$0	$0
Contributions as a percentage of covered payroll	8.73%	7.18%	8.45%	N/A	N/A	N/A
Notes to Schedule						
Valuation date:	7/1/2017	7/1/2017	7/1/2019	7/1/2019	7/1/2019	7/1/2021

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal, level percent of pay
Amortization method	Closed period, level percent of pay
Amortization period	17 years
Inflation	2.5% for 2018 and 2019; 2.75% for 2020, 2021 and 2022; 2.5% for 2023
Assumed Payroll Growth	3.0% for 2018; 2.75% for 2019; 3.0% for 2020 and 2021; 0% for 2022 and 2023
Healthcare trend rates	6.50%, trending down to 3.84% for 2018
	7.0%, trending down to 3.84% for 2019
	6.3%, trending down to 4.0% for 2020, 2021 and 2022
	Medicare (Non-Kaiser) - 5.65%, trending down to 3.75% for 2023
	Medicare (Kaiser) - 4.60%, trending down to 3.75% for 2023
Rate of return on assets	7.0% for 2018; 7.28% for 2019; 6.75% for 2020, 2021 and 2022; 5.25% for 2023
Mortality rate	CalPERS Rates
Retirement Rates	CalPERS Rates

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SUPPLEMENTAL INFORMATION

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CITY OF BELMONT
GENERAL FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2023

	General	Measure I	Total General Fund
REVENUES			
Taxes	$23,183,308	$2,358,043	$25,541,351
Licenses and permits	1,261,972		1,261,972
Fines and forfeitures	138,959		138,959
Use of money and property	1,630,844	74,159	1,705,003
Intergovernmental	3,461,233		3,461,233
Charges for current services	4,756,732		4,756,732
Miscellaneous	36,159		36,159
Total Revenues	34,469,207	2,432,202	36,901,409
EXPENDITURES			
Current:			
General government	5,735,226		5,735,226
Public safety	14,657,004		14,657,004
Culture and recreation	2,036,222		2,036,222
Capital outlay		1,433,986	1,433,986
Total Expenditures	22,428,452	1,433,986	23,862,438
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	12,040,755	998,216	13,038,971
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(3,468,172)		(3,468,172)
Total Other Financing Sources (Uses)	(3,468,172)		(3,468,172)
NET CHANGE IN FUND BALANCES	8,572,583	998,216	9,570,799
BEGINNING FUND BALANCES	18,012,941	2,938,455	20,951,396
ENDING FUND BALANCES	$26,585,524	$3,936,671	$30,522,195

CITY OF BELMONT
GENERAL FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023

	General			
	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual Amounts	
REVENUES:				
Taxes	$20,469,673	$23,859,673	$23,183,308	($676,365)
Licenses and permits	1,123,672	1,173,672	1,261,972	88,300
Fines and forfeitures	165,000	165,000	138,959	(26,041)
Use of money and property	1,142,385	1,361,385	1,630,844	269,459
Intergovernmental	3,260,916	3,323,916	3,461,233	137,317
Charges for current services	4,743,133	4,773,133	4,756,732	(16,401)
Miscellaneous	57,876	82,876	36,159	(46,717)
Total Revenues	30,962,655	34,739,655	34,469,207	(270,448)
EXPENDITURES:				
Current:				
General government	7,013,255	7,098,255	5,735,226	1,363,029
Public safety	14,658,491	14,678,491	14,657,004	21,487
Culture and recreation	2,214,009	2,214,009	2,036,222	177,787
Capital outlay				
Total Expenditures	23,885,755	23,990,755	22,428,452	1,562,303
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	7,076,900	10,748,900	12,040,755	1,291,855
OTHER FINANCING SOURCES USES				
Transfers in				
Transfers out	(4,420,000)	(4,420,000)	(3,468,172)	951,828
Total Other Financing Sources (Uses)	(4,420,000)	(4,420,000)	(3,468,172)	951,828
NET CHANGE IN FUND BALANCE	$2,656,900	$6,328,900	8,572,583	$2,243,683
BEGINNING FUND BALANCE			18,012,941	
ENDING FUND BALANCE			$26,585,524	

Measure I				Total General Fund			
Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
Original	Final			Original	Final		
$2,164,765	$2,264,765	$2,358,043	$93,278	$22,634,438	$26,124,438	$25,541,351	($583,087)
				1,123,672	1,173,672	1,261,972	88,300
				165,000	165,000	138,959	(26,041)
5,548	5,548	74,159	68,611	1,147,933	1,366,933	1,705,003	338,070
				3,260,916	3,323,916	3,461,233	137,317
				4,743,133	4,773,133	4,756,732	(16,401)
				57,876	82,876	36,159	(46,717)
2,170,313	2,270,313	2,432,202	161,889	33,132,968	37,009,968	36,901,409	(108,559)
				7,013,255	7,098,255	5,735,226	1,363,029
				14,658,491	14,678,491	14,657,004	21,487
				2,214,009	2,214,009	2,036,222	177,787
5,049,000	8,223,406	1,433,986	6,789,420	5,049,000	8,223,406	1,433,986	6,789,420
5,049,000	8,223,406	1,433,986	6,789,420	28,934,755	32,214,161	23,862,438	8,351,723
(2,878,687)	(5,953,093)	998,216	6,951,309	4,198,213	4,795,807	13,038,971	8,243,164
				(4,420,000)	(4,420,000)	(3,468,172)	951,828
				(4,420,000)	(4,420,000)	(3,468,172)	951,828
($2,878,687)	($5,953,093)	998,216	$6,951,309	($221,787)	$375,807	9,570,799	$9,194,992
		2,938,455				20,951,396	
		$3,936,671				$30,522,195	

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NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Recreation – To account for certain recreation programs where a large portion of the expenditures are financed by user fees.

Library Maintenance and Operations – To account for funds restricted for the maintenance and operations of the library, which is financed by parcel tax and special tax revenue.

City Trees – To account for the removal of trees required for the development of property, which is financed by user fees.

General Plan Maintenance – To account for activities related to the General Plan Update which are financed by user fees.

Supplemental Law Enforcement Services – To account for resources received from the State of California to be spent on front line law enforcement needs.

Public Safety – To account for grants and donations committed to the Police Department's activities.

Street Maintenance – To account for gas tax resources restricted for expenditure on streets.

Street Improvements – To account for the City's portion of the special half cent sales tax (Measure A) receipts restricted for street expenditures and other street related grants.

Measure W – To account for the City's portion of the special half cent sales tax (Measure W) receipts restricted for street expenditures.

Athletic Field Maintenance – To account for athletic field maintenance and operations, which are financed by player registration fees.

Affordable Housing – To account for all housing operations of the City of Belmont in its capacity as the Housing Successor Agency to the former Belmont Redevelopment Agency. Activities include asset property management, rental operations, and long range housing planning.

Housing Mitigation Fees – To account for residential mitigation fees collected from new development activity, including the residential housing in-lieu fee and the commercial linkage fee. These housing mitigation fees are intended to be used to lessen the burdens created by new residential and non-residential development on the need for affordable housing.

Road Maintenance and Rehabilitation Account Fund (RMRA) – To account for gas tax resources restricted for expenditure on basic road maintenance, rehabilitation, and critical safety projects on the local streets and roads system. Senate Bill (SB) 1, the Road Repair and Accountability Act of 2017 provides funding for local streets and roads over the next 10 years.

Senior Donations – To account for donations from the community to be used for senior services and programming.

Public Art – To account for the private development fee paid in lieu of incorporating art elements in the development to provide funds for art installations on City property.

Traffic Mitigation – To account for transportation impact fees. Traffic Impact Fee revenues will be used to mitigate the impacts of new development by requiring new development to contribute to future transportation system investments in the City based on maintaining the existing proportionate level of investment in the City's transportation infrastructure.

CAPITAL PROJECTS FUNDS

General Facilities – To account for the construction and maintenance of improvements to general-use City facilities.

Infrastructure – To account for expenditures associated with the City infrastructure, including streets, retaining walls, bridges, culverts, and waterways.

Comcast – To account for the purchase and installation of hardware within City Hall to broadcast events to Pen TV, our Public Education Government Channel.

Planned Park – To account for the acquisition and improvement of parks, playgrounds, and recreation facilities.

Special Assessment District – To account for maintenance and improvement costs within City's Special Assessment District boundaries. Resources represent funds remaining after the retirement of Special Assessment Debt.

Open Space – To account for the accumulation of resources for the acquisition, preservation, and improvements of open space.

Park Impact Fees – The Park Impact Fee Fund is to account for park impact fees, interest earned thereon and their expenditure, pursuant to the Mitigation Fee Act, needed to ensure that the City can construct park and recreation facilities and improvements needed for the population growth created by new development consistent with the policies of the City of Belmont General Plan.

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CITY OF BELMONT
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2023

	SPECIAL REVENUE FUNDS			
	Recreation	Library Maintenance and Operations	City Trees	General Plan Maintenance
ASSETS				
Cash and investments	$557,110	$815,238	$276,306	$1,651,628
Receivables:				
Accounts	74,955		7,769	
Due from other governmental agencies				
Notes				
Prepaids and other assets				152,959
Land held for redevelopment				
Total Assets	$632,065	$815,238	$284,075	$1,804,587
LIABILITIES				
Accounts payable and other liabilities	$48,566	$710		$213,013
Deposits				
Due to other funds				
Total Liabilities	48,566	710		213,013
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue				
FUND BALANCES				
Restricted	583,499	814,528	$284,075	
Committed				1,591,574
Assigned				
Total Fund Balances	583,499	814,528	284,075	1,591,574
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$632,065	$815,238	$284,075	$1,804,587

SPECIAL REVENUE FUNDS					
Supplemental Law Enforcement Services	Public Safety	Street Maintenance	Street Improvements	Measure W	Athletic Field Maintenance
$6,821	$30,029		$1,866,116	$1,738,777	$379,843
		$11,260		70,086	
		80,726	223,906		
$6,821	$30,029	$91,986	$2,090,022	$1,808,863	$379,843
		$63,935	$48,352		$14,244
		27,955			
		91,890	48,352		14,244
			138,395		
$6,821		96	1,903,275	$1,808,863	365,599
	$30,029				
6,821	30,029	96	1,903,275	1,808,863	365,599
$6,821	$30,029	$91,986	$2,090,022	$1,808,863	$379,843

(Continued)

CITY OF BELMONT
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2023

	SPECIAL REVENUE FUNDS			
	Affordable Housing	Housing Mitigation Fees	Road Maintenance and Rehabilitation Account (SB1)	Senior Donations
ASSETS				
Cash and investments	$3,602,958	$220,144	$554,639	$92,455
Receivables:				
Accounts				
Due from other governmental agencies	150,000		56,332	
Notes	4,425,127	2,351,473		
Prepaids and other assets				
Land held for redevelopment	1,353,043			
Total Assets	$9,531,128	$2,571,617	$610,971	$92,455
LIABILITIES				
Accounts payable and other liabilities	$9,919		$5,129	
Deposits	73,107			
Due to other funds				
Total Liabilities	83,026		5,129	
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue				
FUND BALANCES				
Restricted	9,448,102	$2,571,617	605,842	$92,455
Committed				
Assigned				
Total Fund Balances	9,448,102	2,571,617	605,842	92,455
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$9,531,128	$2,571,617	$610,971	$92,455

SPECIAL REVENUE FUNDS		CAPITAL PROJECTS FUNDS			
Public Art	Traffic Mitigation	General Facilities	Infrastructure	Comcast	Planned Park
$404,377	$96,631	$733,884	$2,391,421	$404,811	$1,700,822
			30,742		
$404,377	$96,631	$733,884	$2,422,163	$404,811	$1,700,822
			$26,956		
			26,956		
$404,377	$96,631			$404,811	$1,700,822
		$733,884	2,395,207		
404,377	96,631	733,884	2,395,207	404,811	1,700,822
$404,377	$96,631	$733,884	$2,422,163	$404,811	$1,700,822

(Continued)

CITY OF BELMONT
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2023

	CAPITAL PROJECTS FUNDS			
	Special Assessment District	Open Space	Park Impact Fees	Total Nonmajor Governmental Funds
ASSETS				
Cash and investments	$315,190	$102,196	$641,446	$18,582,842
Receivables:				
Accounts				194,812
Due from other governmental agencies				510,964
Notes				6,776,600
Prepaids and other assets				152,959
Land held for redevelopment				1,353,043
Total Assets	$315,190	$102,196	$641,446	$27,571,220
LIABILITIES				
Accounts payable and other liabilities		$5,392		$436,216
Deposits				73,107
Due to other funds				27,955
Total Liabilities		5,392		537,278
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue				138,395
FUND BALANCES				
Restricted	$315,190		$641,446	22,048,049
Committed				1,621,603
Assigned		96,804		3,225,895
Total Fund Balances	315,190	96,804	641,446	26,895,547
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$315,190	$102,196	$641,446	$27,571,220

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CITY OF BELMONT
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2023

	SPECIAL REVENUE FUNDS			
	Recreation	Library Maintenance and Operations	City Trees	General Plan Maintenance
REVENUES				
Taxes		$312,064		
Licenses and permits				
Fines and forfeitures			$900	
Use of money and property	($13,495)	17,534	6,241	$35,106
Intergovernmental	125,412			
Charges for current services	2,301,593		12,000	464,707
Miscellaneous	12,360		4,943	101,852
Total Revenues	2,425,870	329,598	24,084	601,665
EXPENDITURES				
Current:				
Public safety				
Highways and streets				
Culture and recreation	3,145,444	350,658	37,137	
Urban redevelopment				315,322
Capital outlay				
Debt service:				
Principal				
Interest and fiscal charges				
Total Expenditures	3,145,444	350,658	37,137	315,322
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(719,574)	(21,060)	(13,053)	286,343
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of capital assets				
Transfers in	1,303,072			
Transfers (out)				
Total Other Financing Sources (Uses)	1,303,072			
NET CHANGE IN FUND BALANCES	583,498	(21,060)	(13,053)	286,343
BEGINNING FUND BALANCES	1	835,588	297,128	1,305,231
ENDING FUND BALANCES	$583,499	$814,528	$284,075	$1,591,574

SPECIAL REVENUE FUNDS					
Supplemental Law Enforcement Services	Public Safety	Street Maintenance	Street Improvements	Measure W	Athletic Field Maintenance
		$1,040,606	$923,127	$412,827	
$312	$671	(12,324)	28,644	38,117	$8,414
165,271			516,030	170,810	
		557,578			140,654
		1,142	157,151		
165,583	671	1,587,002	1,624,952	621,754	149,068
178,762	3,451				
		2,232,006			
					78,117
			1,011,843		80,850
178,762	3,451	2,232,006	1,011,843		158,967
(13,179)	(2,780)	(645,004)	613,109	621,754	(9,899)
20,000		645,100	385,516		
				(270,196)	
20,000		645,100	385,516	(270,196)	
6,821	(2,780)	96	998,625	351,558	(9,899)
	32,809		904,650	1,457,305	375,498
$6,821	$30,029	$96	$1,903,275	$1,808,863	$365,599

(Continued)

CITY OF BELMONT
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2023

	SPECIAL REVENUE FUNDS			
	Affordable Housing	Housing Mitigation Fees	Road Maintenance and Rehabilitation Account (SB1)	Senior Donations
REVENUES				
Taxes				
Licenses and permits				
Fines and forfeitures				
Use of money and property	$310,094	$66,162	$7,429	$2,012
Intergovernmental	150,000		621,039	
Charges for current services				
Miscellaneous		53,198		399
Total Revenues	460,094	119,360	628,468	2,411
EXPENDITURES				
Current:				
Public safety				
Highways and streets				
Culture and recreation				
Urban redevelopment	419,878			
Capital outlay			22,626	
Debt service:				
Principal				
Interest and fiscal charges				
Total Expenditures	419,878		22,626	
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	40,216	119,360	605,842	2,411
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of capital assets	2,940,000			
Transfers in				
Transfers (out)				
Total Other Financing Sources (Uses)	2,940,000			
NET CHANGE IN FUND BALANCES	2,980,216	119,360	605,842	2,411
BEGINNING FUND BALANCES	6,467,886	2,452,257		90,044
ENDING FUND BALANCES	$9,448,102	$2,571,617	$605,842	$92,455

SPECIAL REVENUE FUNDS		CAPITAL PROJECTS FUNDS			
Public Art	Traffic Mitigation	General Facilities	Infrastructure	Comcast	Planned Park
$8,801	$4,487	$16,028	$55,476		$44,777
			690,834	$8,811	
	7,035				406,335
8,801	11,522	16,028	746,310	8,811	451,112
		7,065	1,160,661		71,675
					572,010
					95,990
		7,065	1,160,661		739,675
8,801	11,522	8,963	(414,351)	8,811	(288,563)
	(115,320)				
	(115,320)				
8,801	(103,798)	8,963	(414,351)	8,811	(288,563)
395,576	200,429	724,921	2,809,558	396,000	1,989,385
$404,377	$96,631	$733,884	$2,395,207	$404,811	$1,700,822

(Continued)

CITY OF BELMONT
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2023

	CAPITAL PROJECTS FUNDS			
	Special Assessment District	Open Space	Park Impact Fees	Total Nonmajor Governmental Funds
REVENUES				
Taxes				$2,688,624
Licenses and permits				
Fines and forfeitures				900
Use of money and property	$6,860	$2,795	$9,534	643,675
Intergovernmental			194,760	2,642,967
Charges for current services			281,894	4,171,796
Miscellaneous		2,880		333,925
Total Revenues	6,860	5,675	486,188	10,481,887
EXPENDITURES				
Current:				
Public safety				182,213
Highways and streets				2,232,006
Culture and recreation				3,611,356
Urban redevelopment				735,200
Capital outlay		81,203	171,417	2,607,340
Debt service:				
Principal				572,010
Interest and fiscal charges				95,990
Total Expenditures		81,203	171,417	10,036,115
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	6,860	(75,528)	314,771	445,772
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of capital assets				2,940,000
Transfers in		8,250		2,361,938
Transfers (out)				(385,516)
Total Other Financing Sources (Uses)		8,250		4,916,422
NET CHANGE IN FUND BALANCES	6,860	(67,278)	314,771	5,362,194
BEGINNING FUND BALANCES	308,330	164,082	326,675	21,533,353
ENDING FUND BALANCES	$315,190	$96,804	$641,446	$26,895,547

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CITY OF BELMONT
BUDGETED NON-MAJOR FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023

	SPECIAL REVENUE FUNDS					
	RECREATION			LIBRARY MAINTENANCE AND OPERATIONS		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES						
Taxes				$302,838	$312,064	$9,226
Licenses and permits						
Fines and forfeitures						
Use of money and property	($839)	($13,495)	($12,656)	1,292	17,534	16,242
Intergovernmental	60,000	125,412	65,412			
Charges for current services	1,930,480	2,301,593	371,113			
Miscellaneous	12,000	12,360	360			
Total Revenues	2,001,641	2,425,870	424,229	304,130	329,598	25,468
EXPENDITURES						
Current						
Public safety						
Highways and streets						
Culture and recreation	3,438,004	3,145,444	292,560	425,385	350,658	74,727
Urban redevelopment						
Capital outlay				295,000		295,000
Debt service:						
Principal						
Interest and fiscal charges						
Total Expenditures	3,438,004	3,145,444	292,560	720,385	350,658	369,727
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,436,363)	(719,574)	716,789	(416,255)	(21,060)	395,195
OTHER FINANCING SOURCES (USES)						
Proceeds from the sale of capital assets						
Transfers in	1,900,000	1,303,072	(596,928)			
Transfers (out)						
Total Other Financing Sources (Uses)	1,900,000	1,303,072	(596,928)			
NET CHANGE IN FUND BALANCES	$463,637	583,498	$119,861	($416,255)	(21,060)	$395,195
BEGINNING FUND BALANCES		1			835,588	
ENDING FUND BALANCES		$583,499			$814,528	

SPECIAL REVENUE FUNDS								
CITY TREES			GENERAL PLAN MAINTENANCE			SUPPLEMENTAL LAW ENFORCEMENT SERVICES		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
	$900	$900						
$453	6,241	5,788	$1,199	$35,106	$33,907	($20)	$312	$332
						168,000	165,271	(2,729)
10,000	12,000	2,000	500,000	464,707	(35,293)			
	4,943	4,943		101,852	101,852			
10,453	24,084	13,631	501,199	601,665	100,466	167,980	165,583	(2,397)
						178,863	178,762	101
73,467	37,137	36,330						
			1,820,581	315,322	1,505,259			
73,467	37,137	36,330	1,820,581	315,322	1,505,259	178,863	178,762	101
(63,014)	(13,053)	49,961	(1,319,382)	286,343	1,605,725	(10,883)	(13,179)	(2,296)
						20,000	20,000	
						20,000	20,000	
($63,014)	(13,053)	$49,961	($1,319,382)	286,343	$1,605,725	$9,117	6,821	($2,296)
	297,128			1,305,231				
	$284,075			$1,591,574			$6,821	

(Continued)

CITY OF BELMONT

BUDGETED NON-MAJOR FUNDS

COMBINING SCHEDULE OF REVENUES, EXPENDITURES

AND CHANGES IN FUND BALANCES

BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2023

	SPECIAL REVENUE FUNDS					
	PUBLIC SAFETY			STREET MAINTENANCE		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES						
Taxes				$828,700	$1,040,606	$211,906
Licenses and permits						
Fines and forfeitures						
Use of money and property	$49	$671	$622	387	(12,324)	(12,711)
Intergovernmental						
Charges for current services				581,078	557,578	(23,500)
Miscellaneous					1,142	1,142
Total Revenues	49	671	622	1,410,165	1,587,002	176,837
EXPENDITURES						
Current						
Public safety	5,000	3,451	1,549			
Highways and streets				2,513,543	2,232,006	281,537
Culture and recreation						
Urban redevelopment						
Capital outlay						
Debt service:						
Principal						
Interest and fiscal charges						
Total Expenditures	5,000	3,451	1,549	2,513,543	2,232,006	281,537
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(4,951)	(2,780)	2,171	(1,103,378)	(645,004)	458,374
OTHER FINANCING SOURCES (USES)						
Proceeds from the sale of capital assets						
Transfers in				1,000,000	645,100	(354,900)
Transfers (out)						
Total Other Financing Sources (Uses)				1,000,000	645,100	(354,900)
NET CHANGE IN FUND BALANCES	($4,951)	(2,780)	$2,171	($103,378)	96	$103,474
BEGINNING FUND BALANCES		32,809				
ENDING FUND BALANCES		$30,029			$96	

SPECIAL REVENUE FUNDS

STREET IMPROVEMENTS			MEASURE W			ATHLETIC FIELD MAINTENANCE		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
$867,155	$923,127	$55,972	$391,059	$412,827	$21,768			
3,537	28,644	25,107	515	38,117	37,602	$566	$8,414	$7,848
618,500	516,030	(102,470)	491,000	170,810	(320,190)			
						90,000	140,654	50,654
100,000	157,151	57,151						
1,589,192	1,624,952	35,760	882,574	621,754	(260,820)	90,566	149,068	58,502
						80,000	78,117	1,883
3,080,858	1,011,843	2,069,015	320,000		320,000	190,000	80,850	109,150
3,080,858	1,011,843	2,069,015	320,000		320,000	270,000	158,967	111,033
(1,491,666)	613,109	2,104,775	562,574	621,754	59,180	(179,434)	(9,899)	169,535
446,320	385,516	(60,804)						
			(331,000)	(270,196)	60,804			
446,320	385,516	(60,804)	(331,000)	(270,196)	60,804			
($1,045,346)	998,625	$2,043,971	$231,574	351,558	$119,984	($179,434)	(9,899)	$169,535
	904,650			1,457,305			375,498	
	$1,903,275			$1,808,863			$365,599	

(Continued)

CITY OF BELMONT
BUDGETED NON-MAJOR FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023

	SPECIAL REVENUE FUNDS					
	AFFORDABLE HOUSING			HOUSING MITIGATION FEES		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES						
Taxes						
Licenses and permits						
Fines and forfeitures						
Use of money and property	$81,081	$310,094	$229,013	$3,000	$66,162	$63,162
Intergovernmental	310,000	150,000	(160,000)			
Charges for current services						
Miscellaneous					53,198	53,198
Total Revenues	391,081	460,094	69,013	3,000	119,360	116,360
EXPENDITURES						
Current						
Public safety						
Highways and streets						
Culture and recreation						
Urban redevelopment	495,774	419,878	75,896			
Capital outlay						
Debt service:						
Principal						
Interest and fiscal charges						
Total Expenditures	495,774	419,878	75,896			
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(104,693)	40,216	144,909	3,000	119,360	116,360
OTHER FINANCING SOURCES (USES)						
Proceeds from the sale of capital assets	2,900,000	2,940,000	40,000			
Transfers in						
Transfers (out)						
Total Other Financing Sources (Uses)	2,900,000	2,940,000	40,000			
NET CHANGE IN FUND BALANCES	$2,795,307	2,980,216	$184,909	$3,000	119,360	$116,360
BEGINNING FUND BALANCES		6,467,886			2,452,257	
ENDING FUND BALANCES		$9,448,102			$2,571,617	

SPECIAL REVENUE FUNDS								
ROAD MAINTENANCE AND REHABILITATION ACCOUNT (SB1)			SENIOR DONATIONS			PUBLIC ART		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
$2,000	$7,429	$5,429	$128	$2,012	$1,884	$1,000	$8,801	$7,801
603,375	621,039	17,664						
						1,000		(1,000)
			4,000	399	(3,601)			
605,375	628,468	23,093	4,128	2,411	(1,717)	2,000	8,801	6,801
770,000	22,626	747,374						
770,000	22,626	747,374						
(164,625)	605,842	770,467	4,128	2,411	(1,717)	2,000	8,801	6,801
($164,625)	605,842	$770,467	$4,128	2,411	($1,717)	$2,000	8,801	$6,801
				90,044			395,576	
	$605,842			$92,455			$404,377	

(Continued)

CITY OF BELMONT
BUDGETED NON-MAJOR FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023

	SPECIAL REVENUE FUNDS			CAPITAL PROJECT FUNDS		
	TRAFFIC MITIGATION			GENERAL FACILITIES		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES						
Taxes						
Licenses and permits						
Fines and forfeitures						
Use of money and property	$187	$4,487	$4,300	$1,111	$16,028	$14,917
Intergovernmental				36,000		(36,000)
Charges for current services	814,000	7,035	(806,965)			
Miscellaneous						
Total Revenues	814,187	11,522	(802,665)	37,111	16,028	(21,083)
EXPENDITURES						
Current						
Public safety						
Highways and streets						
Culture and recreation						
Urban redevelopment						
Capital outlay				371,148	7,065	364,083
Debt service:						
Principal						
Interest and fiscal charges						
Total Expenditures				371,148	7,065	364,083
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	814,187	11,522	(802,665)	(334,037)	8,963	343,000
OTHER FINANCING SOURCES (USES)						
Proceeds from the sale of capital assets						
Transfers in						
Transfers (out)	(115,320)	(115,320)				
Total Other Financing Sources (Uses)	(115,320)	(115,320)				
NET CHANGE IN FUND BALANCES	$698,867	(103,798)	($802,665)	($334,037)	8,963	$343,000
BEGINNING FUND BALANCES		200,429			724,921	
ENDING FUND BALANCES		$96,631			$733,884	

CAPITAL PROJECT FUNDS

INFRASTRUCTURE			COMCAST			PLANNED PARK		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
$3,218	$55,476	$52,258				$44	$44,777	$44,733
1,438,334	690,834	(747,500)	$525	$8,811	$8,286			
						400,000	406,335	6,335
1,441,552	746,310	(695,242)	525	8,811	8,286	400,044	451,112	51,068
2,733,404	1,160,661	1,572,743	120,000		120,000	82,293	71,675	10,618
						572,010	572,010	
						95,990	95,990	
2,733,404	1,160,661	1,572,743	120,000		120,000	750,293	739,675	10,618
(1,291,852)	(414,351)	877,501	(119,475)	8,811	128,286	(350,249)	(288,563)	61,686
						1,000,000		(1,000,000)
						1,000,000		(1,000,000)
($1,291,852)	(414,351)	$877,501	($119,475)	8,811	$128,286	$649,751	(288,563)	($938,314)
	2,809,558			396,000			1,989,385	
	$2,395,207			$404,811			$1,700,822	

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CITY OF BELMONT
BUDGETED NON-MAJOR FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023

	CAPITAL PROJECT FUNDS					
	SPECIAL ASSESSMENT DISTRICT			OPEN SPACE		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES						
Taxes						
Licenses and permits						
Fines and forfeitures						
Use of money and property	$446	$6,860	$6,414	$276	$2,795	$2,519
Intergovernmental						
Charges for current services						
Miscellaneous					2,880	2,880
Total Revenues	446	6,860	6,414	276	5,675	5,399
EXPENDITURES						
Current						
Public safety						
Highways and streets						
Culture and recreation						
Urban redevelopment						
Capital outlay				175,686	81,203	94,483
Debt service:						
Principal						
Interest and fiscal charges						
Total Expenditures				175,686	81,203	94,483
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	446	6,860	6,414	(175,410)	(75,528)	99,882
OTHER FINANCING SOURCES (USES)						
Proceeds from the sale of capital assets						
Transfers in				8,250	8,250	
Transfers (out)						
Total Other Financing Sources (Uses)				8,250	8,250	
NET CHANGE IN FUND BALANCES	$446	6,860	$6,414	($167,160)	(67,278)	$99,882
BEGINNING FUND BALANCES		308,330			164,082	
ENDING FUND BALANCES		$315,190			$96,804	

CAPITAL PROJECT FUNDS

PARK IMPACT FEES

Budget	Actual	Variance Positive (Negative)
$2,028	$9,534	$7,506
194,570	194,760	190
87,400	281,894	194,494
283,998	486,188	202,190
331,500	171,417	160,083
331,500	171,417	160,083
(47,502)	314,771	362,273
(1,000,000)		1,000,000
(1,000,000)		1,000,000
($1,047,502)	314,771	$1,362,273
	326,675	
	$641,446	

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INTERNAL SERVICE FUNDS

Internal Service Funds are used to finance and account for special activities and services performed by a designated department for other departments in the City on a cost reimbursement basis.

The concept of major funds does not extend to internal service funds because they do not do business with outside parties. For the Statement of Activities, the net revenues or expenses of each internal service fund be eliminated by netting them against the operations of the other City departments, which generated them. The remaining balance sheet items are consolidated with these same funds in the Statement of Net Position.

However, internal service funds are still presented separately in the Fund financial statements, including the funds below.

Workers' Compensation – To account for the City's workers' compensation insurance program.

Liability Insurance – To account for coverage on the City's and District's general and automobile liability.

Self-Funded Vision – To account for the City's vision reimbursement plan for its employees.

Benefit Prefunding – To account for certain accrued employee benefits.

Fleet and Equipment Management – To account for the interdepartmental services provided by the Fleet Management division and Information Technology division.

Facilities Management – To account for the interdepartmental services provided by the Facilities Management Division.

CITY OF BELMONT

INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF NET POSITION

JUNE 30, 2023

	Workers' Compensation	Liability Insurance	Self-Funded Vision	Benefit Prefunding	Fleet and Equipment Management
ASSETS					
Current Assets:					
Cash and investments	$1,921,225	$3,228,840	$6,471	$1,234,280	$7,209,327
Accounts receivable		510,388			933
Prepaids and other assets					13,506
Total Current Assets	1,921,225	3,739,228	6,471	1,234,280	7,223,766
Noncurrent Assets:					
Depreciable capital assets, net					1,750,715
Total Assets	1,921,225	3,739,228	6,471	1,234,280	8,974,481
LIABILITIES					
Current Liabilities:					
Accounts payable	5,835	15,825	6,470		134,581
Due to other funds					
Claims payable	12,049	37,040			
Compensated absences					33,609
Subscription liabilities					191,830
Total Current Liabilities	17,884	52,865	6,470		360,020
Noncurrent Liabilities:					
Claims payable	141,883				
Compensated absences					60,203
Subscription liabilities					160,644
Total Noncurrent Liabilities	141,883				220,847
Total Liabilities	159,767	52,865	6,470		580,867
NET POSITION					
Net investment in capital assets					1,398,241
Unrestricted	1,761,458	3,686,363	1	1,234,280	6,995,373
Total Net Position	$1,761,458	$3,686,363	$1	$1,234,280	$8,393,614

Facilities Management	Total
	$13,600,143
$14,401	525,722
	13,506
14,401	14,139,371
320,133	2,070,848
334,534	16,210,219
52,962	215,673
786,320	786,320
	49,089
31,281	64,890
	191,830
870,563	1,307,802
	141,883
67,001	127,204
	160,644
67,001	429,731
937,564	1,737,533
320,133	1,718,374
(923,163)	12,754,312
($603,030)	$14,472,686

CITY OF BELMONT

INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES AND

CHANGES IN FUND NET POSITION

FOR THE YEAR ENDED JUNE 30, 2023

	Workers' Compensation	Liability Insurance	Self-Funded Vision	Benefit Prefunding	Fleet and Equipment Management
OPERATING REVENUES					
Interdepartmental charges for services	$801,094	$700,000	$1,444	$1,382,949	$4,434,210
Insurance claims, change in claims payable	57,088	304,324			
Total Operating Revenues	858,182	1,004,324	1,444	1,382,949	4,434,210
OPERATING EXPENSES					
Insurance premiums	623,213	446,492			
Professional and legal	62,608	343,747		100,286	1,196,637
Operating costs				152,617	1,578,430
Pension and other post employment benefits				1,000,050	
Insurance claims, net of change in claims payable	3,314	11,413	1,541		
Depreciation					863,498
Total Operating Expenses	689,135	801,652	1,541	1,252,953	3,638,565
Operating Income (Loss)	169,047	202,672	(97)	129,996	795,645
NONOPERATING REVENUES (EXPENSES)					
Gain from sale of capital assets					12,433
Use of money and property	34,961	60,463	98	22,621	146,171
Miscellaneous	20,773	36,737			1,015
Total Nonoperating Revenues (Expenses)	55,734	97,200	98	22,621	159,619
Change in Net Position	224,781	299,872	1	152,617	955,264
BEGINNING NET POSITION	1,536,677	3,386,491		1,081,663	7,438,350
ENDING NET POSITION	$1,761,458	$3,686,363	$1	$1,234,280	$8,393,614

Facilities Management	Total
$1,454,158	$8,773,855
	361,412
1,454,158	9,135,267
	1,069,705
339,510	2,042,788
2,054,236	3,785,283
	1,000,050
	16,268
14,275	877,773
2,408,021	8,791,867
(953,863)	343,400
	12,433
346,713	611,027
4,119	62,644
350,832	686,104
(603,031)	1,029,504
1	13,443,182
($603,030)	$14,472,686

CITY OF BELMONT
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023

	Workers' Compensation	Liability Insurance	Self-Funded Vision	Benefit Prefunding	Fleet and Equipment Management
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from other funds	$821,867	$736,737	$1,444	$1,382,949	$4,435,295
Payments to vendors	(680,005)	(777,508)		(252,903)	(1,854,345)
Payment to or on behalf of employees				(1,113,264)	(940,884)
Settlements received		1,267,549			
Claims paid	(23,597)	(9,297)	(8,253)		
Cash Flows from Operating Activities	118,265	1,217,481	(6,809)	16,782	1,640,066
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Interfund receipts					
Cash Flows from Noncapital Financing Activities					
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition of capital assets					(830,180)
Proceeds from sale of capital assets					12,433
Principal payments on subscription liability					(200,613)
Cash Flows from Capital and Related Financing Activities					(1,018,360)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest and rents	34,961	60,463	98	22,621	146,171
Cash Flows from Investing Activities	34,961	60,463	98	22,621	146,171
Net Cash Flows	153,226	1,277,944	(6,711)	39,403	767,877
Cash and investments at beginning of period	1,767,999	1,950,896	13,182	1,194,877	6,441,450
Cash and investments at end of period	$1,921,225	$3,228,840	$6,471	$1,234,280	$7,209,327
Reconciliation of operating income (loss) to net cash flows from operating activities:					
Operating income (loss)	$169,047	$202,672	($97)	$129,996	$795,645
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:					
Depreciation					863,498
Miscellaneous revenues	20,773	36,737			1,015
Change in assets and liabilities:					
Accounts receivables		1,267,549			70
Prepaids and other net assets					9,614
Accounts payable	5,816	12,731	(6,712)	(113,214)	11,931
Claims payable	(77,371)	(302,208)			
Compensated absences					(41,707)
Cash Flows from Operating Activities	$118,265	$1,217,481	($6,809)	$16,782	$1,640,066

Facilities Management	Total
$1,450,621	$8,828,913
(1,604,720)	(5,169,481)
(776,703)	(2,830,851)
	1,267,549
	(41,147)
(930,802)	2,054,983
737,406	737,406
737,406	737,406
(153,317)	(983,497)
	12,433
	(200,613)
(153,317)	(1,171,677)
346,713	611,027
346,713	611,027
	2,231,739
	11,368,404
	$13,600,143
($953,863)	$343,400
14,275	877,773
4,119	62,644
(7,656)	1,259,963
	9,614
8,489	(80,959)
	(379,579)
3,834	(37,873)
($930,802)	$2,054,983

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Statistical Section

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STATISTICAL SECTION

This part of the City's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health. In contrast to the financial section, the statistical section information is not subject to independent audit.

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and wellbeing have changed over time:

1. Net Position by Component
2. Changes in Net Position
3. Fund Balances of Governmental Funds
4. Changes in Fund Balance of Governmental Funds

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax:

1. Assessed Value of Taxable Property
2. Direct and Overlapping Property Tax Rates
3. Principal Property Taxpayers
4. Property Tax Levies and Collections

Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future:

1. Ratio of Outstanding Debt by Type
2. Computation of Direct and Overlapping Debt
3. Computation of Legal Bonded Debt Margin
4. Bonded Debt Pledged Revenue Coverage:
    a. 2016 Sewer Revenue and Sewer Refunding Revenue Bonds and 2019 Sewer Revenue Bonds – Last Ten Fiscal Years
    b. 2018 Sewer Treatment Facility Revenue Bonds and 2022 Sewer Treatment Facility Obligations
    c. Former Redevelopment Agency Bonds
5. Continuing Disclosure Requirements:
    a. Sewer System Summary Statement of Historical Revenue and Expenditures
    b. Ten Largest Users of the Sewer System
    c. Number of Sewer Service Users
    d. Sewer Service Revenues by Class of User
    e. Schedule of Budgeted and Projected Sewer Treatment Facility Charges and Associated Debt Service
    f. Community Facilities District No. 2000-1

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place:

1. Demographic and Economic Statistics
2. Principal Employers

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs:

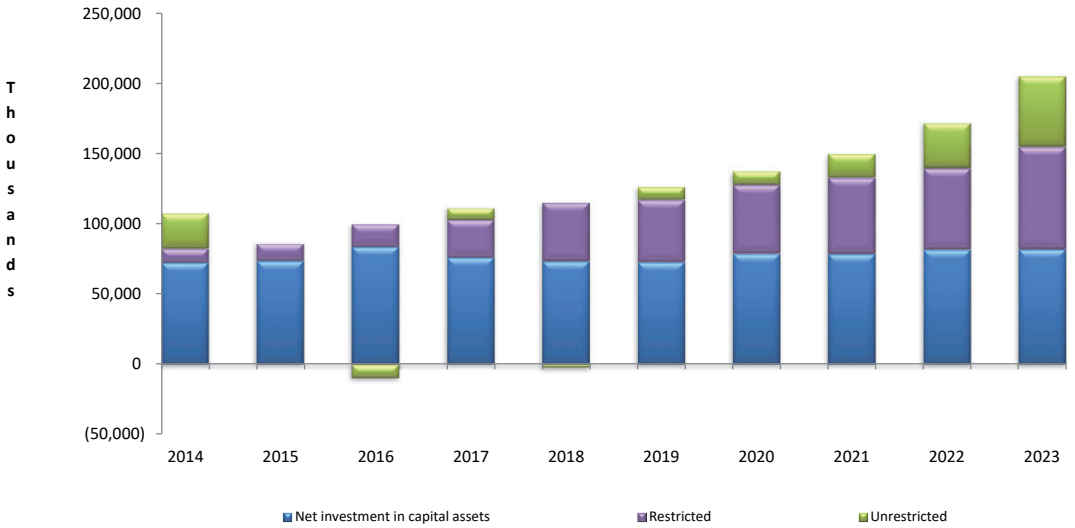
1. Full-Time Equivalent City Government Employees by Function
2. Operating Indicators by Function/Program
3. Capital Asset Statistics by Function/Program

Sources

Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports for the relevant year.

CITY OF BELMONT
NET POSITION BY COMPONENT

Last Ten Fiscal Years
(accrual basis of accounting)



	As of June 30,				
	2014	**2015**	**2016**	**2017**	**2018**
Governmental activities					
Net investment in capital assets	$66,107,787	$65,328,759	$67,139,553	$69,831,130	$67,969,307
Restricted	6,664,041	6,904,176	6,904,177	11,714,283	24,061,436
Unrestricted	13,628,786	(8,619,488)	(9,680,086) (a)	(188,113) (a)	(12,213,657)
Total governmental activities	$86,400,614	$63,613,447	$64,363,644	$81,357,300	$79,817,086
Business-type activities					
Net investment in capital assets	$6,447,043	$8,424,614	$16,739,430	$6,439,038	$5,536,183
Restricted	3,108,838	5,383,408	9,143,559	14,957,819	17,728,929
Unrestricted	11,627,962	8,634,126	(a)	8,602,110 (a)	9,913,265
Total business-type activities	$21,183,843	$22,442,148	$25,882,989	$29,998,967	$33,178,377
Primary government					
Net investment in capital assets	$72,554,830	$73,753,373	$83,878,983	$76,270,168	$73,505,490
Restricted	9,772,879	12,287,584	16,047,736	26,672,102	41,790,365
Unrestricted	25,256,748	14,638	(9,680,086) (a)	8,413,997 (a)	(2,300,392)
Total primary government	$107,584,457	$86,055,595	$90,246,633	$111,356,267	$112,995,463

	2019	**2020**	**2021**	**2022**	**2023**
Governmental activities					
Net investment in capital assets	$69,521,925	$74,539,932	$74,700,385	$80,638,254	$81,465,845
Restricted	24,039,737	26,494,396	29,925,106	31,881,783	45,546,543
Unrestricted	(4,098,068) (b)	(6,415,098)	(4,130,669)	3,477,732	15,366,497
Total governmental activities	$89,463,594	$94,619,230	$100,494,822	$115,997,769	$142,378,885
Business-type activities					
Net investment in capital assets	$3,453,035	$4,445,755	$3,971,403	$1,163,216	$511,481
Restricted	20,219,035	22,464,351	24,300,968	25,991,829	27,390,553
Unrestricted	13,315,730 (b)	16,112,774	21,229,648	28,806,567	35,012,228
Total business-type activities	$36,987,800	$43,022,880	$49,502,019	$55,961,612	$62,914,262
Primary government					
Net investment in capital assets	$72,974,960	$78,985,687	$78,671,788	$81,801,470	$81,977,326
Restricted	44,258,772	48,958,747	54,226,074	57,873,612	72,937,096
Unrestricted	9,217,662 (b)	9,697,676	17,098,979	32,284,299	50,378,725
Total primary government	$126,451,394	$137,642,110	$149,996,841	$171,959,381	$205,293,147

(a) Fiscal year 2015 was the first year of implementation for GASB 68.
(b) Fiscal year 2018 was the first year of implementation for GASB 75.

CITY OF BELMONT
CHANGES IN NET POSITION

Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year Ended June 30,			
	2014	**2015**	**2016**	**2017**
Expenses				
Governmental Activities:				
General government	$5,592,651	$5,244,211	$5,439,850	$5,671,719
Public safety	19,429,456	19,218,589	19,906,577	21,282,999
Highways and streets	3,412,713	3,340,232	2,998,364	2,785,012
Culture and recreation	4,530,410	5,018,290	4,729,514	4,759,282
Urban redevelopment	2,295,295	2,268,840	3,436,088	3,223,265
Interest on long term debt	37,019	24,850	16,708	5,592
Total Governmental Activities Expenses	35,297,544	35,115,012	36,527,101	37,727,869
Business-Type Activities:				
Sewer Collection	6,657,220	7,654,335	8,251,781	8,251,781
Sewer Treatment			403,386	403,386
Storm drainage	1,236,911	1,446,650	1,603,968	1,603,968
Solid waste	459,967	223,392	283,045	283,045
Total Business-Type Activities Expenses	8,354,098	9,324,377	10,542,180	10,542,180
Total Primary Government Expenses	$43,651,642	$44,439,389	$47,069,281	$48,270,049
Program Revenues				
Governmental Activities:				
Charges for Services:				
General Government	$4,601,332	$4,937,130	$5,780,785	$8,184,093
Public Safety	1,177,218	1,143,332	998,958	1,113,555
Highways and streets	459,815	473,341	464,902	498,637
Culture and recreation	2,130,365	2,729,732	2,629,840	5,997,226
Urban redevelopment	3,069,625	3,627,765	3,860,509	4,701,066
Operating Grants and Contributions	1,817,345	2,042,316	1,861,488	1,767,235
Capital Grants and Contributions	519,254	411,980	2,746,475	596,190
Total Government Activities Program Revenues	13,774,954	15,365,596	18,342,957	22,858,002
Business-Type Activities:				
Charges for Services:				
Sewer Collection	11,290,621	11,905,392	9,623,230	10,974,015
Sewer Treatment			3,124,223	3,087,872
Storm drainage	520,119	943,554	903,147	875,926
Solid Waste	867,710	458,337	443,408	429,212
Operating Grants and Contributions				37,862
Capital Grants and Contributions				
Total Business-Type Activities Program Revenue	12,678,450	13,307,283	14,094,008	15,404,887
Total Primary Government Program Revenues	$26,453,404	$28,672,879	$32,436,965	$38,262,889
Net (Expense)/Revenue				
Governmental Activities	($21,522,590)	($19,749,416)	($18,184,144)	($14,869,867)
Business-Type Activities	4,324,352	3,982,906	2,018,171	4,862,707
Total Primary Government Net Expense	($17,198,238)	($15,766,510)	($16,165,973)	($10,007,160)

Fiscal Year Ended June 30,					
2018	2019	2020	2021	2022	2023
$6,598,992	$5,621,928	$8,461,468	$8,168,398	$7,642,172	$4,744,236
23,461,443	21,608,132	24,687,962	25,705,962	24,908,569	25,349,206
3,182,025	2,845,390	2,768,906	2,563,851	2,936,535	4,155,398
5,344,942	5,754,393	6,727,967	5,707,179	6,218,434	5,073,656
3,447,979	3,274,118	4,504,187	5,678,182	5,520,422	5,704,749
3,169	644	41,615	119,690	107,965	95,990
42,038,550	39,104,605	47,192,105	47,943,262	47,334,097	45,123,235
9,087,660	11,292,920	10,066,509	10,760,135	10,634,189	10,491,755
517,015	1,121,846	1,376,670	1,370,917	1,437,779	1,908,406
1,566,875	1,893,199	2,119,817	2,056,207	2,190,249	1,717,872
338,756	284,968	343,075	452,750	502,470	533,852
11,510,306	14,592,933	13,906,071	14,640,009	14,764,687	14,651,885
$53,548,856	$53,697,538	$61,098,176	$62,583,271	$62,098,784	$59,775,120
$6,868,959	$6,142,052	$6,577,974	$8,880,620	$6,161,208	$6,690,833
1,425,037	1,250,205	404,688	413,536	370,671	382,813
490,979	504,891	808,673	1,220,787	868,986	623,278
3,250,607	3,589,282	2,948,206	2,966,339	4,942,718	3,989,155
3,692,543	4,104,255	4,212,747	4,227,537	5,023,122	4,522,634
2,175,529	2,196,042	3,511,589	3,456,820	5,895,499	7,198,319
1,262,562	107,597	944,285	1,227,833	1,868,526	1,389,555
19,166,216	17,894,324	19,408,162	22,393,472	25,130,730	24,796,587
10,451,746	11,131,538	12,711,450	16,273,536	16,360,163	15,330,295
3,225,639	3,178,480	3,196,757	3,181,962	3,142,679	3,142,057
886,380	922,892	969,136	968,969	1,024,532	1,076,079
428,446	457,015	482,843	489,560	623,030	554,730
23,408	15,650	98,099		58,914	34,146
	1,708,952				
15,015,619	17,414,527	17,458,285	20,914,027	21,209,318	20,137,307
$34,181,835	$35,308,851	$36,866,447	$43,307,499	$46,340,048	$44,933,894
($22,872,334)	($21,210,281)	($27,783,943)	($25,549,790)	($22,203,367)	($20,326,648)
3,505,313	2,821,594	3,552,214	6,274,018	6,444,631	5,485,422
($19,367,021)	($18,388,687)	($24,231,729)	($19,275,772)	($15,758,736)	($14,841,226)

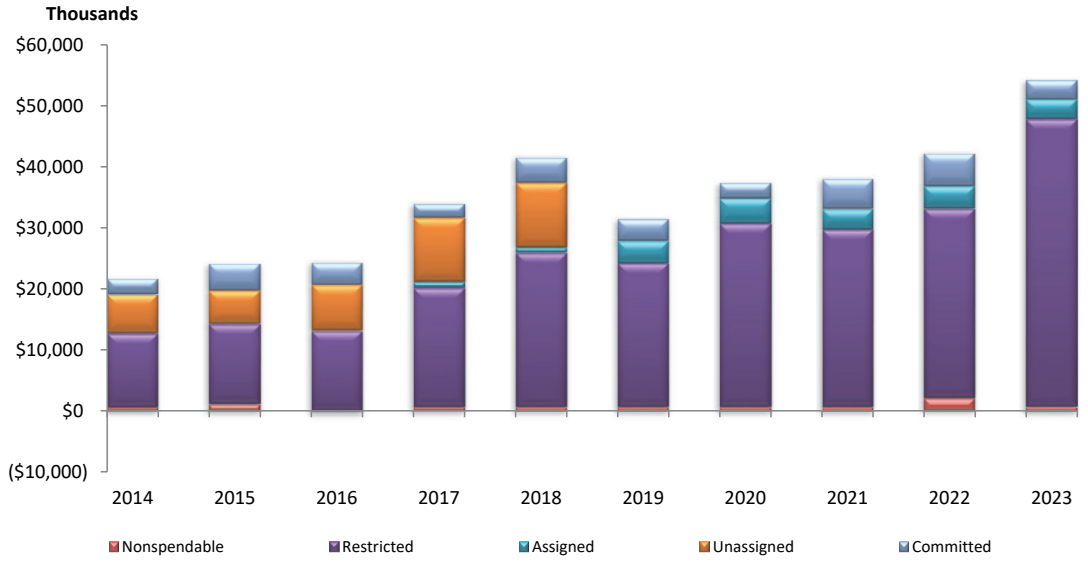
CITY OF BELMONT
CHANGES IN NET POSITION
(continued)
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year Ended June 30,			
	2014	**2015**	**2016**	**2017**
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Taxes:				
Property taxes	$11,864,792	$13,134,287	$14,132,122	$15,527,210
Incremental property tax				
Sales taxes	2,831,248	3,085,607	3,613,991	3,882,588
Other taxes	3,260,000	3,487,040	3,957,259	3,927,717
Motor vehicle in lieu	2,168,184	2,474,536	2,436,212	2,619,042
Investment earnings and rentals	603,489	590,418	540,269	588,798
Miscellaneous/Gain on sale	1,743,106	3,803	6,263	3,663
Gain on sale of capital assets				
Loss on disposal of capital assets		(39,381)		
Equity in gains/(losses) of joint ventures				
Transfers			(437,270)	
Extraordinary items				
Total Government Activities	22,470,819	22,736,310	24,248,846	26,549,018
Business-Type Activities:				
Investment earnings	15,126	17,275	77,370	104,041
Miscellaneous			57,142	118
Transfers		45,769	437,270	
Total Business-Type Activities	15,126	63,044	571,782	104,159
Total Primary Government	$22,485,945	$22,799,354	$24,820,628	$26,653,177
Change in Net Position				
Governmental Activities	$948,229	$2,986,894	$6,064,702	$11,679,151
Business-Type Activities	4,339,478	4,045,950	2,589,953	4,966,866
Total Primary Government	$5,287,707	$7,032,844	$8,654,655	$16,646,017

Fiscal Year Ended June 30,					
2018	2019	2020	2021	2022	2023
$16,894,686	$18,038,474	$19,236,918	$20,132,097	$20,468,903	$25,203,194
5,134,206	5,543,213	5,128,787	5,969,774	6,602,318	6,691,999
4,039,400	4,916,495	5,177,005	2,693,563	3,905,904	5,294,944
2,786,304	2,987,318	3,076,967	1,943,403	2,833,129	4,683,087
981,525	1,713,215	1,680,176	280,325	(166,620)	1,937,786
89,454	238,833	7,550	727	12,680	197,129
				4,050,000	2,148,468
	(2,580,759)		405,493		551,157
		(1,367,824)			
29,925,575	30,856,789	32,939,579	31,425,382	37,706,314	46,707,764
489,367	975,602	1,115,042	126,076	(53,021)	1,275,157
36,854	12,227		79,045	67,983	192,071
		1,367,824			
526,221	987,829	2,482,866	205,121	14,962	1,467,228
$30,451,796	$31,844,618	$35,422,445	$31,630,503	$37,721,276	$48,174,992
$7,053,241	$9,646,508	$5,155,636	$5,875,592	$15,502,947	$26,381,116
4,031,534	3,809,423	6,035,080	6,479,139	6,459,593	6,952,650
$11,084,775	$13,455,931	$11,190,716	$12,354,731	$21,962,540	$33,333,766

CITY OF BELMONT
FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)



	Fiscal Year Ended June 30,				
	2014	**2015**	**2016**	**2017**	**2018**
General Fund					
Nonspendable	$568,336	$1,130,963		$627,500	$641,355
Restricted				251,184	1,879,332
Assigned	1,377,103	2,327,624	$1,507,974		
Unassigned	6,258,460	5,590,065	7,540,974	10,500,188	10,683,682
Total General Fund	$8,203,899	$9,048,652	$9,048,948	$11,378,872	$13,204,369
All Other Governmental Funds					
Restricted	$12,090,398	$13,099,710	$13,099,725	$19,239,022	$23,400,819
Committed	104,039	5,644	(140,892)	936,200	784,403
Assigned	1,213,342	2,111,573	2,111,572	2,289,075	4,116,485
Unassigned		(146,538)			
Total all other governmental funds	$13,407,779	$15,070,389	$15,070,405	$22,464,297	$28,301,707

	Fiscal Year Ended June 30,					
	2019	**2020**	**2021**	**2022**	**2023**	
General Fund						
Nonspendable	$641,115	$641,273	$639,099	$376,537	$674,455	
Restricted					4,869,244	
Committed	2,903,606	2,101,292	3,751,162	2,938,455		
Assigned						
Unassigned	14,204,643	12,995,874	12,759,010	17,636,404	24,978,496	
Total General Fund	$17,749,364	$15,738,439	$17,149,271	$20,951,396	$30,522,195	(a)
All Other Governmental Funds						
Nonspendable				1,736,353		
Restricted	$23,504,778	$30,017,035	$29,119,357	$30,977,682	42,245,964	
Committed	658,745	443,069	1,190,051	2,422,303	3,159,153	
Assigned	3,602,036	4,070,714	3,335,478	3,698,561	3,225,895	
Total all other governmental funds	$27,765,559	$34,530,818	$33,644,886	$38,834,899	$48,631,012	(a)

(a) The change in total fund balance for the General Fund and other governmental funds is explained in Management's Discussion and Analysis.

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CITY OF BELMONT
CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS

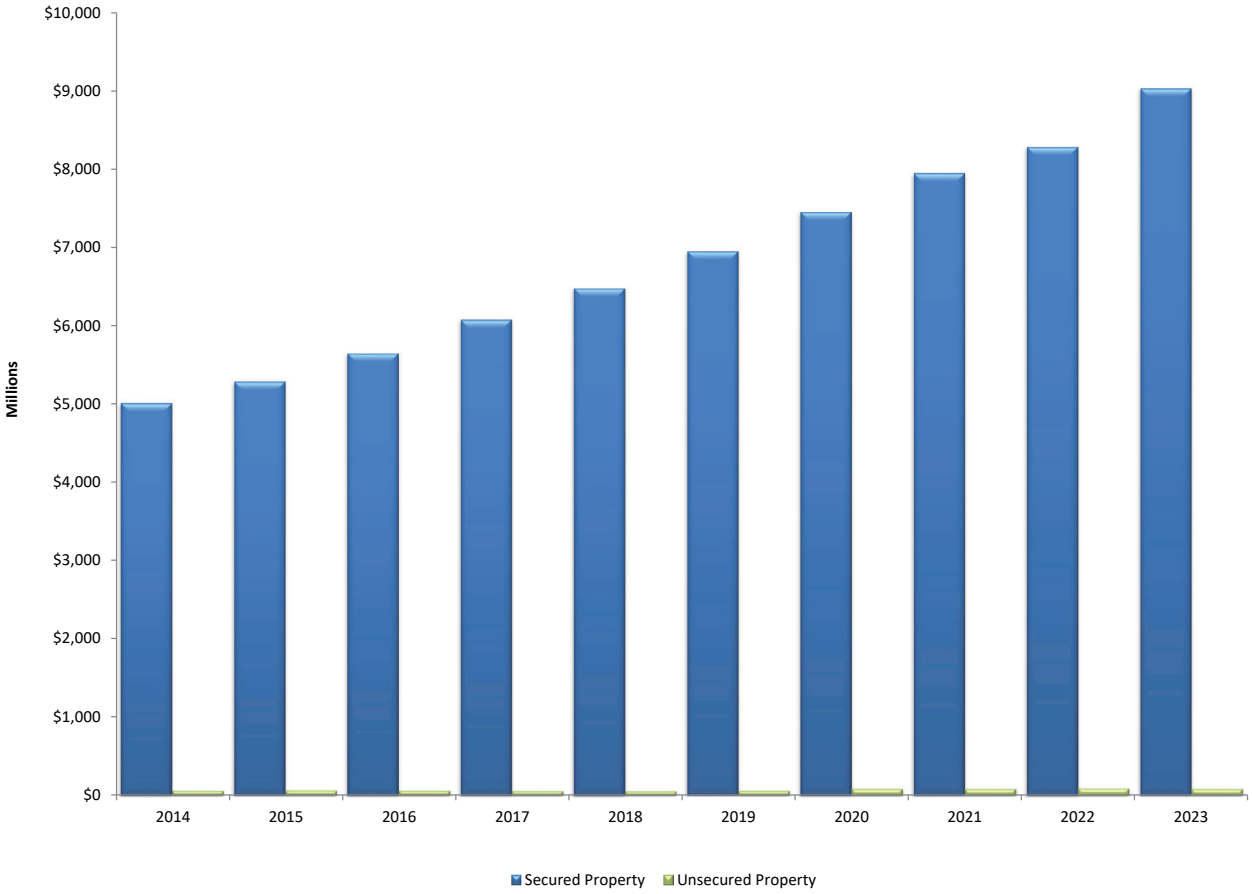
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year Ended June 30,			
	2014	2015	2016	2017
Revenues				
Taxes	$18,781,620	$20,592,362	$22,462,269	$24,901,868
Licenses and permits	1,665,790	1,846,367	2,085,424	2,800,954
Fines and forfeitures	298,584	210,470	234,582	168,763
Use of money and property	420,581	585,120	599,818	759,981
Intergovernmental	4,594,173	5,098,802	5,496,855	4,819,712
Charges for current services	7,466,219	8,517,414	8,574,373	14,587,389
Miscellaneous	835,735	868,303	1,387,317	937,673
Total Revenues	34,062,702	37,718,838	40,840,638	48,976,340
Expenditures				
Current:				
General government	3,967,090	4,219,915	4,300,780	4,955,053
Public safety	18,527,071	19,146,371	19,872,825	21,056,427
Highways and streets	1,843,701	2,195,722	1,814,166	1,909,799
Culture and recreation	4,162,256	4,817,387	4,525,998	5,038,819
Urban redevelopment	1,949,465	2,522,957	3,442,355	3,495,988
Capital outlay	1,425,306	1,736,968	3,390,421	3,828,413
Debt service:				
Principal	97,907	451,490	55,316	57,641
Interest and fiscal charges	37,019	24,850	16,708	5,592
Total Expenditures	32,009,815	35,115,660	37,418,569	40,347,732
Excess (deficiency) of revenues over (under) expenditures	2,052,887	2,603,178	3,422,069	8,628,608
Other Financing Sources (Uses)				
Transfers in	1,458,800	2,859,034	1,984,813	1,697,887
Transfers (out)	(1,783,301)	(2,954,849)	(4,869,841)	(1,834,158)
Gain from sale of capital assets				
Proceeds from sale of capital assets	2,050,000		686,750	8,000
Proceeds of debt issuance				
Total other financing sources (uses)	1,725,499	(95,815)	(2,198,278)	(128,271)
Net Change in fund balances	$3,778,386	$2,507,363	$1,223,791	$8,500,337
Debt service as a percentage of noncapital expenditures	0.4%	1.4%	1.4%	0.2%

Fiscal Year Ended June 30,					
2018	**2019**	**2020**	**2021**	**2022**	**2023**
$27,919,446	$30,101,322	$32,173,339	$33,671,449	$35,877,026	$44,533,834
2,317,393	2,026,047	2,156,235	3,421,169	3,412,657	3,549,928
216,183	164,265	160,211	170,105	156,422	139,859
1,228,596	1,947,782	2,070,593	1,021,749	292,841	2,221,374
4,975,667	5,611,404	6,106,124	1,677,393	6,006,905	6,141,065
9,890,785	10,296,325	10,012,330	12,337,351	12,481,949	11,023,716
2,069,817	609,958	236,306	1,411,931	297,432	445,528
48,617,887	50,757,103	52,915,138	53,711,147	58,525,232	68,055,304
5,151,403	5,563,535	6,251,896	6,894,135	5,750,762	5,735,226
22,788,288	25,312,692	24,684,871	25,665,084	25,760,691	27,048,944
1,935,535	2,115,327	2,312,159	2,361,710	2,001,625	2,232,006
5,274,846	5,766,923	5,897,618	5,414,402	5,358,664	5,647,578
3,358,362	3,362,011	4,400,315	5,491,628	5,219,975	6,255,312
1,382,112	5,316,611	8,912,121	6,569,459	7,558,546	4,041,326
60,064	30,972	292,385	548,310	560,035	572,010
3,169	644	41,615	119,690	107,965	95,990
39,953,779	47,468,715	52,792,980	53,064,418	52,318,263	51,628,392
8,664,108	3,288,388	122,158	646,729	6,206,969	16,426,912
5,931,220	2,671,111	4,740,278	2,355,020	6,252,414	3,861,938
(6,932,421)	(1,963,685)	(6,108,102)	(2,476,849)	(7,517,245)	(3,861,938)
				4,050,000	2,940,000
	13,033				
		6,000,000			
(1,001,201)	720,459	4,632,176	(121,829)	2,785,169	2,940,000
$7,662,907	$4,008,847	$4,754,334	$524,900	$8,992,138	$19,366,912
0.2%	0.1%	0.1%	1.4%	1.5%	1.4%

CITY OF BELMONT
ASSESSED VALUE OF TAXABLE PROPERTY

Last Ten Fiscal Years



Fiscal Year Ended June 30	Secured Property (a)		Unsecured Property		Total		Assessed to Estimated Actual Value	Increased From Prior Year	Total Direct Tax Rate (c)
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value (b)	Estimated Actual Value (b)			
2014	$5,013,618,086	$5,013,618,086	$61,287,931	$61,287,931	$5,074,906,017	$5,074,906,017	100%	6.37%	1%
2015	5,290,249,361	5,209,249,361	65,747,681	65,747,681	5,355,997,042	5,274,997,042	100%	3.94%	1%
2016	5,648,901,772	5,648,901,772	63,091,530	63,091,530	5,711,993,302	5,711,993,302	100%	8.28%	1%
2017	6,077,587,115	6,077,587,115	57,759,601	57,759,601	6,135,346,716	6,135,346,716	100%	7.41%	1%
2018	6,477,809,867	6,477,809,867	56,079,812	56,079,812	6,533,889,679	6,533,889,679	100%	6.50%	1%
2019	6,951,922,956	6,951,922,956	62,126,944	62,126,944	7,014,049,900	7,014,049,900	100%	7.35%	1%
2020	7,453,883,672	7,453,883,672	87,805,614	87,805,614	7,541,689,286	7,541,689,286	100%	7.52%	1%
2021	7,946,879,729	7,946,879,729	85,078,190	85,078,190	8,031,957,919	8,031,957,919	100%	6.50%	1%
2022	8,281,898,247	8,281,898,247	93,084,659	93,084,659	8,374,982,906	8,374,982,906	100%	4.27%	1%
2023	9,028,158,925	9,028,158,925	85,529,004	85,529,004	9,113,687,929	9,113,687,929	100%	8.82%	1%

SOURCES: SAN MATEO COUNTY CONTROLLER

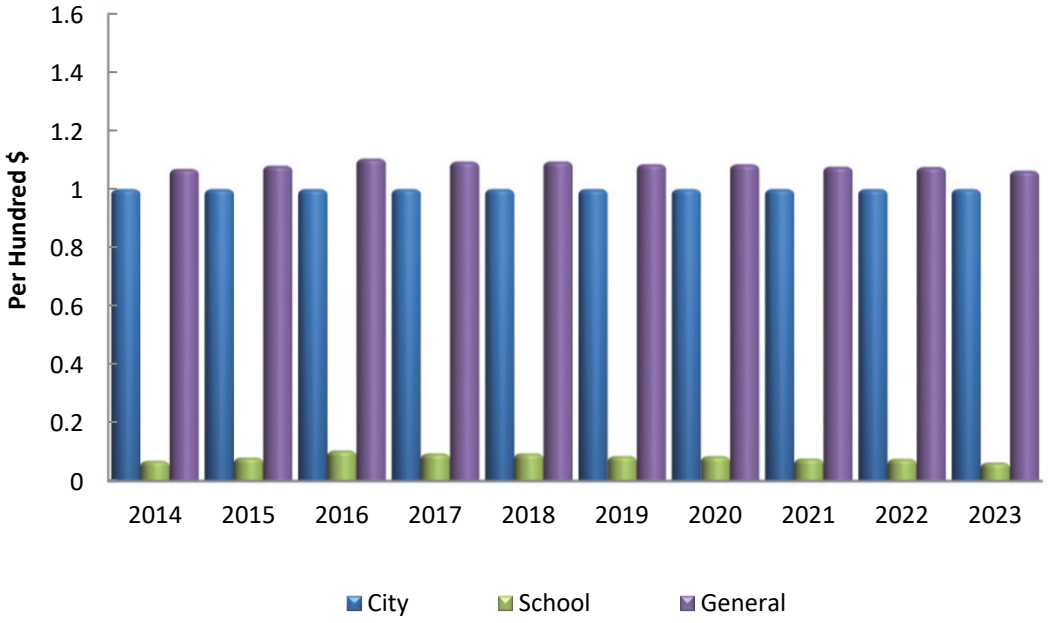
(a) Secured Property includes State Board Roll

(b) The State Constitution requires property to be assessed at one hundred percent of the most recent purchase price, plus an increment of no more than two percent annually, plus any local over-rides. These values are considered to be full market values.

(c) California cities do not set their own direct tax rate. The state constitution establishes the rate at 1% and allocates a portion of that amount, by an annual calculation, to all the taxing entities within a tax rate area. The City of Belmont encompasses more than 15 tax rate areas.

CITY OF BELMONT
DIRECT AND OVERLAPPING PROPERTY TAX RATES

Last Ten Fiscal Years



Fiscal Year	City of Belmont	School Districts	Total
2014	$1.0000	$0.0690	$1.0690
2015	1.0000	0.0805	1.0805
2016	1.0000	0.1046	1.1046
2017	1.0000	0.0944	1.0944
2018	1.0000	0.0948	1.0948
2019	1.0000	0.0854	1.0854
2020	1.0000	0.0852	1.0852
2021	1.0000	0.0771	1.0771
2022	1.0000	0.0759	1.0759
2023	1.0000	0.0632	1.0632

Source: San Mateo County Controller - Rates are per $100 of assessed value.

CITY OF BELMONT
PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

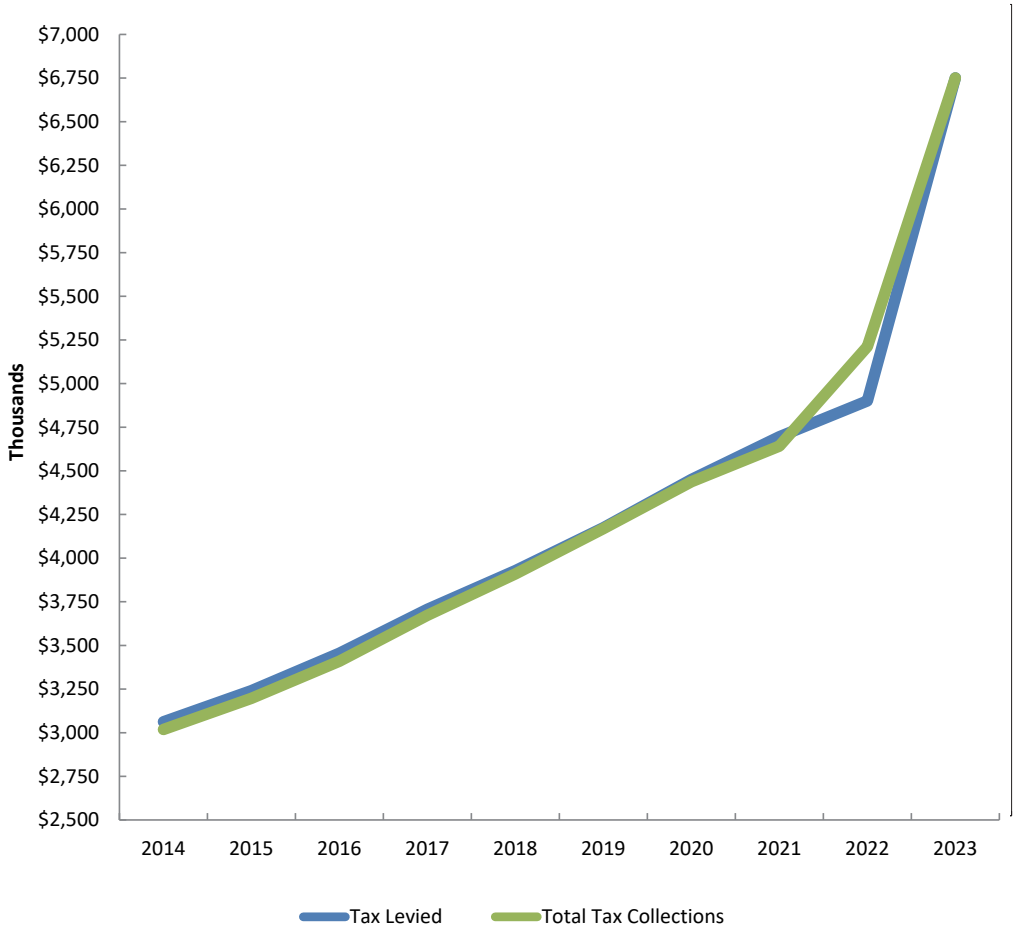
	2022-23			2014-15 (A)		
Taxpayer	**Taxable Assessed Value**	**Rank**	**Percentage of Total City Taxable Assessed Value**	**Taxable Assessed Value**	**Rank**	**Percentage of Total City Taxable Assessed Value**
GLC Belmont LLC	$157,080,000	1	1.74%			
PMI Belmont II LLC	125,233,720	2	1.39%			
B9 Island Parkway	99,271,500	3	1.10%			
600 Clipper Operating LLC	97,994,833	4	1.09%			
1 Shoreway Owner LLC	92,055,000	5	1.02%			
Catania Limited Partnership	56,238,046	6	0.62%			
Belmont Hotels LLC	53,434,688	7	0.59%			
CP VII Belmont LLC	42,804,968	8	0.47%			
Nikon Precision Inc.	41,302,174	9	0.46%	$45,841,100	4	0.88%
Safeway Inc.	38,955,980	10	0.43%	18,518,935	10	0.36%
Hines VAF II 600 Clipper LP				53,575,372	1	1.03%
Oracle Corporation				47,819,063	3	0.92%
Carlmont Woods II LLC				50,168,538	2	0.96%
Prime Old County LP				30,265,392	5	0.58%
SSL Landlord LLC				27,050,252	6	0.52%
ECI Two Belmont LLC				22,148,215	7	0.43%
SRE California-3 LLC				21,030,156	8	0.40%
Grand Prix Belmont LLC				18,519,320	9	0.36%
Subtotal	$804,370,909		8.91%	$334,936,343		6.43%

Total Net Assessed Valuation:
Fiscal Year 2022-23 $9,028,158,925
Fiscal Year 2014-15 $5,209,249,361

Source: County of San Mateo Assessor's Office Fiscal Year Combined Secured Tax Rolls.
(A) 2013-14 data not available, therefore 2014-15 is presented.

CITY OF BELMONT
PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Fiscal Years



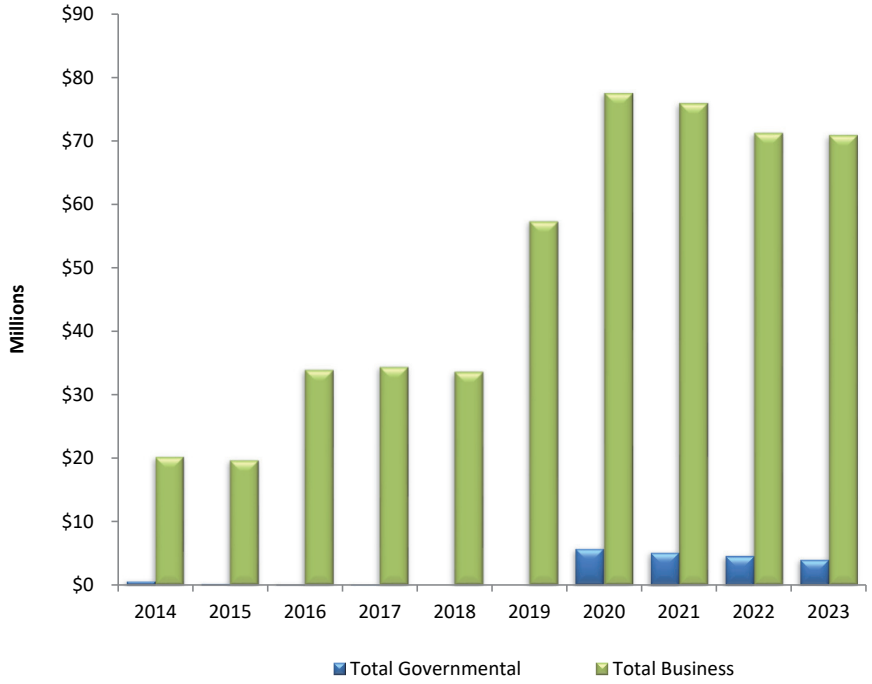
Fiscal Year	Total Tax Levy (1)	Current Tax Collections (2)	Percent of Levy Collected (a)	Total Tax Collections	Percent of Total Tax Collections to Tax Levy
2014	$3,062,643	$3,018,311	98.55%	$3,018,311	98.55%
2015	3,240,621	3,196,712	98.65%	3,196,712	98.65%
2016	3,455,413	3,409,309	98.67%	3,409,309	98.67%
2017	3,706,404	3,672,355	99.08%	3,672,355	99.08%
2018	3,928,687	3,909,998	99.52%	3,909,998	99.52%
2019	4,174,608	4,169,363	99.87%	4,169,363	99.87%
2020	4,450,637	4,437,632	99.71%	4,437,632	99.71%
2021	4,695,353	4,641,802	98.86%	4,641,802	98.86%
2022	4,900,439	5,211,925 (b)	106.36% (b)	5,211,925	106.36%
2023	6,751,183	6,750,829	99.99%	6,750,829	99.99%

Source: (1) San Mateo County Controller.
(2) City of Belmont General Ledger

Note: Current tax collections beginning in 1993 have been reduced by a mandatory tax reallocation imposed by the State of California.
(a) During fiscal year 1995, the County began providing the City 100% of its tax levy under an agreement which allows the County to keep all interest and delinquency charges collected.
(b) Includes $345,855 received for Belmont RDA dissolution that was not in tax levy.

CITY OF BELMONT
RATIO OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years



Fiscal Year	Governmental Activities: Leases and Notes	Governmental Activities: Total	Business-Type Activities: Sewer Revenue and Obligation Bonds	Business-Type Activities: Total	Total Primary Government	Percentage of Assessed Valuation (a)	Per Capita (a)
2014	$655,483	$655,483	$20,210,000	$20,210,000	$20,865,483	0.41%	$785.63
2015	203,992	203,992	19,660,000	19,660,000	19,863,992	0.37%	742.63
2016	147,677	147,677	33,920,000	33,920,000	34,067,677	0.60%	1,233.98
2017	91,036	91,036	34,376,186	34,376,186	34,467,222	0.56%	1,260.55
2018	30,972	30,972	33,615,381	33,615,381	33,646,353	0.51%	1,228.51
2019	0	0	57,279,454	57,279,454	57,279,454	0.82%	2,107.88
2020	5,707,615	5,707,615	77,449,650	77,449,650	83,157,265	1.10%	3,118.12
2021	5,159,305	5,159,305	75,851,407	75,851,407	81,010,712	1.01%	2,936.55
2022	4,599,270	4,599,270	71,166,164	71,166,164	75,765,434	0.90%	2,785.19
2023	4,027,260	4,027,260	70,837,921	70,837,921	74,865,181	0.82%	2,794.21

Note : Debt amounts include premiums, discounts, or other amortization amounts.

Sources: City of Belmont
State of California, Department of Finance (population)
U.S. Department of commerce, Bureau of the Census (income)

(a) (Demographic Statistics) for assessed value and population data.

CITY OF BELMONT
COMPUTATION OF DIRECT AND OVERLAPPING DEBT

June 30, 2023

2022-23 Assessed Valuation $9,148,680,593

DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT	Total Debt June 30, 2023	% Applicable (1)	City's Share of Debt June 30, 2023
City of Belmont	**$4,027,260**	**100.000%**	**$4,027,260**
Total Direct Debt	**$4,027,260**		**$4,027,260**
San Mateo Community College District	$708,837,622	3.172%	$22,484,329
Sequoia Union High School District	440,812,000	7.277%	32,077,889
Belmont-Redwood Shores School District	71,262,859	50.193%	35,768,967
Belmont-Redwood Shores School District Belmont School Facilities Improvement District	39,647,852	83.084%	32,941,021
Belmont-Redwood Shores School District Redwood Shores School Facilities Improvement District	17,640,000	8.22%	1,450,008
Midpeninsula Regional Open Space District	82,680,000	0.005%	4,134
City of Belmont Community Facilities District No. 2000-1	4,035,000	100.000%	4,035,000
Total Overlapping Debt	1,364,915,333		128,761,348
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT	$1,368,942,593		$132,788,608
OVERLAPPING GENERAL FUND DEBT:			
San Mateo County General Fund Obligations	$589,931,687	3.172%	$18,712,633
San Mateo County Board of Education Certificates of Participation	6,120,000	3.172%	194,126
Belmont-Redwood Shores School District General Fund Obligations	4,498,074	50.193%	2,257,718
Midpeninsula Regional Open Space District General Fund Obligations	91,570,600	0.005%	4,579
San Mateo County Mosquito and Vector Control District General Fund Obligations	3,617,831	3.172%	114,758
TOTAL OVERLAPPING GENERAL FUND DEBT	$695,738,192		$21,283,814
OVERLAPPING TAX INCREMENT DEBT (Successor Agency)		100.000%	$0
COMBINED TOTAL DEBT			$154,072,422 (2)

(1) The percentage of overlapping debt applicable to the City is estimated using taxable assessed property value. Applicable percentages were estimated by determining the porting of the overlapping district's assessed value that is within the boundaries of the City divided by the district's total taxable assessed value.

(2) Excludes tax and revenue anticipation notes, enterprise revenue, and mortgage revenue bonds.

RATIOS TO 2022-23 ASSESSED VALUATION:	
Direct Debt	0.04%
Combined Direct Debt	1.68%
Total Net Direct and Overlapping Tax and Assessment Debt	1.45%

CITY OF BELMONT
COMPUTATION OF LEGAL BONDED DEBT MARGIN

June 30, 2023

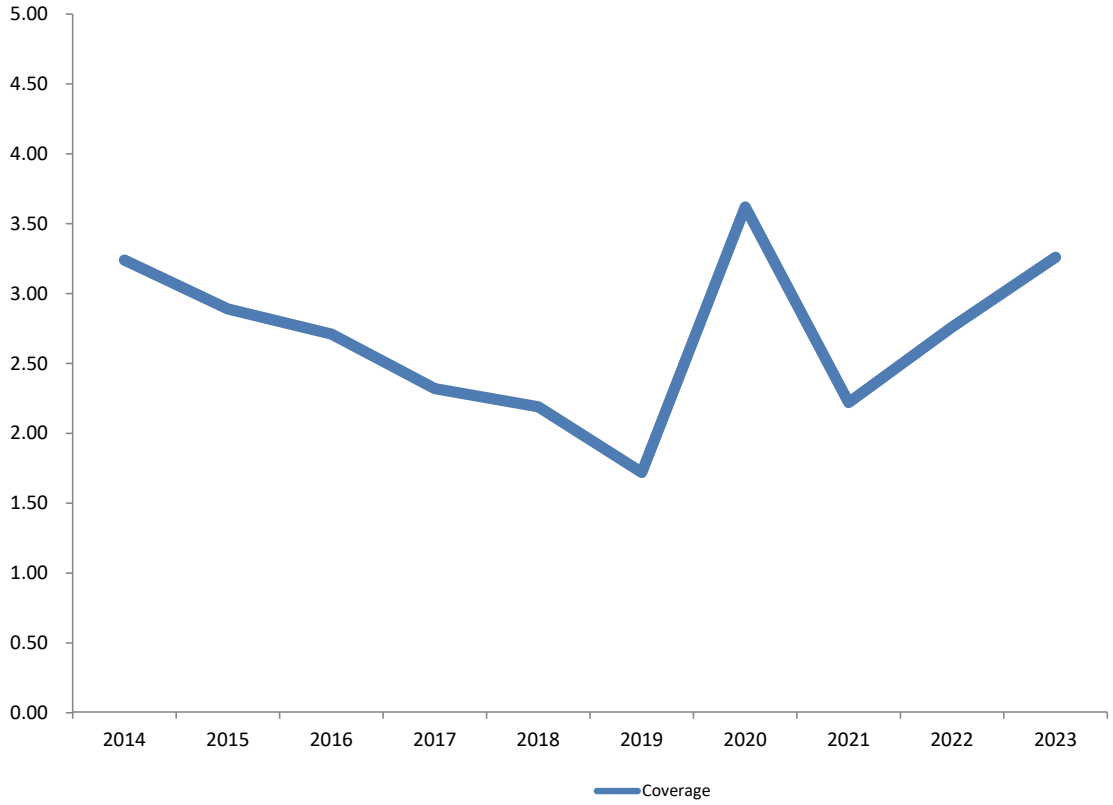
ASSESSED VALUATION:		
Secured property assessed value, net of exempt real property	$9,148,680,593	
BONDED DEBT LIMIT (3.75% OF ASSESSED VALUE) (a)		$343,075,522
AMOUNT OF DEBT SUBJECT TO LIMIT:		
Total Bonded Debt	$0	
Less Tax Allocation Bonds and Sales Tax Revenue Bonds, Certificate of Participation not subject to limit	$0	
Amount of debt subject to limit		$0
LEGAL BONDED DEBT MARGIN		$343,075,522

Fiscal Year	Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Margin	Total net debt applicable to the limit as a percentage of debt limit
2014	$190,308,976		$190,308,976	
2015	200,849,889		200,849,889	
2016	214,199,749		214,199,749	
2017	230,075,502		230,075,502	
2018	246,378,145		246,378,145	
2019	264,366,934		264,366,934	
2020	284,140,706		284,140,706	
2021	302,531,239		302,531,239	
2022	315,395,096		315,395,096	
2023	343,075,522		343,075,522	

NOTE:

(a) California Government Code, Section 43605 sets the debt limit at 15%. The Code section was enacted prior to the change in basing assessed value to full market value when it was previously 25% of market value. Thus, the limit shown as 3.75% is one-fourth the limit to account for the adjustment of showing assessed valuation at full cash value. Limits presented from prior years have been adjusted for this methodology.

CITY OF BELMONT
HISTORIC OPERATING RESULTS – DEBT SERVICE AND COVERAGE RATIOS
2016 SEWER REVENUE AND SEWER REFUNDING REVENUE BONDS (2001 AND 2006 SEWER REVENUE BONDS), AND 2019 SEWER REVENUE BONDS
Last Ten Fiscal Years



Fiscal Year (1)	System Revenues (2)	Operating & Maintenance Expenditures (3)	Net System Revenues	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2014	$7,867,359	$4,876,816	$2,990,543	$370,000	$553,972	$923,972	3.24
2015	7,886,591	5,219,101	2,667,490	385,000	537,995	922,995	2.89
2016	9,101,597	6,013,171	3,088,426	405,000	736,145	1,141,145	2.71
2017	9,470,233	6,577,227	2,893,006	485,000	762,279	1,247,279	2.32
2018	10,311,885	7,287,562	3,024,323	505,000	876,271	1,381,271	2.19
2019	10,850,538	8,473,802	2,376,736	520,000	860,896	1,380,896	1.72
2020	12,468,348	6,486,172	5,982,176	540,000	1,113,827	1,653,827	3.62
2021	12,572,930	7,257,702	5,315,228	735,000	1,662,471	2,397,471	2.22
2022	13,995,360	7,115,757	6,879,603	865,000	1,625,446	2,490,446	2.76
2023	14,822,694	6,719,728	8,102,966	900,000	1,587,371	2,487,371	3.26

Notes:

(1) Beginning in 2016, only sewer collection fund activities included.

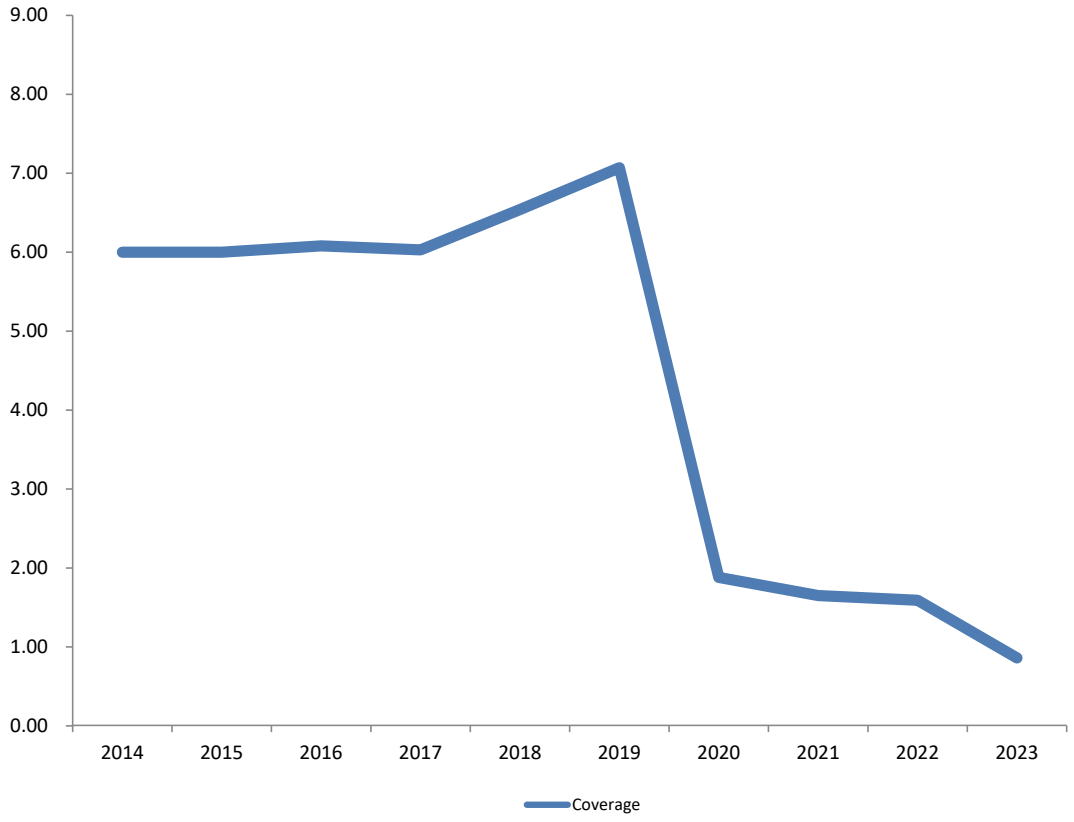
(2) Beginning in 2016, includes sewer service charges and all other income, excluding interest earned, income on joint ventures, connection fees and other income pursuant to Installment Purchase Agreement dated March 1, 2016.

(3) Beginning in 2016, includes reasonable and necessary costs for maintaining and operating sewer system, excluding parity debt, capital improvements, depreciation and other costs pursuant to Installment Purchase Agreement dated March 1, 2016

Source: City of Belmont Annual Financial Statements

CITY OF BELMONT
REVENUE BOND COVERAGE
2018 SEWER TREATMENT FACILITY REVENUE BONDS AND
2022 SEWER TREATMENT FACILITY OBLIGATIONS (2009A SEWER REVENUE BONDS)

Last Ten Fiscal Years



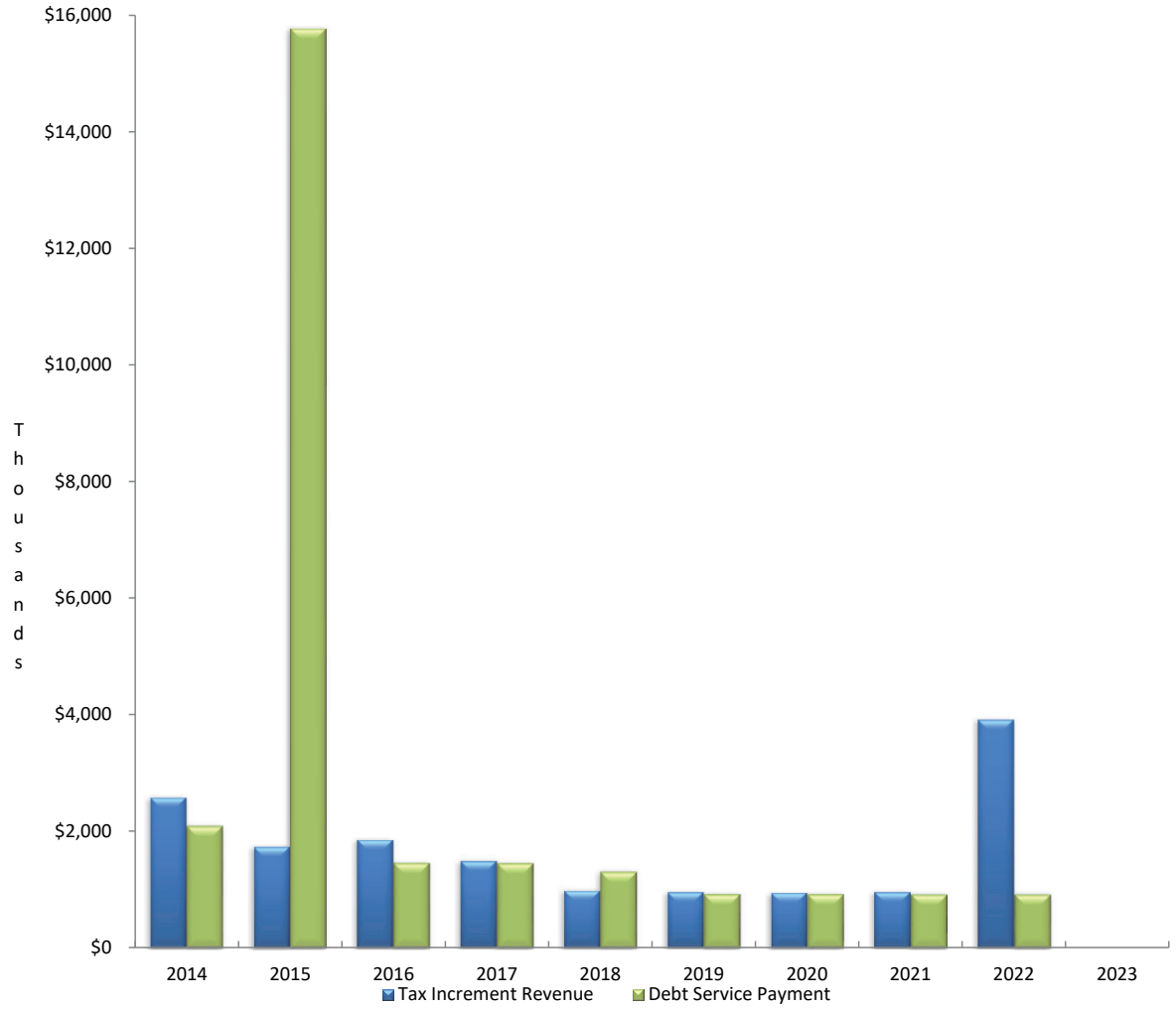
Fiscal Year	Sewer Treatment Facility Gross Revenue	Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2014	$3,111,925	$79,127	$3,032,798	$160,000	$345,082	$505,082	6.00
2015	3,113,080	84,082	3,028,998	165,000	340,207	505,207	6.00
2016	3,124,790	83,594	3,041,196	165,000	335,257	500,257	6.08
2017	3,093,423	75,282	3,018,141	170,000	330,232	500,232	6.03
2018	3,288,125	18,489	3,269,636	175,000	325,057	500,057	6.54
2019	3,611,952	77,591	3,534,361	180,000	319,732	499,732	7.07
2020	3,621,986	90,354	3,531,632	385,000	1,497,313	1,882,313	1.88
2021	3,207,534	126,823	3,080,711	535,000	1,329,209	1,864,209	1.65
2022	3,128,640	125,473	3,003,167	555,000	1,329,209	1,884,209	1.59
2023	3,307,130	894,849	2,412,281	1,695,000	1,105,029	2,800,029	0.86

Notes: Debt service on the 2018 bonds did not begin until August 2019.
The 2022 Obligations refunded the 2009A Bonds and debt service on the 2022 Obligations did not begin until August 2022.

Source: City of Belmont Annual Financial Statements

CITY OF BELMONT
BONDED DEBT PLEDGED REVENUE COVERAGE
SUCCESSOR AGENCY (INCLUDING FORMER REDEVELOPMENT AGENCY BONDS)

Last Ten Fiscal Years



Fiscal Year	Tax Revenue (a)	Debt Service Requirements			Coverage
		Principal	Interest	Total	
2014	$2,589,571	$1,175,000	$929,957	$2,104,957	1.23
2015	1,744,119	15,605,000	165,050	15,770,050	0.11 (b)
2016	1,865,275	1,125,000	347,079	1,472,079	1.27
2017	1,498,633	1,160,000	307,056	1,467,056	1.02
2018	992,433	1,050,000	268,552	1,318,552	0.75
2019	966,582	695,000	238,235	933,235	1.04
2020	956,855	720,000	213,518	933,518	1.02
2021	966,457	740,000	188,015	928,015	1.04
2022	3,922,881	740,000 (c)	188,015 (c)	928,015	4.23
2023	(c)				

Notes:

(a) Tax Increment Revenues are no longer allocated to Redevelopment Agencies, effective January 31, 2012. Effective February 1, 2012, the Successor Agency had assumed all obligations of the Redevelopment Agency. Pursuant to law, the Successor Agency receives Real Property Tax Trust Funds Allocations to finance its activities including debt service on obligations of the former Redevelopment Agency.

(b) Coverage is low due to refunding of debt in fiscal year 2015

(c) The Bonds were defeased during fiscal year 2022.

Source: City of Belmont Annual Financial Statements

CITY OF BELMONT
SEWER SYSTEM
SUMMARY STATEMENT OF HISTORICAL
REVENUE AND EXPENDITURES
Last Ten Fiscal Years

	Notes	Fiscal Year Ended June 30, 2014	2015	2016	2017	2018
REVENUES						
Charges for services		$8,054,697	$8,413,152	$9,092,502	$9,413,671	$10,311,885
Connection charges	(1)			428,116	1,503,782	60,125
Miscellaneous revenues (charges)		500	0	9,095	118	
Interest revenue	(1)	11,726	12,711	75,252	90,353	388,306
Joint venture interest	(1)	(326,150)	(922,413)	(2,265,589)	(240,494)	(228,686)
Total Revenues		7,740,773	7,503,450	7,339,376	10,767,430	10,531,630
EXPENSES						
Personnel services		1,137,123	1,181,169	1,232,220	1,589,589	2,047,229
Supplies, materials and services		3,535,644	4,037,932	4,780,951	4,987,638	5,240,333
Sewer treatment services		204,549	0			
Interest expense	(1)	547,501	530,041	1,059,926	719,883	771,944
Total Expenses		5,424,817	5,749,142	7,073,097	7,297,110	8,059,506
Net Operating Transfers In (Out)	(1),(2)	(547,775)	(628,769)	(1,285,187)	(824,580)	(1,312,423)
NET REVENUES		$1,768,181	$1,125,539	($1,018,908)	$2,645,740	$1,159,701
Less adjustments		$0	$0	$0	$190,822	$1,864,622
AMOUNTS AVAILABLE FOR DEBT SERVICE		$1,768,181	$1,125,539	($1,018,908)	$2,836,562	$3,024,323

	Notes	Fiscal Year Ended June 30, 2019	2020	2021	2022	2023
REVENUES						
Charges for services		$10,850,538	$12,468,348	$12,572,930	$13,995,360	$14,822,694
Connection charges	(1)	49,272	60,124	3,603,551	2,255,284	180,373
Miscellaneous revenues (charges)		1,708,958	0	125	0	9,128
Interest revenue	(1)	481,193	632,309	86,058	(45,649)	1,051,575
Joint venture interest	(1)	(585,866)	(652,586)	(677,611)	(723,609)	(717,644)
Total Revenues		12,504,095	12,508,195	15,585,053	15,481,386	15,346,126
EXPENSES						
Personnel services		1,785,140	1,233,263	1,478,448	1,709,147	1,238,959
Supplies, materials and services		6,688,662	5,252,909	5,779,254	5,406,610	5,480,769
Sewer treatment services						
Interest expense	(1)	780,887	1,385,791	1,424,429	1,387,174	1,348,454
Total Expenses		9,254,689	7,871,963	8,682,131	8,502,931	8,068,182
Net Operating Transfers In (Out)	(1),(2)	0	(325,000)	(8,334)	(98,948)	(32,851)
NET REVENUES		$3,249,406	$4,311,232	$6,894,588	$6,879,507	$7,245,093
Less adjustments (1), (2)		$836,288	$1,670,944	($1,579,235)	$96	$867,001
AMOUNTS AVAILABLE FOR DEBT SERVICE		$4,085,694	$5,982,176	$5,315,353	$6,879,603	$8,112,094

Notes:
(1) Not included in System Revenues under the Installment Purchase Agreement, beginning March 1, 2016.
(2) Includes transfers for storm drain improvements that mitigate infiltration and intrusion into the sewage system.

Source: City of Belmont

CITY OF BELMONT
TEN LARGEST USERS OF THE SEWER SYSTEM

User		Type	Fiscal Year 2022-23 Revenues*
Prime Old County LP	040-271-380	Multifamily Residential	$269,172
PMI Belmont II LLC	Various	Multifamily Residential	213,215
McLellan Estate Co	Various	Multifamily Residential	188,230
Crestview South Apartments LLC	040-261-370	Multifamily Residential	119,920
Timberlane Apartments Partnership LP	045-373-150	Multifamily Residential	111,692
Carlmont Heights LLC	045-030-240	Multifamily Residential	87,320
Spieker Richard Tod TR & Spieker Catherine Reilly TR	Various	Multifamily Residential	85,171
City of Belmont	Various	Public	82,626
Continentals Belmont Partnership	045-372-130	Shopping Center	81,195
Carlmont Village Shopping Center	Various	Shopping Center	78,949

* Includes Base and Flow Charges
Source: City of Belmont
Required per 2016 Sewer Revenue Bonds Continuing Disclosure.

NUMBER OF SEWER SERVICE USERS

User Type	2014	2015	2016	2017	2018
All Users	8,242	8,240	8,239	8,240	8,240
	2019	**2020**	**2021**	**2022**	**2023**
All Users	8,248	8,253	8,358	8,360	8,340

(1) Decline due to a change from a flat rate to a metered rate system.

SEWER SERVICE REVENUES BY CLASS OF USER
June 30, 2023

User Class	Revenue	Percent
Single Family & Multiple Family Residential	$12,603,912	85.05%
Commercial/Institutional	2,215,349	14.95%
Total Revenue	$14,819,261	100.00%

Source: nbsgov.com

CITY OF BELMONT
SCHEDULE OF BUDGETED & PROJECTED
SEWER TREATMENT FACILITY CHARGES
AND ASSOCIATED DEBT SERVICE

Fiscal Year	2018-19	2019-20	2020-21	2021-22	2022-23
Sewer Treatment Facility Charges Revenue [A]	$3,178,480	$3,196,757	$3,181,962	$3,142,679	$3,142,057
Debt Service Series 2009A Bonds [B]	(499,732)	(506,481)	(505,436)	(508,836)	(1,390,125)
Debt Service Series 2018 Bonds		(1,383,056)	(1,390,750)	(1,388,375)	(1,409,904)
Surplus, after debt service	2,678,748	1,307,220	1,285,776	1,245,468	342,028
Debt Service Coverage Ratio	636.037%	169.182%	167.809%	165.647%	112.215%

Fiscal Year	2023-24	2024-25	2025-26	2026-27	2027-28
Sewer Treatment Facility Charges Revenue [A]	$3,146,230	$3,209,155	$3,273,338	$3,338,805	$3,405,581
Debt Service Series 2018 Bonds	(1,390,875)	(1,390,625)	(1,389,375)	(1,387,125)	(1,388,750)
Debt Service 2022 Sewer Treatment Facility Obligations	(1,440,923)	(797,659)	(796,911)	(797,818)	(333,412)
Surplus, after debt service	314,432	1,020,871	1,087,052	1,153,862	1,683,419
Debt Service Coverage Ratio	111.104%	146.652%	149.721%	152.810%	197.750%

[A] Not including amounts on deposit in the Rate Stabilization Fund.
If such amounts were added to revenues, debt service coverage would be higher than shown.
[B] Series 2009A Bonds were refunded in May 2022.

Collection of charge began in 2011-12.
Required per 2009 and 2018 Sewer Treatment Facility Revenue Bonds Continuing Disclosure.

Source: nbsgov.com

COMMUNITY FACILITIES DISTRICT NO. 2000-1 OF THE CITY OF BELMONT
CONTINUING DISCLOSURES

June 30, 2023

Bond Principal Outstanding - August 30, 2023 $3,625,000

Balance Outstanding by Fund - August 1, 2023

Reserve Fund	$1	(surety bond w/ Ambac no value)

Maximum Debt Service Coverage

Year Ending August 1,	Net Taxes	Bond Debt Service	Debt Service Coverage
2004	$855,013.15	$328,750.00	2.60
2005	840,459.85	650,000.00	1.29
2006	848,544.45	645,000.00	1.32
2007	856,703.50	642,200.00	1.33
2008	864,937.60	640,300.00	1.35
2009	873,247.39	640,400.00	1.36
2010	881,633.49	640,425.00	1.38
2011	890,096.52	639,925.00	1.39
2012	898,637.11	643,900.00	1.40
2013	907,255.90	642,088.00	1.41
2014	915,953.53	644,163.00	1.42
2015	924,730.64	644,788.00	1.43
2016	864,667.73	639,550.00	1.35
2017	870,121.20	643,738.00	1.35
2018	878,822.41	641,775.00	1.37
2019	866,272.46	638,950.00	1.36
2020	860,531.00	640,262.50	1.34
2021	869,462.47	640,425.00	1.36
2022	873,830.66	644,437.50	1.36
2023	882,568.97	642,012.50	1.37
2024	891,394.66	643,437.50	1.39
2025	900,308.61	643,425.00	1.40
2026	909,311.70	641,975.00	1.42
2027	918,404.82	644,087.50	1.43
2028	927,588.87	644,475.00	1.44
2029	936,864.76	643,137.50	1.46
2030	946,233.41	645,075.00	1.47
Total	$23,953,596.86	$17,038,702.00	1.41

Special Tax Levy Delinquency Rate - June 30, 2023 0.53% (a)

Status of Foreclosure Actions on Special Tax Levy in Excess of $10,000 None

Special Tax Delinquency in Excess of 5% of Total Levy

Owner	Land Use	Special Tax	Total Special Tax
None	N/A	N/A	N/A

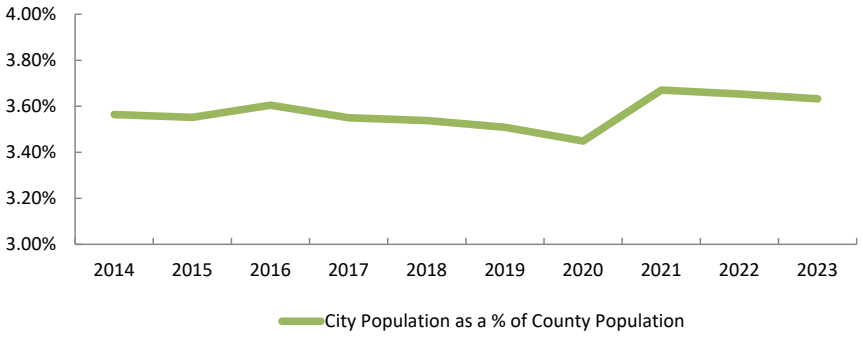
Changes to Tax Rate and Method of Apportionment None

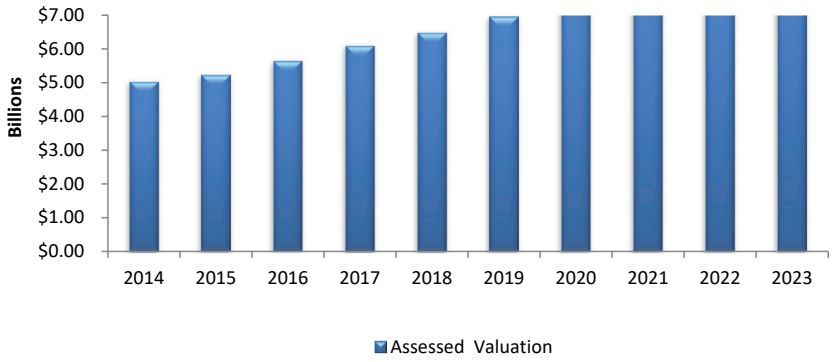
Supplemental California Debt and Investment Advisory Commission Reporting None
CDIAC To be filed by October 30

(a) Provided by NBS - Delinquency Summary Report

CITY OF BELMONT
DEMOGRAPHIC AND ECONOMIC STATISTICS

Last Ten Fiscal Years





Fiscal Year	City Population	Assessed Valuation	San Mateo County Population	City Population % of County
2014	26,559	$5,013,618,086	745,193	3.56%
2015	26,748	5,209,249,361	753,123	3.55%
2016	27,608	5,648,901,772	765,895	3.60%
2017	27,343	6,077,587,115	770,256	3.55%
2018	27,388	6,477,809,867	774,155	3.54%
2019	27,174	6,951,922,956	774,485	3.51%
2020	26,669	7,453,883,672	773,244	3.45%
2021	27,587	7,946,879,729	751,596	3.67%
2022	27,203	8,281,898,247	744,662	3.65%
2023	26,793	9,028,158,925	737,644	3.63%

	2017-2021		2011-2015	2009-2013	2007-2011
Per Capita Income:	$86,444		$79,061	$56,033	$52,862
Unemployment Rate:					
Male:	4.80%	(b)	4.20%	8.56%	8.59%
Female:	5.00%	(b)	2.10%	5.54%	5.57%
Total Personal Income:	$178,125		$160,046	$106,287	$103,083

(a) The most recent information available is from 2021.
(b) Data only available for California, July 2022.

Source: California State Department of Finance
County of San Mateo Controller's Office
www.usa.com

CITY OF BELMONT
PRINCIPAL EMPLOYERS

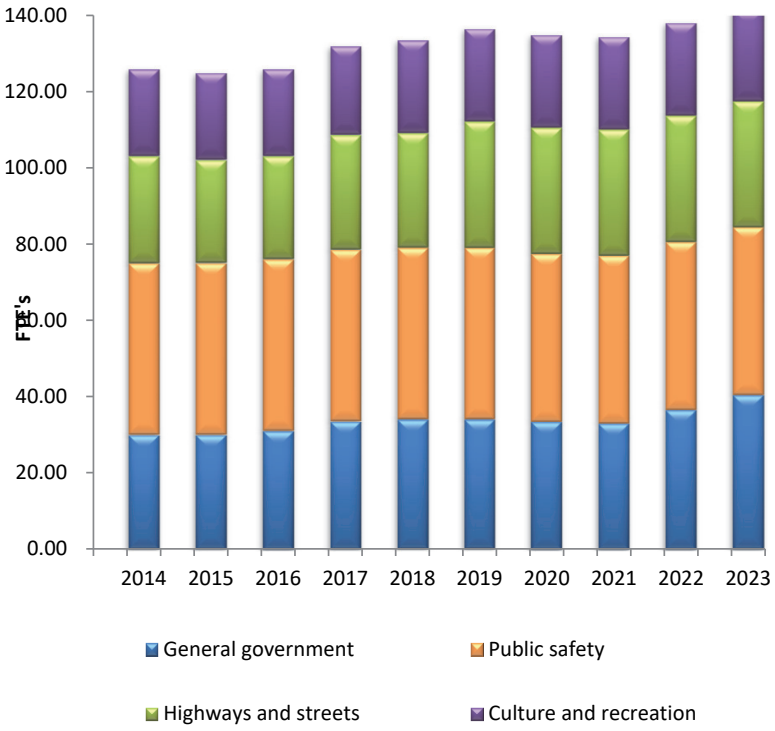
Current Year and Ten Years Ago

Fiscal 2022-2023		Fiscal 2013-2014	
Employer	**Number of Employees**	**Employer**	**Number of Employees**
RING CENTRAL, INC.	528	ORACLE AMERICA, INC.	565
VOLKSWAGEN GRP OF AMERICA ERL	250	CENGAGE LEARNING, INC.	338
AUTOBAHN MOTORS	132	SAFEWAY STORE	306
CARLMONT GARDENS NURSING CTR	130	SUNEDISON	150
SAFEWAY STORE #1138	113	NIKON PRECISION, INC.	139
SILVERADO - BELMONT HILLS	94	AUTOBANH MOTORS	120
LUNARDI'S MARKET	90	CARLMONT GARDENS NURSING CENTER	98
NIKON PRECISION INC.	80	JAMES ELECTRONICS/LTD	84
INNOVATIVE MECHANICAL INC	75	SILVERADO SR LIVING BELMONT HILLS	73
JAMES ELECTRONICS/LTD	63	LUNARDI'S MARKET	73

Note: Excludes exempt entities, such as financial institutions, governments and non-profits.
Data not available for ranking or total employment.
Source: City of Belmont Finance, Business License (Hdl Companies)

CITY OF BELMONT
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION

Last Ten Fiscal Years



	Fiscal Year Ended June 30,									
Function	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
General government	30.00	30.00	31.00	33.50	34.00	34.00	33.42	33.00	36.50	40.50
Public safety	45.00	45.00	45.00	45.00	45.00	45.00	44.00	44.00	44.00	44.00
Highways and streets	28.00	27.00	27.00	30.00	30.00	33.00	33.00	33.00	33.00	33.00
Culture and recreation	22.85	22.85	22.85	23.30	24.30	24.30	24.30	24.30	24.30	24.00
Total	125.85	124.85	125.85	131.80	133.30	136.30	134.72	134.30	137.80	141.50

Source: City of Belmont Budget

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CITY OF BELMONT
OPERATING INDICATORS BY FUNCTION/PROGRAM

Last Ten Fiscal Years

	Fiscal Year Ended June 30			
	2014	**2015**	**2016**	**2017**
Function/Program				
Public safety:				
Belmont Fire Department (established October 1, 2011) (1)				
Fire calls for service	2,585	2,678	2,225	2,459
Annual Fire Inspections	838	125	850	451
New Business License Inspections	55	45	52	83
Plan Checks	122	133	92	131
Police:				
Police calls for service	30,087	30,426	29,981	29,039
Law violations: (2)				
Part I crimes	495	340	493	474
Physical arrests (adult and juvenile)	575	546	470	383
Traffic violations	1,360	1,535	2,177	2,449
Parking violations	2,732	3,351	3,078	2,461
Public works				
Street resurfacing (miles)	0	0	0	0
Culture and recreation:				
Community Services:				
Recreation class participants	39,605	39,715	40,150	43,580
Sewer				
Sewer Connections	7,653	7,663	7,671	7,673
Average daily treatment (millions of gallons) - City only	1.64	1.80	1.80	1.80
Average daily treatment (millions of gallons) - Total SVCW	15.75	15.75	15.75	15.75
Treatment capacity - SVCW (millions of gallons)	29.00	29.00	29.00	29.00
Storm drain inlets	1,500	1,500	1,500	1,500
Sewer main blockages	3	6	2	4

Source: City of Belmont

Notes:

(1) Fire services provided through Belmont-San Carlos Fire Department through September 30, 2011.

(2) Belmont PD switched to the FBI and California DOJ required NIBRS crime reporting as of June 2021.

N/A denotes information not available.

Fiscal Year Ended June 30					
2018	2019	2020	2021	2022	2023
2,294	2,354	2,249	2,455	2,510	2,719
647	466	249	403	340	561
53	49	38	7	29	28
183	157	36	209	171	163
26,715	24,947	25,347	25,559	20,858	21,765
498	513	558	556	506	1,098
336	373	358	459	504	551
2,373	1,644	1,580	989	1,150	1,505
2,428	2,350	2,037	1,935	1,574	1,969
0	7	2	3	2	1
44,910	44,947	34,230	18,075	52,714	92,280
7,678	7,682	7,687	7,689	7,690	7,691
1.80	1.80	1.80	1.80	1.80	1.80
15.75	15.75	15.75	15.75	15.75	15.75
29.00	29.00	29.00	29.00	29.00	29.00
1,500	1,500	1,500	1,500	1,500	1,500
2	2	2	2	2	1

CITY OF BELMONT
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

Last Ten Fiscal Years

	Fiscal Year Ended June 30			
	2014	**2015**	**2016**	**2017**
Function/Program				
General Government:				
Administration Buildings	2	2	2	2
Public safety:				
Fire stations (1)	2	2	2	2
Police stations	1	1	1	1
Public works				
Miles of streets	70	70	70	70
Street lights	1,465	1,465	1,465	1,465
Traffic Signals	17	17	17	17
Culture and recreation:				
Community services:				
City parks:				
Number of developed parks	14	14	14	14
Acres of developed parks	60.40	60.40	60.40	60.40
Number of undeveloped parks	3	3	3	3
Acres of undeveloped parks	29.16	29.16	29.16	29.16
Acres of open space	287.58	287.58	287.58	287.58
Community Buildings	19	19	19	19
Library:				
City Library (2)	1	1	1	1
Water (Provided by Mid-Peninsula Water District)				
Sewer				
Miles of sanitary sewers	85.00	85.00	85.00	85.00
Storm Drains (miles)	27.00	27.00	27.00	27.00
Number of treatment plants (3)	1	1	1	1

Notes:
(1) Provided through the Belmont-San Carlos Fire Department through September 30, 2011.
Belmont Fire Department established October 1, 2011 provided services through January 12, 2019.
San Mateo Consolidated Fire Department established January 13, 2019.
(2) The Library is property of the City of Belmont and operated by San Mateo County.
(3) Provided through the Silicon Valley Clean Water Authority
N/A denotes information not available.
Source: City of Belmont

Fiscal Year Ended June 30					
2018	2019	2020	2021	2022	2023
2	2	2	2	2	2
2	2	2	2	2	2
1	1	1	1	1	1
70	70	70	70	70	70
1,465	1,465	1,465	1,465	1,465	1,465
17	18	18	18	18	18
15	15	15	15	15	15
61.40	61.40	61.40	61.40	61.40	61.40
3	2	2	2	2	2
29.16	28.16	28.16	28.16	28.16	6.30
287.58	287.58	287.58	287.58	287.58	317.00
19	19	19	19	19	19
1	1	1	1	1	1
85.00	85.00	85.00	85.00	85.00	85.00
27.00	27.00	27.00	27.00	27.00	27.00
1	1	1	1	1	1

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SUPPLEMENTAL FINANCIAL INFORMATION
REGARDING SUCCESSOR AGENCY ASSESSED VALUATIONS
(UNAUDITED)

Assessed Valuations

The base year valuation for the Project Area was established in the fiscal year ending June 30, 1982. The following table shows historical incremental assessed valuation (including all categories of assessed value) within the Project Area as of the March 1 lien date for the fiscal years 1982-83 through 2021-2022. It should be noted that due to adjustments after the lien date, assessed value may increase or decrease during the year. Factors causing these adjustments include, but are not limited to, supplemental assessments and appeals to assessed value. These adjustments to assessed values, in turn, cause tax increment revenues to increase or decrease.

All Successor Agency operations were terminated as of June 30, 2022.

CITY OF BELMONT SUCCESSOR AGENCY
(FORMERLY BELMONT REDEVELOPMENT AGENCY)
LOS COSTANOS COMMUNITY DEVELOPMENT PROJECT AREA
HISTORICAL INCREMENTAL ASSESSED VALUATION

Fiscal Year Ending June 30	Total Assessed Valuation	Incremental Assessed Valuation (1)	Change in Incremental Assessed Valuation From Previous Year
1983	$157,135,342	$21,536,072	not available
1984	171,237,981	35,638,711	65.48%
1985	184,060,881	62,564,250	75.55%
1986	201,153,514	65,554,244	4.78%
1987	234,842,064	99,242,794	51.39%
1988	246,823,012	111,223,742	12.07%
1989	254,810,733	119,211,463	7.18%
1990	275,154,532	139,555,262	17.07%
1991	313,264,539	177,665,269	27.31%
1992	349,801,313	214,202,043	20.56%
1993	376,194,509	240,595,239	12.32%
1994	389,900,944	254,301,674	5.70%
1995	397,847,297	262,248,027	3.12%
1996	420,827,405	285,228,135	8.76%
1997	441,467,705	305,868,435	7.24%
1998	483,248,340	347,649,070	13.66%
1999	508,606,319	373,007,049	7.29%
2000	551,190,752	415,591,482	11.42%
2001	628,703,301	493,104,031	18.65%
2002	703,196,659	567,597,389	15.11%
2003	736,172,756	600,573,486	5.81%
2004	763,224,908	627,625,638	4.50%
2005	793,262,313	657,663,043	4.79%
2006	828,369,282	692,770,012	5.34%
2007	882,997,061	747,397,791	7.89%
2008	925,665,178	790,065,908	5.71%
2009	1,001,611,395	866,012,125	9.61%
2010	1,021,824,923	886,225,653	2.33%
2011	979,692,227	844,092,957	-4.75%
2012	1,006,362,049	870,762,779	3.16%
2013	1,064,558,175	928,958,905	6.68%
2014	1,096,475,744	960,876,474	3.44%
2015	1,137,357,996	1,001,758,726	4.25%
2016	1,205,793,308	1,070,194,038	6.83%
2017	1,287,183,196	1,151,583,926	7.61%
2018	1,384,289,254	1,248,689,984	8.43%
2019	1,531,108,751	1,395,509,481	11.76%
2020	1,680,464,323	1,544,865,053	10.70%
2021	1,838,302,558	1,702,703,288	10.22%
2022	1,907,657,139	1,772,057,869	4.07%

Source: County of San Mateo

(1) Total assessed valuation in excess of the Agency's 1981-82 base year assessed valuation of $135,599,270.

Historical Housing Set-Aside Amounts

The following table shows the historical allocation of tax increment revenues by the County of San Mateo derived from the project area.

CITY OF BELMONT SUCCESSOR AGENCY
(FORMERLY BELMONT REDEVELOPMENT AGENCY)
LOS COSTANOS COMMUNITY DEVELOPMENT PROJECT AREA
HISTORICAL RECEIPT OF TAX INCREMENT AND TRUST FUND REVENUES

Fiscal Year Ending June 30	Secured Tax Increment (2)	Unsecured Tax Increment (2)	Unitary Revenue (3)	Supplemental Allocations (2)	Total Tax Increment (4)	Real Property Tax Trust Fund Allocations (6)	Total Tax	Housing Set Aside Amounts (5)	Change From Prior Year
1984					$285,494		$285,494	$57,099	
1985					363,836		363,836	72,989	27.44%
1986	$429,246	$84,594		$16,681	530,521		530,521	103,097	45.81%
1987	725,932	82,321		58,699	866,952		866,952	168,560	63.42%
1988	787,579	69,137		103,030	959,746		959,746	191,949	10.70%
1989	924,058	73,737		87,124	1,084,919		1,084,919	216,983	13.04%
1990	1,035,629	85,045	$25,534	57,535	1,203,743		1,203,743	240,749	10.95%
1991	1,260,743	1,225,929	54,683	120,184	2,661,539		2,661,539	311,708	121.11%
1992	1,629,619	81,020	57,216	145,226	1,913,081		1,913,081	382,616	(28.12%)
1993	1,758,187	93,810	58,779	59,494	1,970,270		1,970,270	394,055	2.99%
1994	1,890,260	72,133	51,221	49,533	2,063,147		2,063,147	412,629	4.71%
1995	1,933,676	17,827	54,213	18,928	2,024,644		2,024,644	404,929	(1.87%)
1996	2,019,812	222,873	54,170	29,872	2,326,727		2,326,727	465,346	14.92%
1997	2,227,773	131,833	39,541	105,133	2,504,280		2,504,280	500,856	7.63%
1998	2,520,936	195,020	50,432	106,587	2,872,975		2,872,975	569,942	14.72%
1999	2,832,402	123,236	64,836	49,610	3,070,084		3,070,084	614,016	6.86%
2000	3,076,826	118,983	57,337	183,315	3,436,461		3,436,461	687,292	11.93%
2001	3,640,433	172,658	61,111	103,483	3,977,685		3,977,685	795,537	15.75%
2002	4,212,040	253,052	67,477	455,911	4,988,481		4,988,481	997,696	25.41%
2003	4,415,999	220,998	72,375	300,175	5,009,547		5,009,547	1,001,909	0.42%
2004	4,511,245	177,074	77,251	165,496	4,931,066		4,931,066	986,213	(1.57%)
2005	4,773,499	178,051	64,387	179,086	5,195,023		5,195,023	1,039,005	5.35%
2006	4,985,628	176,562	60,337	247,801	5,470,328		5,470,328	1,094,066	5.30%
2007	5,297,243	163,847	151,994	334,221	5,947,305		5,947,305	1,189,461	8.72%
2008	5,812,332	189,141	69,495	281,093	6,352,061		6,352,061	1,270,412	6.81%
2009	6,343,282	289,016	69,868	273,397	6,975,563		6,975,563	1,395,113	9.82%
2010	6,631,570	205,106	78,094	72,979	6,987,749		6,987,749	1,397,550	0.17%
2011	6,274,474	184,886	68,347	61,692	6,589,398		6,589,398	1,317,880	(5.70%)
2012	3,205,128	372,746	39,886		3,617,760	$1,821,662	5,439,422	723,552	(17.45%)
2013						2,430,695	2,430,695		(55.31%)
2014						2,589,571	2,589,571		6.54%
2015						1,744,119	1,744,119		(32.65%)
2016						1,865,275	1,865,275		6.95%
2017						1,498,633	1,498,633		(19.66%)
2018						992,433	992,433		(33.78%)
2019						966,582	966,582		(2.60%)
2020						956,855	956,855		(1.01%)
2021						966,457	966,457		1.00%
2022						3,922,881	3,922,881		305.90%

(1) Amounts shown are net of amounts waived by the Agency under County Fiscal Agreement.

(2) Breakdown of tax increment amount secured, unsecured and supplemental categories not available for fiscal years ended June 30, 1984 through 1985.

(3) Unitary revenue reported separately starting in the fiscal year ended June 30, 1990.

(4) Total tax increment includes housing set-aside amounts. Under the RDA Dissolution Legislation, the Housing Set Aside was not required in FY 2012 and forward.

(5) This amount calculated as defined in the Fiscal Agreement.

(6) Tax Increment Revenues are no longer allocated to Redevelopment Agencies, effective January 31, 2012. Effective February 1, 2012, the Successor Agency has assumed all obligations of the Redevelopment Agency. Pursuant to law, the Successor Agency receives Real Property Tax Trust Funds Allocations to finance its activities including debt service on obligations of the former Redevelopment Agency.

Source: Belmont Successor Agency and County of San Mateo Controller's Office.

Debt Service Coverage

Housing Set-Aside Amounts in fiscal year 2021-2022 were $0 pursuant to AB x1-26. See the table above entitled "Historical Receipt of Tax Incremental Revenues." Prior to July 1, 2011, tax increment revenues were used to fund debt service on the 1996 Housing Set-Aside Bonds. As a result of the dissolution of the Redevelopment Agency pursuant to state law, a Successor Agency assumed the debt and receives tax revenues used to pay debt service and fund other activities of the former Redevelopment Agency. Debt service repayments on these bonds are made by the Successor Agency from tax revenue.

Major Property Taxpayers

The ten largest assesses in the Project Area for fiscal 2021-2022 and the assessed valuation of their respective properties in the Project Area as reported by the County are provided in the following schedule. The total taxable value of these properties equals $432,702,061 which represents approximately 23.33% percent of the Project Area's secured taxable valuation (including Unitary Assessed valuation).

CITY OF BELMONT SUCCESSOR AGENCY
(FORMERLY BELMONT REDEVELOPMENT AGENCY)
LOS COSTANOS COMMUNITY DEVELOPMENT PROJECT AREA
TEN LARGEST SECURED PROPERTY TAX ASSESSES

	Assessee	Use	FY21 - 22 Taxable Value (2)	Percentage of Total Secured Taxable Value of Project Area (1)
1	600 Clipper Operating LLC	Office	$94,189,576	5.08%
2	Westlake Gresham Center LLC	Office	57,763,739	3.11%
3	Belmont Hotels LLC	Hotel	51,852,777	2.80%
4	Nikon Precision Inc.	Office	44,786,779	2.41%
5	Prime Old County LP	Residential Multi-Family	34,324,906	1.85%
6	Oracle Corporation	Office	34,280,064	1.85%
7	SRE California - 3 LLC	Retail	32,927,132	1.78%
8	Grand Prix Belmont LLC	Hotel	31,473,548	1.70%
9	875 Woodside LLC	Residential Multi-Family	25,864,728	1.39%
10	SSL Landlord LLC	Residential Senior Living	25,238,758	1.36%
	Total		$432,702,007	23.33%
	Secured taxable value		$1,854,734,643	

(1) The secured taxable value of the Project Area for fiscal year 2021-2022 is $1,854,734,643.

Source: City of Belmont and County of San Mateo Assessor's Office.

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INDEPENDENT AUDITOR'S REPORT ON
INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS*

To the Honorable Members of the City of Council
City of Belmont, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the City of Belmont, California, as of and for the year ended June 30, 2023, and have issued our report thereon dated November 9, 2023. Our report includes a reference to other auditors who audited the financial statements of the San Mateo Consolidated Fire Department (SMC Fire) as of and for the year ended June 30, 2022, related to the calculation of the Investment in Joint Venture, as described in our report on the City's financial statements. Our report also includes an emphasis of a matter paragraph disclosing the implementation of new accounting principles.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

We have also issued a separate Memorandum on Internal Control dated November 9, 2023, which is an integral part of our audit and should be read in conjunction with this report.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Maze & Associates

Pleasant Hill, California
November 9, 2023

CITY OF BELMONT

MEMORANDUM ON INTERNAL CONTROL

FOR THE YEAR ENDED JUNE 30, 2023

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CITY OF BELMONT
MEMORANDUM ON INTERNAL CONTROL

For the Year Ended June 30, 2023

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MEMORANDUM ON INTERNAL CONTROL

To the City Council of
the City of Belmont, California

We have audited the basic financial statements of the City of Belmont for the year ended June 30, 2023, and have issued our report thereon dated November 9, 2023. Our opinions on the basic financial statements and this report, insofar as they relate to the Investment in Joint Venture of the San Mateo Consolidated Fire Department (SMC Fire), are based solely on the report of other auditors. In planning and performing our audit of the basic financial statements of the City as of and for the year ended June 30, 2023, in accordance with auditing standards generally accepted in the United States of America, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error or fraud may occur and not be detected by such controls. Given these limitations during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Included in the Schedule of Other Matters are recommendations not meeting the above definitions that we believe are opportunities for strengthening internal controls and operating efficiency.

This communication is intended solely for the information and use of management, City Council, others within the organization, and agencies and pass-through entities requiring compliance with *Government Auditing Standards*, and is not intended to be and should not be used by anyone other than these specified parties.

Maze & Associates

Pleasant Hill, California
November 9, 2023

Accountancy Corporation
3478 Buskirk Avenue, Suite 217
Pleasant Hill, CA 94523

T 925.228.2800
E maze@mazeassociates.com
W mazeassociates.com

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MEMORANDUM ON INTERNAL CONTROL

SCHEDULE OF OTHER MATTERS

NEW GASB PRONOUNCEMENTS OR PRONOUNCEMENTS NOT YET EFFECTIVE

The following comment represents new pronouncements taking affect in the next few years. We cite them here to keep you informed of developments:

EFFECTIVE FISCAL YEARS 2022, 2023 and 2024:

GASB 99 – *Omnibus 2022*

The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The practice issues addressed by this Statement are as follows:

- Classification and reporting of derivative instruments within the scope of Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments,* that do not meet the definition of either an investment derivative instrument or a hedging derivative instrument.

- Clarification of provisions in Statement No. 87, *Leases,* as amended, related to the determination of the lease term, classification of a lease as a short term lease, recognition and measurement of a lease liability and a lease asset, and identification of lease incentives.

- Clarification of provisions in Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements,* related to (a) the determination of the public-private and public-public partnership (PPP) term and (b) recognition and measurement of installment payments and the transfer of the underlying PPP asset.

- Clarification of provisions in Statement No. 96, *Subscription-Based Information Technology Arrangements,* related to the subscription-based information technology arrangement (SBITA) term, classification of a SBITA as a short term SBITA, and recognition and measurement of a subscription liability.

- Extension of the period during which the London Interbank Offered Rate (LIBOR) is considered an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap that hedges the interest rate risk of taxable debt.

- Accounting for the distribution of benefits as part of the Supplemental Nutrition Assistance Program (SNAP).

- Disclosures related to nonmonetary transactions.

- Pledges of future revenues when resources are not received by the pledging government.

GASB 99 – *Omnibus 2022 (Continued)*

- Clarification of provisions in Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments,* as amended, related to the focus of the government-wide financial statements.

- Terminology updates related to certain provisions of Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position.*

- Terminology used in Statement 53 to refer to resource flows statements.

The Requirements of this Statement are Effective as Follows:

The requirements in paragraphs 26–32 related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance.

The requirements in paragraphs 11–25 related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.

The requirements in paragraphs 4–10 related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

Earlier application is encouraged and is permitted by individual topic.

How the Changes in This Statement Will Improve Financial Reporting

The requirements of this Statement will enhance comparability in the application of accounting and financial reporting requirements and will improve the consistency of authoritative literature. Consistent authoritative literature enables governments and other stakeholders to more easily locate and apply the correct accounting and financial reporting provisions, which improves the consistency with which such provisions are applied. The comparability of financial statements also will improve as a result of this Statement. Better consistency and comparability improve the usefulness of information for users of state and local government financial statements.

MEMORANDUM ON INTERNAL CONTROL

SCHEDULE OF OTHER MATTERS

EFFECTIVE FISCAL YEAR 2024:

GASB 100 – *Accounting for Changes and Error Corrections*

The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

This Statement defines *accounting changes* as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements.

This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. The requirements of this Statement for changes in accounting principles apply to the implementation of a new pronouncement in absence of specific transition provisions in the new pronouncement. This Statement also requires that the aggregate amount of adjustments to and restatements of beginning net position, fund balance, or fund net position, as applicable, be displayed by reporting unit in the financial statements.

This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated.

Furthermore, this Statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). For periods that are earlier than those included in the basic financial statements, information presented in RSI or SI should be restated for error corrections, if practicable, but not for changes in accounting principles.

MEMORANDUM ON INTERNAL CONTROL

SCHEDULE OF OTHER MATTERS

EFFECTIVE FISCAL YEAR 2025:

GASB 101 – *Compensated Absences*

The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

Recognition And Measurement

This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences.

This Statement requires that a liability for certain types of compensated absences—including parental leave, military leave, and jury duty leave—not be recognized until the leave commences. This Statement also requires that a liability for specific types of compensated absences not be recognized until the leave is used.

This Statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee's pay rate as of the date of the financial statements. A liability for leave that has been used but not yet paid or settled should be measured at the amount of the cash payment or noncash settlement to be made. Certain salary-related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities.

With respect to financial statements prepared using the current financial resources measurement focus, this Statement requires that expenditures be recognized for the amount that normally would be liquidated with expendable available financial resources.

Notes To Financial Statements

This Statement amends the existing requirement to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability (as long as they identify it as a net change). In addition, governments are no longer required to disclose which governmental funds typically have been used to liquidate the liability for compensated absences.

GASB 101 – *Compensated Absences (Continued)*

How the Changes in this Statement Will Improve Financial Reporting

The unified recognition and measurement model in this Statement will result in a liability for compensated absences that more appropriately reflects when a government incurs an obligation. In addition, the model can be applied consistently to any type of compensated absence and will eliminate potential comparability issues between governments that offer different types of leave.

The model also will result in a more robust estimate of the amount of compensated absences that a government will pay or settle, which will enhance the relevance and reliability of information about the liability for compensated absences.

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CITY OF BELMONT

REQUIRED COMMUNICATIONS

FOR THE YEAR ENDED JUNE 30, 2023

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CITY OF BELMONT
REQUIRED COMMUNICATIONS

For the Year Ended June 30, 2023

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REQUIRED COMMUNICATIONS

To the City Council of
the City of Belmont, California

We have audited the basic financial statements of the City of Belmont, California, for the year ended June 30, 2023. We did not audit the financial statements of the San Mateo Consolidated Fire Department (SMC Fire) as of and for the year ended June 30, 2022, related to the calculation of the Investment in Joint Venture, which represents 2%, 3%, and 1%, respectively, of the total assets, net position and revenues of the governmental activities. The financial statements of SMC Fire were audited by other auditors, whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for this entity, is based solely on the report of the other auditors.

Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards and Uniform Guidance,* as well as certain information related to the planned scope and timing of our audit. We have communicated such information orally during our discussion with the Audit Committee on April 17, 2023. Professional standards also require that we communicate to you the following information related to our audit:

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Accounting Policies – Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year, except as follows:

GASB 96 – *Subscription Based Information Technology Arrangements*

This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended.

A SBITA is defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction.

The subscription term includes the period during which a government has a noncancelable right to use the underlying IT assets. The subscription term also includes periods covered by an option to extend (if it is reasonably certain that the government or SBITA vendor will exercise that option) or to terminate (if it is reasonably certain that the government or SBITA vendor will not exercise that option).

Under this Statement, a government generally should recognize a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability. A government should recognize the subscription liability at the commencement of the subscription term, —which is when the subscription asset is placed into service. The subscription liability should be initially measured at the present value of subscription payments expected to be made during the subscription term. Future subscription payments should be discounted using the interest rate the SBITA vendor charges the government, which may be implicit, or the government's incremental borrowing rate if the interest rate is not readily determinable. A government should recognize amortization of the discount on the subscription liability as an outflow of resources (for example, interest expense) in subsequent financial reporting periods.

The subscription asset should be initially measured as the sum of (1) the initial subscription liability amount, (2) payments made to the SBITA vendor before commencement of the subscription term, and (3) capitalizable implementation costs, less any incentives received from the SBITA vendor at or before the commencement of the subscription term. A government should recognize amortization of the subscription asset as an outflow of resources over the subscription term.

The pronouncement became effective, and as disclosed in Note 9G to the financial statements required a prior period restatement for the cumulative effect on the financial statements.

The following pronouncements became effective, but did not have a material effect on the financial statements:

GASB 91 – *Conduit Debt Obligations*
GASB 94 – *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*
GASB 93 – *Omnibus 2022, paragraphs 11-25*

Unusual Transactions, Controversial or Emerging Areas – We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting Estimates – Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the City's financial statements were:

Estimated Net Pension Liabilities and Pension-Related Deferred Outflows and Inflows of Resources: Management's estimate of the net pension liabilities and deferred outflows/inflows of resources are disclosed in Note 11 to the financial statements and are based on accounting valuations determined by the California Public Employees Retirement System, which are based on the experience of the City. We evaluated the key factors and assumptions used to develop the estimates and determined that they are reasonable in relation to the basic financial statements taken as a whole.

Estimated Net OPEB Liabilities and OPEB–Related Deferred Outflows and Inflows of Resources: Management's estimate of the net OPEB liabilities and deferred outflows/inflows of resources are disclosed in Note 12 to the financial statements and are based on actuarial studies determined by a consultant, which are based on the experience of the City. We evaluated the key factors and assumptions used to develop the estimate and determined that it is reasonable in relation to the basic financial statements taken as a whole.

Estimated Fair Value of Investments: As of June 30, 2023, the City held approximately $141.3 million of cash and investments as measured by fair value as disclosed in Note 3 to the financial statements. Fair value is essentially market pricing in effect as of June 30, 2023. These fair values are not required to be adjusted for changes in general market conditions occurring subsequent to June 30, 2023.

Estimated Investments in Joint Ventures: Management's estimate of the investments in joint ventures is disclosed in Note 15A to the financial statements and is based on the audited financial statements of the two entities for the prior year fiscal year. We evaluated the key factors and assumptions used to develop the investment in joint venture in determining that it is reasonable in relation to the financial statements taken as a whole.

Estimate of Depreciation: Management's estimate of the depreciation is based on useful lives determined by management. These lives have been determined by management based on the expected useful life of assets as disclosed in Note 1G to the financial statements. We evaluated the key factors and assumptions used to develop the depreciation estimate and determined that it is reasonable in relation to the basic financial statements taken as a whole.

Estimate of Compensated Absences: Accrued compensated absences which are comprised of accrued vacation, holiday, and certain other compensating time is estimated using accumulated unpaid leave hours and hourly pay rates in effect at the end of the fiscal year as disclosed in Note 1H to the financial statements. We evaluated the key factors and assumptions used to develop the accrued compensated absences and determined that it is reasonable in relation to the basic financial statements taken as a whole.

Estimated Claims Liabilities: Management's estimate of the claims liabilities payable is disclosed in Note 14 to the financial statements and is based on estimates determined by a third party administrator, which are based on the claims experience of the City. We evaluated the key factors and assumptions used to develop the estimate and determined that it is reasonable in relation to the basic financial statements taken as a whole.

Disclosures **–** The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Professional standards require us to accumulate all known and likely uncorrected misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. We have no such misstatements to report to the City Council.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in a management representation letter dated November 9, 2023.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the required supplementary information that accompanies and supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the required supplementary information and do not express an opinion or provide any assurance on the required supplementary information.

We were engaged to report on the supplementary information that accompanies the financial statements, but is not required supplementary information. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the Introductory and Statistical Sections included as part of the Annual Comprehensive Financial Report, but are not required supplementary information. We did not audit or perform other procedures on this other information, and we do not express an opinion or provide any assurance on them.

******

This information is intended solely for the use of City Council and management and is not intended to be, and should not be, used by anyone other than these specified parties.

Maze & Associates

Pleasant Hill, California
November 9, 2023

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MEMORANDUM

TO: Audit Committee

FROM: Grace Castaneda, Finance Director

SUBJECT: City of Belmont Financial Policies

DATE: November 21, 2023

The City of Belmont has a long history of being a best practice city and, as such, incorporates Best Practices and Advisories issued annually by the Government Finance Officers Association (GFOA) and from other sources. GFOA Best Practices and Advisories are written as a guide, identifying specific policies and procedures contributing to improved government management. They aim to promote and facilitate positive change rather than to codify current accepted practices. These policies are used by staff to identify enhanced techniques and provide information about effective strategies when these topics arise. They are not prescriptive but are formative.

As part of the City's annual update, the GFOA Best Practices and Advisories include new or modified recommended practices as they apply to the City. These Best Practices and Advisories can be referenced at www.gfoa.org/best-practices.

Staff would also like to draw the Audit Committee's attention to the annual budget document, which includes a Financial Policies section (www.belmont.gov/budget). It serves as a central reference point to the most important of the City's policies, which are critical to the continued financial health of our local government.

By receiving and accepting this report, the Audit Committee recognizes the importance of best practices in the design, operation, and administration of the City's internal control system, and in doing so, discharges its fiduciary duties and responsibilities. It is recommended that the Audit Committee direct the Chair to transmit this action to the City Council as part of its annual report on the audit to City Council. By doing so, the Committee is recommending that the financial policies be accepted by City Council.

Feel free to contact me, should you have any questions.

City of Belmont, California
Measure I Fund
Financial Statements
For the Year Ended June 30, 2023

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CITY OF BELMONT
Measure I Fund
Financial Statements
For the Fiscal Year Ended June 30, 2023

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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members of the City Council
City of Belmont, California

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Measure I Fund (Fund) of the City of Belmont, California (City), as of and for the year ended June 30, 2023, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Fund as of June 30, 2023, and the change in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirement relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Fund's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Fund's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Emphasis of a Matter

The financial statements referred to above present only the Fund and are not intended to present fairly the financial positions of the City or the results of its operations in accordance with accounting principles generally accepted in the United States of America.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Statistical Section listed in the Table of Contents, but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exits, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 9, 2023, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Maze & Associates

Pleasant Hill, California
November 9, 2023

CITY OF BELMONT
MEASURE I FUND

BALANCE SHEET
JUNE 30, 2023

Assets:	
Cash and investments	$4,153,554
Due from the State of California	372,947
Total Assets	$4,526,501
Liabilities:	
Accounts payable	$589,830
Total Liabilities	589,830
Fund Balance:	
Committed for Infrastructure	3,936,671
Total Liabilities and Fund Balance	$4,526,501

See accompanying notes to financial statements

CITY OF BELMONT
MEASURE I FUND

STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2023

Revenues:	
Measure I Sales Tax	$2,358,043
Interest Earnings	74,159
Total Revenues	2,432,202
Expenditures:	
Measure I Projects:	
Street Improvements	1,129,467
Storm Drain Improvements	304,519
Total Expenditures	1,433,986
Net Change in Fund Balance	998,216
Fund Balance - July 1, 2022	2,938,455
Fund Balance - June 30, 2023	$3,936,671

See accompanying notes to financial statements

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CITY OF BELMONT, CALIFORNIA
MEASURE I FUND
NOTES TO FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2023

NOTE 1 – BACKGROUND

The Belmont Streets and Services Measure (Measure I) was approved by the voters in November 2016, with 55 percent of the vote. The collection of the half cent general sales tax started in the first week of April 2017. The stated objective of the City Council for Measure I is to pay for the City's infrastructure for the next 30 years. The City of Belmont administers the program and distributes the funds.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity – All transactions of the Measure I Program of the City of Belmont, California (City), are reported as a part of the General Fund in the basic financial statements of the City. The Measure I Fund is used to account for the City's share of revenues earned and expenditures incurred pursuant to the Belmont Streets and City Services Measure. The accompanying financial statements include Measure I Funds only and are not intended to fairly present the financial position, results of operations and cash flows of the City in conformity with accounting principles generally accepted in the United States of America.

Basis of Accounting – The accompanying financial statements are prepared on the modified accrual basis of accounting. Revenues are generally recorded when measurable and available, and expenditures are recorded when the related liabilities are incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a "*current financial resources*" measurement focus, wherein only current assets and current liabilities generally are included on the balance sheets. Operating statements of governmental funds present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

Description of Funds – The accounts are maintained on the basis of fund accounting. A fund is a separate accounting entity with a self-balancing set of accounts. The City uses a subfund of the General Fund to account for the proceeds of specific revenues (other than for capital projects) that are legally restricted to be expended for specified purposes.

Use of Estimates – Management uses estimates and assumptions in preparing the financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

NOTE 3 – CASH AND INVESTMENTS

Cash and investments are maintained on a pooled basis with those of other funds of the City. Pooled cash and investments consist of money market funds investing in such obligations and the State Treasurer's investment pool (Local Agency Investment Fund). All investments are stated at fair value. Pooled investment earnings are allocated based on the average cash and investment balances of the various funds and related entities of the City.

See the City's Annual Comprehensive Financial Report for disclosures related to cash and investments and the related custodial risk categorization. The Annual Comprehensive Financial Report may be obtained from the City of Belmont, 1 Twin Pines Lane, Belmont, CA, 94002.

INDEPENDENT AUDITOR'S REPORT ON
INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON MEASURE I COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS*

To the Honorable Members of the City Council
City of Belmont, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Measure I Fund (Fund) of the City of Belmont, California, as of and for the year ended June 30, 2023, and have issued our report thereon dated November 9, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Fund's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Fund's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. Our procedures included tests of compliance with the applicable provisions of Section 23-114, Annual Audit, of Chapter 23 of the Belmont City Code (Ordinance No, 2016-1109). However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

We have also issued a separate Memorandum on Internal Control dated November 9, 2023 which is an integral part of our audit and should be read in conjunction with this report.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing based on the requirements specified in Section 23-114, Annual Audit, of Chapter 23 of the Belmont City Code (Ordinance No, 2016-1109), and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

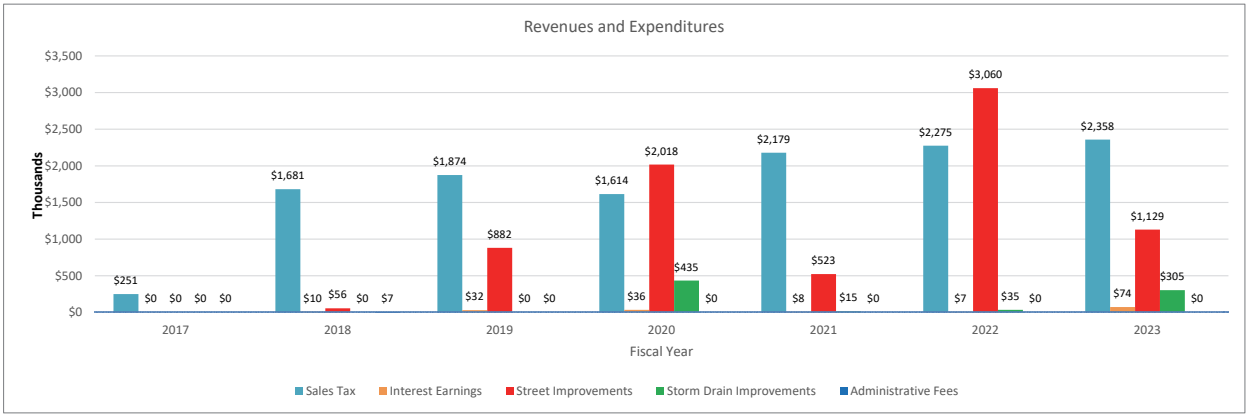
This report is intended solely for the information and use of management, City Council, others within the City, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties; however, this restriction is not intended to limit the distribution of this report, which is a matter of public record.

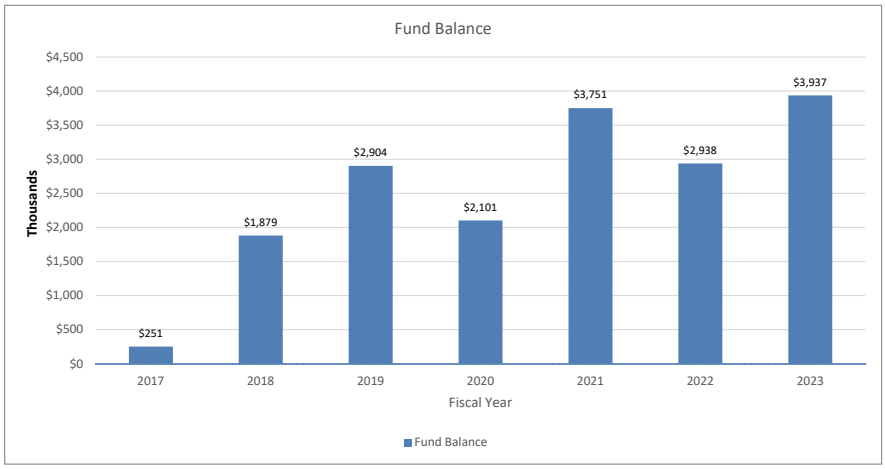
Maze & Associates

Pleasant Hill, California
November 9, 2023

CITY OF BELMONT
MEASURE I FUND
REVENUES AND PROJECT EXPENDITURES

Last Ten Fiscal Years*





	Fiscal Year Ended June 30,						
	2017*	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**
Revenues:							
Measure I Sales Tax	$251,095	$1,681,041	$1,874,155	$1,614,275	$2,179,340	$2,275,183	$2,358,043
Interest Earnings	89	10,194	31,712	35,707	8,318	7,361	74,159
Total Revenues	$251,184	$1,691,235	$1,905,867	$1,649,982	$2,187,658	$2,282,544	$2,432,202

	Fiscal Year Ended June 30,							
	2017*	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	
	Actual	**Actual**	**Actual**	**Actual**	**Actual**	**Actual**	**Budget**	**Actual**
Expenditures:								
Projects:								
Street Improvements	$0	$56,440	$881,593	$1,058,939	$523,150	$1,674,062	$7,578,406	$1,129,467
Storm Drain Improvements	0	0	0	434,613	14,638	35,325	645,000	304,519
Transfer to Measure A Projects	0	0	0	958,744	0	0	0	0
Transfer to Infrastructure Projects	0	0	0	0	0	1,385,864	0	0
State of California District Tax	0	0	0	0	0	0	0	0
Administrative Fee	0	6,647	0	0	0	0	0	0
Total Expenditures	$0	$63,087	$881,593	$2,452,296	$537,788	$3,095,251	$8,223,406	$1,433,986
Fund Balance	$251,184	$1,879,332	$2,903,606	$2,101,292	$3,751,162	$2,938,455		$3,936,671

*Measure I was effective April 1, 2017.

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STAFF REPORT

Meeting Date:	November 28, 2023
Agency:	City of Belmont
Staff Contact:	Ann Ritzma, Interim Administrative Services Director aritzma@belmont.gov
Agenda Title:	Councilmember and Mayor Salary
Agenda Action:	Ordinance

Recommendation

Introduce ordinance amending the salary for City Councilmembers from $390 per month to $950 per month per the newly enacted State of California Senate Bill 329 and considering additional compensation for the position of elected mayor.

Strategic Focus Area

Fiscal and Organizational Sustainability

Background

Senate Bill 329 (Chapter 27, Statutes of 2023 of the Regular Session of the California Legislature) amended Government Code Section 36516 effective January 1, 2024, to allow a city council in a city of up to and including 35,000 in population to set councilmember salaries by ordinance in an amount up to and including $950 per month. The salary for City of Belmont councilmembers is currently $390 per month and was last modified in 1995 by Ordinance 978 under Government Code Section 36516.

SB 329 was enacted to reduce economic barriers to individuals considering a run for elected office. Cal Cities, a co-sponsor of the bill stated: "Government officials, policy experts, and activists often cite low compensation as a barrier to elected office. In theory, anyone can run for elected office. However, lengthy time commitments and limited pay discourage many, especially low-income residents, single parents, people of color, and young people, from running. For many, being a council member is a full-time commitment with part-time pay."

Increasing council salary was discussed at the September 12, 2023, and November 14, 2023, council meetings as a tool to encourage a more diverse and inclusive elected body. Many cities in San Mateo County have increased council salaries over the past ten years. Belmont has not increased council salary since 1995. For cities that provide a council salary, Belmont is one of the lowest at $390 per month.

A mayor elected pursuant to Government Code Sections 34900 to 34904, inclusive, may be provided with compensation in addition to that which he or she receives as a council member. That additional compensation may be provided by an ordinance adopted by the city council or by a majority vote of the electors voting on the proposition at a municipal election. An option used in other California cities is to establish the additional compensation as a percentage of the council member salary.

Analysis

As directed at the City Council meeting on November 14, 2023, staff has prepared a proposed ordinance that increases council salary from $390 per month to $950 per month. As drafted, the ordinance includes an option for establishing additional compensation for the position of mayor as a percentage of the base councilmember salary. For example, additional compensation could be $95 per month which is 10% of the council salary of $950 per month.

A change in compensation does not apply to a councilmember during the councilmember's term of office, but notwithstanding this general rule, the compensation of all members of a council serving staggered terms may be adjusted whenever one or more members of the city council becomes eligible for a salary increase by virtue of the councilmember beginning a new term of office. Members of the Belmont City Council serve staggered terms and the next regular council election will occur in November 2024.

With Council direction on the option for mayor compensation, the proposed ordinance can be finalized and introduced at this meeting and adopted at the next regular council meeting in December.

Alternatives

1. Introduce an ordinance amending Councilmember salary to $950 per month per Government Code Section 36516 without additional mayor and give direction whether to bring mayor compensation back at a later date.
2. Introduce an ordinance amending Councilmember salary from $390 per month to $950 per month per Government Code Section 36516 and compensation for the position of mayor as the salary of a member of the city council plus an additional amount equal to XX percent of the salary as authorized by Government Code Section 36516.1.
3. Return to staff.

Attachments

A. Proposed Ordinance Amending Belmont City Code Section 2-3 Pertaining to Councilmember Salary

Fiscal Impact

☐ No Fiscal Impact

☐ Funding Source Confirmed: Any change to compensation would be incorporated into the next FY 2024-25 budget during the annual budget development process.

Source:	Purpose:	Public Outreach:
Council	Discretionary Action	Posting of Agenda

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF BELMONT AMENDING BELMONT CITY CODE SECTION 2-3 PERTAINING TO COUNCILMEMBER SALARY

WHEREAS, as Senate Bill 329 (Chapter 27, Statutes of 2023 of the Regular Session of the California Legislature) amended Government Code Section 36516 effective January 1, 2024, to allow a city council in a city of up to and including 35,000 in population to set councilmember salaries by ordinance in an amount up to and including $950 per month; and,

WHEREAS, the salary for City of Belmont councilmembers is currently $390 per month and was last modified in 1995 by Ordinance 978; and,

WHEREAS, under Government Code Section 36516.5, a change in compensation does not apply to a councilmember during the councilmember's term of office, but notwithstanding this general rule, the compensation of all members of a council serving staggered terms may be adjusted whenever one or more members of the city council becomes eligible for a salary increase by virtue of the councilmember beginning a new term of office; and,

WHEREAS, members of the Belmont City Council serve staggered terms and the next regular council election will occur in November 2024.

NOW THEREFORE THE CITY COUNCIL OF THE CITY OF BELMONT DOES ORDAIN AS FOLLOWS:

SECTION 1. BCC § 2-3 AMENDED.

Belmont City Code Chapter 2, Article 1, Section 2-3 is amended to read:

{OPTION 1}

Sec. 2-3 Councilmember salary

(a) Members of the city council are to receive a salary of $950 per month as authorized by Government Code Section 36516.

(b) Salaries are payable in accordance with the schedule and manner in which employees' salaries are paid.

{OPTION 2}

Sec. 2-3 Councilmember salary

(a) Members of the city council are to receive a salary of $950 per month as authorized by Government Code Section 36516.

(b) The elected mayor is to receive the salary in subsection (a) as a member of the city council plus an additional amount equal to XX percent of the salary in subsection (a) as authorized by Government Code Section 36516.1.

(c) Salaries payable in accordance with the schedule and manner in which employees' salaries are paid.

SECTION 2. EFFECTIVE AND OPERATIVE DATES

This ordinance takes effect 30 days after is adoption and is operative on the first full pay period after the council declares the results of the next regulation council election.

* * *

The City Council of the City of Belmont, California introduced the foregoing ordinance, on [insert date], 2023 and adopted the ordinance at a regular meeting held on [insert date], 2023 by the following vote:

Ayes:

Noes:

Absent:

Abstain:

ATTEST:

_____
City Clerk

_____
Mayor

APPROVED AS TO FORM:

_____
City Attorney

STAFF REPORT

Meeting Date:	November 28, 2023
Agency:	City of Belmont
Staff Contact:	Jozi Plut, City Clerk, 650-595-7414, jplut@belmont.gov
Agenda Title:	Appointments to Measure I Advisory Committee
Agenda Action:	Resolution

Recommendation

Adopt a resolution appointing members to the Belmont Streets and City Service Advisory Committee (Measure I).

Strategic Focus Area

Fiscal and Organizational Sustainability

Background

At the November 2016 election, Belmont voters approved the Belmont Streets and City Services Measure (Measure I), a half-cent general sales tax for the next 30 years. The sales tax went into effect April 1, 2017. The City Council subsequently adopted an ordinance establishing an Advisory Committee for the implementation of the Measure I tax. The Committee's primary purpose is to report annually to the City Council regarding the collection and expenditure of revenue from Measure I. The ordinance provides for a committee consisting of a minimum of three and maximum of five members, whose appointment will be for three years unless otherwise determined by the City Council.

Analysis

The main duties of the Advisory Committee are to review the annual audit prepared by the City's independent auditor related to the prior fiscal year's collection and expenditure of Measure I revenue and, and to transmit a report to Council regarding the accuracy of the auditor's findings. It should be noted that, in order to preserve the integrity and independence of the advisory process, Committee members will not have a role in determining the use of revenue generated by Measure I. Measure I was passed as a general tax, and therefore the funds may be used for any valid governmental purpose. However, based on input received through community meetings and numerous surveys, the City Council has continued to direct that Measure I fund be utilized towards streets and storm drains infrastructure improvements.

In September of 2017, five people were appointed to the Measure I Advisory Committee. Subsequently, On October 21, 2020, five applicants applied to be appointed to a new three-year term. On March 2023 Council made an appointment for a vacated position, and in April 2023 a position was again vacated.

On November 15, 2023, Council held interviews for the five positions that are terming out. Four of five candidates appeared for interview. The ordinance provides for a committee consisting of a minimum of

three and maximum of five members, whose appointment will be for three years or two years for staggered terms as determined by the City Council.

Alternatives

1. Extend the deadline for application to the Measure I Advisory Committee to seek other applicants
2. Appoint three members to the Committee
3. Appoint four members and conduct additional outreach to seek other applications for the fifth appointment

Attachments

A. Resolution

Fiscal Impact

☒ No Fiscal Impact

☐ Funding Source Confirmed:

Source:	**Purpose:**	**Public Outreach:**
Staff	Council Vision/Priority	Posting of Agenda

RESOLUTION NO. 2023 –

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELMONT MAKING APPOINTMENTS TO THE MEASURE I ADVISORY COMMITTEE

WHEREAS, in November of 2016 voters approved the Belmont Streets and City Services Measure (Measure I), a half-cent general sales tax that will generate approximately $1.3 million annually for local infrastructure for the next 30 years, and the sales tax went into effect April 1, 2017; and,

WHEREAS, on February 14, 2017, the City Council adopted Ordinance 2017-1116 establishing an Advisory Committee for the implementation of the Measure I tax. The Committee's primary purpose is to report annually to the City Council regarding the collection and expenditure of revenue from Measure I. The ordinance provides for a committee consisting of a minimum of three and maximum of five members, whose appointment will be for three years unless otherwise determined by the City Council; and,

WHEREAS, the main duties of the Advisory Committee are to review the annual audit prepared by the City's independent auditor related to the prior fiscal year's collection and expenditure of Measure I revenue and, and to transmit a report to Council (via the City Manager's Office) regarding the accuracy of the auditor's findings; and,

WHEREAS, Committee members will not have a role in determining the use of revenue generated by Measure I; and,

WHEREAS, five applicants applied for five positions which terms have ended and four were present to be interviewed for appointment to the committee.

NOW, THEREFORE, the City Council of the City of Belmont resolves as follows: that the following residents are hereby appointed as members of the Measure I Advisory Committee for

(insert terms and names here)

* * *

ADOPTED November 28, 2023 by the City of Belmont City Council by the following vote:

Ayes:

Noes:

Absent:

Abstain:

ATTEST:

City Clerk

Mayor

APPROVED AS TO FORM:

City Attorney

STAFF REPORT

Meeting Date:	November 28, 2023
Agency:	City of Belmont
Staff Contact:	Kathy Kleinbaum, Assistant City Manager, kkleinbaum@belmont.gov
Agenda Title:	Cannabis Business Prequalification Process
Agenda Action:	Discussion & Direction

Recommendation

Review and provide feedback on the proposed prequalification process and proposed community benefits for a cannabis retail and/or distribution business.

Strategic Focus Area

Economic Development and Housing

Background

The Belmont City Council has been evaluating allowing cannabis-related businesses to operate in the City since January 2021. On November 14, 2023, the City Council conducted a public hearing and adopted a resolution amending the Land Use Element to the 2035 General Plan that would potentially allow for Commercial Cannabis Land Uses and introduced a companion ordinance establishing potential cannabis retail and distribution zoning regulations for properties should they rezone within the area along south El Camino Real from O'Neill Avenue to the San Carlos border. The second reading of the ordinance is scheduled for November 28, 2023.

The adoption of the General Plan amendment and establishment of the overlay zone create a framework to allow for future consideration of up to two cannabis retail and one distribution businesses but do not authorize the uses until specific properties apply and are approved to be rezoned to the overlay district. At the November 14, 2023 meeting, staff provided information about a proposal process to pre-qualify potential businesses to apply for the rezoning. The City Council requested that staff return to City Council to have a more in-depth discussion on the proposal process and potential community benefits that would be considered as part of the process.

Analysis

To establish a cannabis land use, a proposed business would first need to apply to have their location rezoned to the S-3 Overlay District. In addition, the business would need to obtain a Conditional Use Permit (CUP) to address potential light, glare, noise, traffic, and parking issues, and to ensure that these projects conform to specific development standards related to total number of permitted dispensaries, distance between dispensaries from schools, parks, and daycare facilities, hours of operation, customer management, and odor. Design Review would also be required for any new building or exterior building alteration to ensure projects are consistent with established requirements for building design, signage, and landscaping.

The proposed business would also be required to apply for a Police Regulatory Permit which would require Police Department (PD) review and approval of operational/safety plans and state licensing to ensure that these uses operate in accordance with all applicable laws.

The review process for the rezoning and use permits will require the applicant to host a community meeting and to hold a public hearing at both the Planning Commission and City Council. The estimated timeline to complete this process is anticipated to be 6 months and will require payment of approximately $35,000 for the applicable permits.

Since May 2023, the City has received two proposals for establishment of cannabis retail dispensaries for certain properties along south El Camino Real and has met with other interested parties. Since the interest level currently exceeds the maximum allowable number of permits, staff has developed a "pre-qualification/interest process" to collect and evaluate proposals for rezoning to the S-3 Overlay District. The intention of this process is to provide for potential business locations to be screened and prioritized prior to them going through the extensive and costly rezoning, CUP, and Police Regulatory Permit process.

The application form (Attachment A) is tailored based on the City Council and community feedback on November 14th and includes a number of areas to be addressed by the applicants. The proposal requirements include:

1. Proposal Submission Fee
2. Business Entity Information
3. Site Control
4. Location Information
5. Business Renderings and Retail Floor Plan
6. Qualifications of Owners
7. Business Operations Plan
8. Neighborhood Compatibility Plan
9. Security Plan
10. Community Benefits

Proposal Review Process

Staff will issue a solicitation for proposals which will have an established timeframe for submission. Proposers would be required to pay a deposit of $3,000 plus a background check fee of $596 per business owner to cover staff costs for the review of their proposal. Staff will evaluate the appropriateness of the proposed cannabis use at the location, attributes of the location, business operations, security plan, and potential community benefits proposed by the applicants. A preliminary screening for disqualifying background history will also be performed. A preliminary draft of the solicitation for proposals is included as an Attachment to this report.

A multi-departmental team of staff, including, but not limited to, representatives from the City Manager's Office, Police, and Community Development departments will review and evaluate the submitted proposals. Staff will identify up to two proposals that they could recommend for submitting a formal rezoning application. Staff anticipates processing the recommended proposal(s) before any other applications that may be received. Many of the materials submitted during the proposal process can be

reused for the full review process. Proposals that are not selected through this process may apply once the prequalified applications have completed their review process, provided that the maximum number of allowed businesses has not been exceeded.

Community Benefits

The solicitation for proposals requests that the businesses identify any community benefits they propose to offer as part of their operations. Community benefits include tangible benefits that the business commits to provide in excess of existing requirements on the business or in excess of public benefits or revenues normally associated with commercial activity. The commitment for community benefits for the cannabis business will likely be formalized in a development agreement. City Council feedback and prioritization is requested on possible community benefits from the potential business' operators.

Examples of suggested public benefits include, but are not limited to:

- Labor practices, such as commitment to paying living wages to employees and/or employing local residents
- Payment of tax in-lieu until the time that a cannabis business tax is established
- Commitment of contributions to City programs or services
- Other economic benefits to the City

Next Steps

If the Council supports the proposal process outlined in this report, then staff will open the solicitation for proposals in December with an anticipated submission due date in late January. In addition, staff will bring forward the Police Regulatory ordinance governing the Cannabis Police Regulatory Permit Process plus any related fees that need to be added to the City's Comprehensive Fee Schedule to the Council for review in January 2024.

Alternatives

1. Do not implement a prequalification process.
2. Return to staff

Attachments

A. Draft Proposal Solicitation

Fiscal Impact

☐ No Fiscal Impact

☒ Funding Source Confirmed: Proposers will be charged a $3,000 deposit to cover the staff time required to review and evaluate the submittals. Local regulation of commercial cannabis activities can provide an important source of locally controlled General Fund revenue.

Source:	Purpose:	Public Outreach:
Staff	Council Vision/Priority	Posting of Agenda

Cannabis Retail and Distribution Proposal Process

PROPOSAL PERIOD
_____ to _____

The City of Belmont adopted a Cannabis Retail and Distribution Overlay Zoning District (S-3) on November 28, 2023 that may be applied to properties located in the El Camino Real corridor between O'Neill Avenue and F Street. Properties within this area may apply to be rezoned to the S-3 district and can then be considered for a Cannabis Use Permit to operate a cannabis retail and distribution business. The City Council has indicated that they will support up to 2 cannabis retail and distribution businesses within this area.

The City Manager's Office has created this proposal process to pre-qualify parties to submit the application to be rezoned to the Cannabis Retail and Distribution Overlay District. The purpose of this process is to provide the City with an understanding of the proposed cannabis business with the regards to the site attributes of the location, business operations, security plan, and potential benefits to the community. In addition, it provides the means by which to check the background and qualifications of all persons associated with the proposed business.

The proposal submittal period will open on _____ and will close on _____ at 5:00 p.m. Complete application packages must be submitted to:

City of Belmont
Attn: City Manager's Office
1 Twin Pines Lane, Suite 340
Belmont, CA 94002

Interested parties should monitor the City's webpage for any additional information or updates. It is the responsibility of the proposer to stay informed of any updates.

The City may modify, postpone, or cancel the proposal period or review process without liability, obligation, or commitment to any party, firm, or organization. In addition, the City reserves the right to request and obtain additional information from any entity submitting a proposal in order to conduct a complete review of the application or an investigation into the validity of the statements set forth in the proposal or provided at any stage in the proposal review process.

For questions related to this proposal process, please contact Kathy Kleinbaum, Assistant City Manager at (650)598-4216 or kkleinbaum@belmont.gov.

Proposal Requirements

1. **Proposal Submission Fee** – A certified check, cashier's check, or money order, payable to the City of Belmont in the deposit amount of $3,000 to cover staff time for the review and evaluation of the proposal. A separate fee of $596 is required for the completion of fingerprinting and a background check of each owner of the business entity.

2. **Business Entity Information** – Complete the fillable PDF form included within this document as Attachment A. This form requests identification of each owner of the business entity, contact information for the point of contact for the proposal, information about other cannabis businesses owned by the business entity, and verification from the property owner of the proposed location.

3. **Site Control** – Provide evidence of site control, either as a deed of ownership, lease, or a notarized letter of intent from the property owner authorizing the application.

4. **Location Information** – The proposal should include the address of the property proposed for the cannabis retail and distribution use and provide the following information:
    - Vicinity map showing the location of the property in relation to the surrounding area and identifying the distance from any parks, child day-care centers, schools, or youth-oriented businesses.
    - Photographs of the existing site and building (including the building frontage and any adjacent businesses)
    - Site Plan showing:
        - Adjacent streets, with street names labeled
        - Location of the proposed use or business within the property
        - Parking stalls and parking aisles
        - Driveways and pedestrian walkways
        - Fences and retaining walls
        - Any proposed improvements in the public right-of-way

5. **Business Renderings and Retail Floor Plan** – The proposal should include renderings of the exterior and interior of the proposed business demonstrating proposed signage and cosmetic finishes to the property. In addition, a floor plan is required that shows the layout of the proposed business. It shall include, at a minimum:
    - Scale (e.g., 1' = 1/8" or 1' = 1/4")
    - All walls, doors, and windows
    - All rooms, with the use of each room labeled
    - General layout of installations/furnishings (e.g., display shelving, check-out counters, customer seating areas)

- Any construction or tenant improvements necessary to accommodate the business

6. **Qualifications of Owners** – The following information is required for each member of the business ownership team:
    - Provide a detailed resume of each person having an ownership interest in the proposed business including education, certificates, or professional licenses that owners have obtained which would demonstrate other technical knowledge that may guide them to successfully run a business organization
    - Provide any experience owners have in operating a cannabis business, including the location of such activity and a copy of any permits, licenses, or other written forms of permission for such activity by a local or state government entity.
    - Describe owners' overall knowledge of the cannabis industry, including identification of how the industry best practices and federal, state and local regulations have been incorporated in existing/prior legal businesses
    - Describe the involvement of the ownership team in the day-to-day operation of the business
    - A description of any litigation in which owners' have been involved within the 10 years immediately preceding the date of the proposal and a statement of whether any business currently operated by the business owners' or operated by business owners' within the 10 years immediately preceding the date of the application has been investigated or the permit or license authorizing the operation of such business has been revoked or suspended within the 10 years immediately preceding the date of the proposal
    - A description of any administration proceedings in which the owners' have been involved within the 10 years immediately preceding the date of the proposal relating to business operations, including, but not limited to, labor or wage violations, OSHA proceedings, or licensing proceedings.
    - A completed Live Scan application form (included as Attachment B) for <u>each</u> owner for the purpose of completing a background check of criminal offender record information (CORI)

7. **Business Operations Plan** – Describe the day-to-day operations which meet industry best practices for a retail cannabis location. The plan should include at a minimum:
    - Days and hours of operation
    - Customer check-in procedures
    - Procedures for receiving deliverables during business hours
    - Number of individuals (including employees and customers) anticipated to be on the site per hour/day
    - Types of products offered for sale
    - Expected sale amounts of each product type
    - Expected amount of cannabis to be stored onsite

- Cash handling procedures, including whether cash will be stored on or offsite
- An analysis of start-up costs for the business including expected tenant improvements
- A pro forma for at least three years of business operations

8. **Neighborhood Compatibility Plan** – A narrative describing how the proposed business will be managed and operated to avoid becoming a nuisance or having an impact on its neighbors and the surrounding community, including, but not limited to:
    - Describe how the business will proactively engage with the surrounding neighborhood and address and respond to complaints related to noise, light, odor, vehicle, and loitering, and disruptive behavior
    - Describe how the business will be managed to avoid becoming a nuisance or having impacts on its neighbors and the surrounding community

9. **Security Plan** – Provide a detailed security plan prepared by a professionally security consultant with extensive experience in the cannabis industry, including:
    - A description of operational security, including but not limited to general security for access/visitor control, inventory control and cash handling procedures
    - A description of perimeter security, on-site security guards, light, and parking.
    - Identify transportation techniques and security procedures
    - Describe employee training and general security policies

10. **Community Benefits** – A description of any tangible benefits that the business commits to provide as part of their approval process. This description should address only benefits which are proposed to be implemented in excess of existing requirements on the business or in excess of public benefits or revenues normally associated with commercial activity. Suggested public benefits may include, but are not limited to:
    - Labor practices, such as a commitment to paying living wages to employees and/or employing local residents
    - Payment of business tax in-lieu until the time that a cannabis business tax is established
    - Commitment of contributions to local community organizations or City programs
    - Other economic benefits to the City

Proposal Submittals

Proposers must submit all required materials together in a single comprehensive proposal package no later than the submittal deadline of _____ at 5:00 p.m. The City requests 5 hard copies of the proposal along with one digital copy (in PDF format) on a USB flash drive.

All proposals must also include the proposal deposit of $3,000 along with a payment of $596 for each business owner to cover fingerprinting and the Live Scan application fee for background checks. Payments may be made in the form of a certified check, cashier's check, or money order made payable to the City of Belmont.

Proposals should be submitted to:
City of Belmont
Attn: City Manager's Office
1 Twin Pines Lane, Suite 340
Belmont, CA 94002

Proposal Review Process

Upon receipt of the proposal, City staff will evaluate the information provided in the submittal. Incomplete proposals will not be considered.

The City Manager, as advised by a staff review committee, will make the final determination of which proposals will be invited to submit a formal application to be rezoned to the Cannabis Retail and Distribution Overlay District. No more than two (2) proposals will be invited to advance in the process.

The City does not plan to use a formal scoring system but will instead do a qualitative review of all of the components of the proposal and will evaluate them based on the experience of the business entity, their commitment to industry best practices in their operations, the suitability of the proposed location, and the community benefits offered. The selection process is anticipated to take one month following the proposal due date.

Anticipated Approval Process for Selected Proposals

Once selected through this proposal process, the selected proposals will need to apply for the following approvals in order to operate a retail cannabis business in Belmont:

- Rezoning of the subject property to the Cannabis Retail and Distribution Overlay District
- Conditional Use Permit to operate a cannabis retail and distribution business
- Police Department Permit for cannabis retail and distribution business
- Development Agreement

The review process for the rezoning and permits will require the applicant to host a community meeting and to hold a public hearing at both the Planning Commission and City Council. The estimated timeline to complete this process is anticipated to be 6 months.

The anticipated fees for this process are as follows:

- Rezoning Fee - $18,146.67
- Conditional Use Permit (Administrative Permit) - $3,315.23
- Legal Review Fee for the Development Agreement - $9,474.00
- Cannabis Police Permit Processing Fee - $2,500 *(note: proposed fee, will need to be added to City's Fee Schedule by resolution, may be subject to change)*

Once operational, a cannabis retail and distribution business will be subject to the following annual fees:

- Cannabis Permit Annual Inspection Fee - $1,500 *(note: proposed fee, will need to be added to City's Fee Schedule by resolution, may be subject to change)*

Attachment A: Entity and Ownership Information

ENTITY INFORMATION

PROPOSER (ENTITY) NAME: _____ DBA: _____

Website Address: _____

Physical Address (office of record): _____

Mailing Address (if different from Physical Address): _____

Entity Type: ☐ Sole Partnership ☐ Corporation ☐ S-Corporation ☐ LLC ☐ Limited Partnership ☐ Other

Include copies of all articles of incorporation, bylaws, articles of organization, or a true copy of any partnership or trust agreement, including any and all amendments to same.

Entity ID Number (as shown on Secretary of State Registration): _____

State of Incorporation / Creation: _____

If a Corporation or LLC, list all states where the entity is authorized to conduct business: _____

PROPOSAL POINT OF CONTACT

Name of Point of Contact (POC): _____

Title: _____

Phone: _____ Email: _____

Proposal POC Physical Address: _____

Is the Proposal POC an agent for the Entity? Yes ☐ ☐ No

Note: If the Proposal POC is an agent, an authorized representative of the Entity must complete the Authorization for Agent below

Authorization for Agent (if appropriate):

As submitter of this proposal, I hereby authorize _____ to act as my Agent and to bind me in all matters concerning this proposal and to act as my Agent during the review process.

Entity Owner Signature: _____ Date: _____

OWNERSHIP INFORMATION

Please list all owners and their respective percentage ownership in the cannabis business. This section of the proposal must be completed by all owners. Please provide supporting documentation if you are a Publicly Traded Company (only need to list Board of Directors and any person with an ownership interest of 10% or more).

I declare under the penalty of perjury that the information provided in this proposal is true and accurate to the best of my knowledge:

Owner 1:

Name: _____ Title: _____

Address: _____

Ownership Percentage: _____

Signature: _____ Date: _____

Owner 2:

Name: _____ Title: _____

Address: _____

Ownership Percentage: _____

Signature: _____ Date: _____

Owner 3:

Name: _____ Title: _____

Address: _____

Ownership Percentage: _____

Signature: _____ Date: _____

Owner 4:

Name: _____ Title: _____

Address: _____

Ownership Percentage: _____

Signature: _____ Date: _____

Please add pages as needed to include all Commercial Cannabis Business Owners

SUPPORTING INFORMATION

List all fictitious business names the Entity is operating under including the address where each business is located:

_____

_____

Does the Entity or any of its owners currently operate any cannabis-related businesses or is involved in an application process for cannabis-related business in any other jurisdictions? If so, please list the jurisdictions:

_____

_____

Please provide the name of any attorney, management company or any other consultant, that will be assisting the Entity with the proposal process or will be compensated either during the proposal process, upon the awarding or issuance of any permit.

_____

_____

_____

PROPERTY OWNER AUTHORIZATION

Name: _____Title: _____

Mailing Address: _____

Email_____ Phone Number _____

Declaration: As owner (or an authorized representative of the owner) of the property indicated above, I authorize the submittal of this proposal for the operation of a retail cannabis and distribution use

Property Owner Signature: _____ Date: _____