

City of Carpinteria
City Council Regular Meeting Agenda
Monday, December 11, 2023
Council Chamber, 5775 Carpinteria Avenue, Carpinteria, CA 93013

5:30 p.m. Regular Meeting
In-Person and Virtual Participation Options

AMENDED AGENDA – REMOVED ITEM NO. 9

Attendance/Viewing Options:

- Attend the in-person meeting in City Council Chambers at City Hall (5775 Carpinteria Ave.).
- View the meeting live through the City's website <https://carpinteriaca.gov/city-hall/agendas-meetings/>) on your computer, tablet or smartphone.
- View the meeting on Government Access Television Channel 21 (broadcast live and rebroadcast on the Wednesday and the Saturday following the meeting at 8:00 p.m. and 5:00 p.m., respectively).
- Call 669-900-9128 (and enter Webinar ID 889 0390 2262) to listen to the meeting on your phone.
- Join the City's Zoom webinar from your computer, tablet, or smartphone by [CLICKING HERE](#). Alternatively, you can join the Zoom webinar by logging on to www.zoom.us, downloading the application, selecting "Join Meeting", and entering Webinar ID 889 0390 2262.

Public Comments

- Provide a live public comment during the in-person meeting in City Council Chambers at City Hall (5775 Carpinteria Ave.). Please note the City has the discretion to limit both the overall and individual speaker time for any meeting or agenda matter. Typically, the Council's practice has been to limit each speaker to three minutes.
- Provide a live comment through the City's Zoom webinar platform (through the link provided above). To make public comments through this platform please use the "raise your hand" feature to notify staff that you would like to make a public comment during designated public comment times. Once it is your turn to provide a public comment, staff will unmute your microphone and you will be given a designated amount of time to provide your comment (typically, the practice has been up to 3 minutes per speaker on each item). At the end of your comment, staff will once again mute your microphone.

- Submit a written comment (as either a general public comment or on a specific agenda item) to be distributed to Council Members by **12:00 P.M. on the day of the meeting** by either submitting your comment via (1) email to PublicComment@carpinteriaca.gov, (**PLEASE NOTE NEW PUBLIC COMMENT EMAIL ADDRESS**) or (2) the **eComment** link on the City's agenda website (<https://carpinteriaca.gov/city-hall/agendas-meetings/>). Please reference the agenda item to which your comment pertains. While written comments become part of the record, they will not be read aloud at the meeting.

Please note that the City will make every effort to make the meeting accessible virtually; however, if one of the above virtual attendance/viewing or public comment options is unavailable due to technological issues, you are invited to take advantage of one of the other participation options outlined above (including attending and providing public comment in-person in the City Council Chambers). Additional options may be made available at the meeting.

Also, please note that Spanish interpretation will be available at the in-person meeting and through the City's Zoom webinar.

CALL TO ORDER

ROLL CALL

PLEDGE OF ALLEGIANCE

COUNCILMEMBER(S) REQUEST FOR REMOTE PARTICIPATION UNDER AB 2449:

The City Council may consider Councilmember(s) request to participate in the meeting remotely under the regulations of AB 2449 by making the necessary findings and voting on whether the Councilmember(s) may participate remotely.

AGENDA MODIFICATIONS: The City Council may modify the regular agenda by tabling items, adding urgency items to the agenda, or changing the order in which items are considered. Changes to the Consent Calendar are considered at the time the Consent Calendar is considered.

INTRODUCTIONS, PROCLAMATIONS AND PRESENTATIONS:

1. Presentation of Youth Apprenticeship Readiness Accelerator (YARA) Program.
2. Administer Oath of Office to City Manager Michael Ramirez.

RECESS FOR PHOTOGRAPHS

RECONVENE THE REGULAR MEETING OF THE CITY COUNCIL

TEMPORARY ADJOURNMENT FOR THE PURPOSE OF HOLDING THE MONTHLY MEETING OF THE CARPINTERIA LIBRARY BOARD OF TRUSTEES

RECONVENE THE REGULAR MEETING OF THE CITY COUNCIL

PUBLIC INFORMATION REPORTS AND ANNOUNCEMENTS

This may include updates on law enforcement activity within the City from a Sheriff's Office representative.

CITY MANAGER'S REPORT

The City Manager will report to the City Council regarding various City and/or community events and/or matters of interest. There will be no City Council discussion except to ask questions or refer matters to staff; and no action will be taken unless listed on a subsequent agenda.

PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA

This is a time for public comments on matters not otherwise on the agenda but within the subject matter jurisdiction of the City Council. The Public Comment period is limited to 15 minutes and divided among those persons desiring to speak. No person shall speak longer than three minutes; however, the Mayor may establish shorter periods based on the time available and/or the number of persons waiting to speak. Persons wishing to speak on a specific item will be recognized at the time the agenda item is considered. The audio-visual system in the Council Chamber is not available for speaker use during the general Public Comment period.

The City and the City Council are not responsible for the content of statements made during the public comment period, or the factual accuracy of any such statements.

CONSENT CALENDAR: Items on the consent calendar are considered to be routine and are normally enacted by one unanimous vote of the Council. If you wish to speak on a consent calendar item please do so during the public comment period provided at the beginning of this item.

3. Approve the minutes of the regular meeting held November 27, 2023 and the special joint meeting held December 4, 2023.
4. Receive and file the Expenditures for the period beginning November 20, 2023 and ending December 1, 2023.

5. Adopt Ordinance No. 774 (second reading), amending Chapter 2.06 of Title 2 (City Council District Elections) and Chapter 3.34 of Title 3 (Revenue and Finance). *(This motion requires a roll call vote.)*

ADMINISTRATIVE MATTERS:

6. Approval and adoption of Resolution No. 6283, amending the composition of the Ad hoc Harbor Seal Advisory Committee by adding alternate public members.

Recommendation: Approve and adopt Resolution No. 6283, amending the composition of the Ad hoc Harbor Seal Advisory Committee by adding alternate public members and designations.

Staff Presenter: Brian C. Barrett, City Clerk

- a. Staff Report
- b. Public Comment
- c. City Council Determination

7. Approval and adoption of urgency Ordinance No. 775, Ordinance No. 744 as amended, extending the Temporary COVID-19 Outdoor Business Permit Program.

Recommendation: Approve and adopt urgency Ordinance No. 775, extending the Temporary COVID-19 Outdoor Business Permit Program in order to allow businesses to operate in the City's public right-of-way and privately-owned outdoor spaces for supporting social distancing and economic recovery following the COVID-19 pandemic. (This motion requires reading of ordinance title and a roll call vote.) (This Ordinance requires a 4/5th affirmative vote to pass.)

Staff Presenter: John L. Ilasin, Public Works Director

- a. Staff Report
- b. Public Comment
- c. City Council Determination

PUBLIC HEARING:

8. Public Hearing and receipt of testimony on adopting resolutions establishing development impact fees starting in calendar year 2024. The City Council will also receive and approve the Development Impact Fee Nexus Study that supports the development impact fees.

Recommendation: (1) Adopt Resolution No. 6278, approving the 2023 Development Impact Fee Nexus Study, (2) Adopt Resolution No. 6279,

establishing the Development Impact Fee Program, and (3) Adopt Resolution No. 6280, approving and setting the amount of Quimby fees pursuant to Carpinteria Municipal Code Chapter 16.24.

Staff Presenter: John L. Ilasin, Public Works Director

- a. Staff Report
- b. Public Comment
- c. City Council Determination

CONSIDERATION OF ANY ITEMS REMOVED FROM CONSENT CALENDAR AND/OR OTHER AGENDA ITEMS REQUESTED TO BE ADVANCED

MATTERS CONTINUED FROM PREVIOUS MEETINGS: NONE

OTHER BUSINESS:

- ~~9. Reclassify the Position of Assistant City Manager to Salary Grade 98 and Amend the Position Job Description.~~

~~Recommendation: Approve and adopt Resolution No. 6284, reclassifying the Assistant City Manager position from Salary Grade 96 to Salary Grade 98 and amending its job description.~~

~~Staff Presenter: Teresa Ilasin, Management Analyst II~~

- ~~a. Staff Report~~
- ~~b. Public Comment~~
- ~~c. City Council Determination~~

9. Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2023.

Recommendation: Receive and file the Annual Comprehensive Report for the fiscal year ended June 30, 2023.

Staff Presenter: Licette Maldonado, Administrative Services Director

- a. Staff Report
- b. Public Comment
- c. City Council Determination

10. Scheduling a special meeting of the City Council for consideration of the Annual Work Plan.

Recommendation: Schedule a special City Council meeting for consideration of the Annual Work Plan, to be held from 5:30 pm to approximately 8:30 pm, on Monday, January 29, 2024.

Staff Presenter: Michael Ramirez, City Manager

- a. Staff Report
- b. Public Comment
- c. City Council Determination

11. Receive staff report and act on the recommendations to: (1) Authorize the City Manager to enter into an agreement for executive search services for the Assistant City Manager and Parks, Recreation and Community Services Director positions with Bob Murray and Associates in an amount not-to-exceed \$37,500 and; (2) Approve Budget Appropriation for \$40,000 for executive recruitment services for an Assistant City Manager and Parks, Recreation and Community Services Director.

Recommendation: (1) Authorize the City Manager to enter into an agreement for executive search services for the Assistant City Manager and Parks, Recreation and Community Services Director positions with Bob Murray and Associates in an amount not-to-exceed \$37,500 and; (2) Approve Budget Appropriation for \$40,000 for executive recruitment services for an Assistant City Manager and Parks, Recreation and Community Services Director. *(This motion requires a roll call vote.)*

Staff Presenter: Olivia Uribe Mutal, Program Manager

- a. Staff Report
- b. Public Comment
- c. City Council Determination

LEGISLATIVE UPDATE: The City Council will discuss local, state and/or federal legislation under consideration and decide whether to direct staff to place a matter(s) on a future City Council agenda for consideration.

COMMITTEE REPORTS, INQUIRIES AND OTHER MATTERS PRESENTED BY COUNCILMEMBERS

Informational reports from Councilmember representatives on the committees, commissions and organizations listed below. This is also an opportunity for Councilmembers to request information from staff or seek support from fellow Councilmembers for future agenda items.

1. Appointees to Other Government Agencies

- a. Beach Erosion Authority for Clean Oceans and Nourishment (BEACON) (Solórzano/Alt. Clark)
- b. California Joint Powers Insurance Authority (CJPIA) (Clark/Alt. Alarcon)
- c. Santa Barbara County Association of Governments (SBCAG)(Clark/Alt. Nomura)
- d. Santa Barbara County Air Pollution Control District (APCD)(Clark/Alt. Nomura)
- e. Central Coast Community Energy (3CE) (Nomura/Alt. Goleta)
- f. Santa Barbara Mosquito and Vector Management District (Joe Franken)
- g. Santa Barbara Metropolitan Transit District (Solórzano)

2. Regional Committees

- a. Channel Counties Division, League of California Cities (Nomura/Alt. Alarcon)
- b. Santa Barbara Joint Affordable Housing Task Group (Alarcon & Solórzano)
- c. Santa Barbara County Elected Leaders Forum to Address Homelessness (Clark/Alt. Alarcon)
- d. South Coast Youth Safety Partnership (Solórzano/Alt. Lee)
- e. Multijurisdictional Solid Waste Task Group (Lee/Alt. Alarcon)

3. Joint and Standing Committees

- a. City Council/Economic Vitality Committee (Alarcon & Lee)
- b. City Council/Public Safety Committee (Clark & Nomura)
- c. City Council/School Board Committee (Lee and Alarcon)
- d. City Council/Utilities Committee (Lee & Nomura)
- e. City Council/First District Supervisor Committee (Lee & Solórzano)
- f. City Council Finance/Budget Committee (Alarcon & Clark)
- g. Transportation Committee (Lee & Clark)
- h. Development Review Committee (Joint Committee membership from City Council, Planning Commission and Architectural Review Board) (CC: Clark & Nomura) (PC: To Be Selected by Planning Commission) (ARB: Stein & O'Connor)
- i. General Plan and Coastal Plan Update Committee (Joint Committee membership from City Council and Planning Commission) (Lee & Clark) (PC: To Be Selected by Planning Commission)
- j. Public Facility Site Acquisition/Development Committee (Clark & Nomura)
- k. City Council Boards, Commissions and Committees Interview Committee (Clark & Nomura/ Alt. Lee)
- l. Sustainability Committee (Nomura & Solórzano)

4. Ad Hoc Committees

- a. Senior Services Planning Committee (Lee & Solórzano)
 - b. Civic/Youth Engagement Committee (Lee & Nomura)
 - c. City Council Housing Element Committee (Clark & Nomura)
 - d. Harbor Seal Advisory Committee (Solórzano & Alarcon)
 - e. Appointment Process Committee (Alarcon & Clark)
5. Appointed Representatives to Area Boards & Committees
- a. Community Media Access Center (Gary Dobbins)
 - b. County Library Advisory Committee (Gail Marshall)

ATTENDANCE OF COUNCILMEMBERS FOR FUTURE MEETINGS

ADJOURNMENT

The next regular City Council meeting will be held January 8, 2023 at 5:30 p.m.

In compliance with the Americans with Disabilities Act, if you need assistance to participate in this meeting, please contact the City Clerk's Office at (805) 755-4403 or the California Relay Service at (866) 735-2929. Notification two business days prior to the meeting will enable the City to make reasonable arrangements for accessibility to this meeting.

Materials related to an agenda item submitted to the City Council after distribution of the agenda packet are available for public review at the City Clerk's Office, located at 5775 Carpinteria Avenue, Carpinteria, CA 93013 or by going to the City's website at <https://carpinteriaca.gov/city-hall/agendas-meetings/>.

This agenda was posted on Wednesday, December 6, 2023, in the City Clerk's Office, on the City Hall Public Notices Board, and on the Internet.



City of Carpinteria

COUNCIL AGENDA STAFF REPORT December 11, 2023

ITEM FOR COUNCIL CONSIDERATION

Presentation of Youth Apprenticeship Readiness Accelerator (YARA) program.

STAFF RECOMMENDATION

Receive and file the report and presentation by California Police Activities League (Cal-PAL) Executive Director, Jennifer Lopez, and direct staff as appropriate.

Sample Motion: I move to receive and file the report and presentation.

BACKGROUND

In November of 2022, California State Senator Monique Limón (D-Santa Barbara), joined by Assemblymember Jacqui Irwin (D-Thousand Oaks) and Assemblymember Steve Bennett (D-Ventura), presented two investments totaling \$1 million dollars to support the Youth Apprenticeship Readiness Accelerator program in Ventura and Santa Barbara counties. The YARA program provides underserved youth entry into a career in the trades by providing basic job skills training, case management, and mentorship. Current program collaborators include Oxnard PAL, Cal-PAL, Oxnard City Corps, Laborers' International Union of North America (LIUNA) Local 585, and Goodwill Industries. YARA solves a critical gap in workforce systems by eliminating barriers to employment such as lack of: training opportunities, job skills, mentors, soft skills, and access to educational credentials.¹

In May 2023, the inaugural cohort launched in Oxnard. Since then, YARA has launched in Rancho Cordova, and is preparing to expand into Santa Paula. LIUNA 585 and California PAL contacted the City of Carpinteria to explore interest in becoming the first municipality in Santa Barbara County to offer a YARA program in 2024. Since the program's first cohort in May 2023, three cohorts have successfully completed their training, and a fourth will conclude on December 16, 2023.

¹ <https://sd19.senate.ca.gov/news/2022/november/november-update-senator-monique-limon>

The purpose of this agenda matter is to inform the City Council of the City's intent to assist YARA representatives with recruitment of program participants utilizing City communication channels, and to provide, or work with community stakeholders to facilitate provision of, a meeting room with an adjacent outdoor open work-area, which are required for program instruction.

DISCUSSION

YARA representatives envision a 12-week pilot program to begin in March of 2024. YARA provides free job training to youth, ages 16 to 24, as part of a pre-apprenticeship program. The program provides graduates with a nationally recognized credential in the construction agency, including OSHA-10 and emerging Green Construction Certification. The program is designed to prepare youth for infrastructure jobs, jobs in the developing off-shore wind industry, and alternative sources of energy that will help California and the U.S. meet its state and federal climate goals. Additionally, upon successful completion of the 12-week program, participants receive stipends of up to \$1,500.00 (contingent upon continued funding.)

Whereas other partner cities have made substantial monetary contributions to ensure YARA Programming, California PAL and LiUNA 585 have approached the City of Carpinteria to launch their first program in Santa Barbara County utilizing funding secured from the State of California, offering the youth and families of Carpinteria an innovative, positive, high-quality program at no-cost to participants or the City.

POLICY CONSISTENCY

The proposed program is consistent with the City's mission, vision, and strategic initiatives, specifically the following policy statements and goals:

- *The diversity of the community shall be recognized, and City government shall serve the interest of all residents, maintaining and atmosphere in which the residents feel the City has their best interests at heart at all times. (City Mission)*
- *Carpinteria is a vibrant but easy going, family oriented small town with an economically and ethnically diverse population, working together for the common good of all residents and visitors. (City Vision statement)*
- *The City is committed to environmental stewardship including collaboration with local, state, and federal agencies. Environmental stewardship goals include, but are not limited to, projects and programs that move the City toward reliance on more sustainable energy sources and that help to reduce energy use. (Annual Work Plan, Strategic Initiative 2)*

FINANCIAL CONSIDERATIONS

No Additional Funding Requested. Staff time to prepare this report, and to assist with participant recruitment and identification of a suitable program site is included in the Adopted FY 2023-24 General Fund Budget.

If the pilot program is deemed successful, staff may recommend a future budget appropriation to sustain ongoing programming, to meet interest and need. Options for funding may include the City's Community Service Support Grant program, private support, and/or additional funding opportunities from various state and federal agencies.

LEGAL AND RISK MANAGEMENT CONSIDERATIONS

If program were to occur at a City facility, the operating agency would be required to meet insurance requirements consistent with the City's risk management interests.

OPTIONS

This is a receive and file report. No alternatives to the staff recommendation are being provided.

PRINCIPAL PARTIES EXPECTED AT MEETING

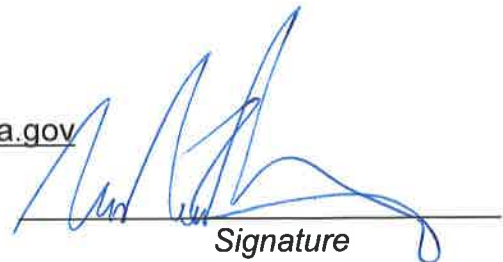
Jennifer Lopez, California PAL Executive Director
Anthony Mireles, LiUNA Local 585 Business Manager
Steve Cruz, LiUNA 585 Coordinator
Miguel Lopez, Ph.D. YARA Program Coordinator
Chris Hernandez, MC-3 Lead Instructor

ATTACHMENTS

ATTACHMENT A: Presentation Slides

ATTACHMENT B: Sample Program Flyer

Staff contact: Michael Ramirez, City Manager
805-755-4450, michaelr@carpinteriaca.gov



Signature

ATTACHMENT A



CALIFORNIA PAL INNOVATIONS IN YOUTH APPRENTICESHIP READINESS PATHWAY

Accelerator 9.0 - Promoting Employment, Living Wage Jobs and Life-Long Careers

Pre-Apprenticeship Activities Begin



Law Enforcement & Community Engagement

- Outreach & Recruitment by Officers
- Outreach & Employment Fair
 - Introduce Apprentice Opportunities
 - Exhibitors From Trade

Advisory Council

- Engage Local Leaders to Promote Trades
- Create Applicant Pool
- Create Employment Opportunities & Pathways
- Engage Employers to Improve Job Quality, Reduce Barriers to Employment & Training



Certifications

- MC3 Certification (6 weeks)
- OSHA 10 Certification (2 weeks)
- Green Resources Certification (2 weeks)

LiUNA!

PIF
Pass It Forward

Life After High School Conference

- 4-days, 3-Nights at a California University/College
- College/Career Readiness Workshops & Fair
- Life Skills, Resume & Business Interviews
- Motivational & Guest Speakers from Trades



Academic Support

- Diploma or GED Tract
- Career Pre-Requisite Tutoring

Building Project

- Onsite Projects

PAVE, LLC

PIF
Pass It Forward

Grad Week

- Construction Olympics
- Formal Graduation Ceremony
- Graduation Barbeque



Economic & Racial Equity

- Skilled & Trained
- Living Wage
- Community Reinvestment
 - Home Ownership
 - College Access

Employment

- Participants Eligible for 4-year Apprenticeship
- Construction Companies Invited to Sponsor Apprentices
- Pathway to Construction Career

LiUNA!



Blueprint for Youth Apprenticeship Readiness Model



ATTACHMENT B



CALIFORNIA PAL

**WE ARE
LIUNA!**

YOUTH APPRENTICESHIP READINESS ACCELERATOR (YARA)

PRE-APPRENTICESHIP TRAINING



- Introduction to local "Earn & Learn" opportunity upon completion of the pre-apprenticeship.
- Pathway to well-paid construction careers in the building trades through modern apprenticeship.

- ✓ **Better Pay with Benefits**
- ✓ **Hands-On Training**
- ✓ **Industry Certifications**

Available to Oxnard area applicants ages 16-24

APPLY NOW ONLINE FOR THE NEXT TRAINING!



<https://yara.californiapal.org/oxnard-application/>

Contact: Eileen Pinkard, Oxnard City Corps - eileen.pinkard@oxnard.org

Tel: (805) 385-8123

What You'll Learn

12-Week Pre-Apprenticeship

- ✓ Construction Industry Orientation
- ✓ Tools and Materials
- ✓ Construction Health and Safety
- ✓ Blueprint Reading
- ✓ Basic Math for Construction
- ✓ Heritage of the American Worker
- ✓ Diversity in the Construction Industry
- ✓ Green Construction
- ✓ Financial Literacy

The California PAL Youth Apprenticeship Readiness Accelerator pre-apprenticeship program in collaboration with LiUNA Local 585 utilizes the **Multi-Craft Core Curriculum of the NABTU - North America's Building Trades Unions** - to help hands-on problem-solvers enter a new career path through accelerated training and introductions to local building trades registered apprenticeship opportunities.

**APPLY NOW TO SAVE YOUR SPOT
FOR THE NEXT TRAINING!**

<https://yara.californiapal.org/oxnard-application/>



CARPINTERIA LIBRARY BOARD OF TRUSTEES
5775 Carpinteria Avenue
Carpinteria, CA 93013

REGULAR MEETING AGENDA
MONDAY, DECEMBER 11, 2023
5:30 P.M.

1. Call to order and roll call.
2. Confirmation of legal noticing and procedural requirements of meeting.
3. Public Comment – This is the time for public comments on matters not otherwise on the agenda but within the subject matter of the Carpinteria Library Board of Trustees.
4. Approval of minutes of the regular meeting held November 13, 2023.
5. December 2023 Carpinteria Community Library Report.
6. New Business & Discussion.
7. Adjournment.

The Carpinteria Library Board of Trustees agenda and any associated staff reports will be available on Thursday, December 7, 2023 on the City's Website: <https://carpinteriaca.gov/city-hall/agendas-meetings/>. The Carpinteria Library Board of Trustees agenda and staff reports are part of the City Council agenda for its regular meeting of December 11, 2023. Please see "[TEMPORARY ADJOURNMENT FOR THE PURPOSE OF HOLDING THE MONTHLY MEETING OF THE CARPINTERIA LIBRARY BOARD OF TRUSTEES](#)." Details and procedures on how to provide public comment and participate in the meeting through telephonic means are available on the posted City Council agenda at <https://carpinteriaca.gov/city-hall/agendas-meetings/>.

In compliance with the Americans with Disabilities Act, if you need assistance to participate in this meeting, please contact Brian Barrett, City Clerk at brianb@carpinteriaca.gov or (805) 755-4403. Notification two business days prior to the meeting will enable the City to make reasonable arrangements for accessibility to this meeting. This agenda was posted on Wednesday, December 6, 2023, in the City Clerk's Office, on the City Hall Public Notices Board, and on the Internet.

CARPINTERIA LIBRARY BOARD OF TRUSTEES
5775 Carpinteria Avenue
Carpinteria, CA 93013

REGULAR MEETING MINUTES
MONDAY, NOVEMBER 13, 2023

1. Call to order and roll call.

President Clark called the meeting to order at 5:50 pm.

Boardmembers present:	Boardmember Roy Lee Boardmember Wade T. Nomura Boardmember Mónica J. Solórzano Vice President Natalia Alarcon President Al Clark

Staff members present:	Dave Durflinger, Chief Executive Officer Jody Thomas, City Librarian Brian C. Barrett, Secretary

2. Confirmation of legal noticing and procedural requirements of meeting.

Secretary Barrett acknowledged that all legal noticing and procedural requirements have been met.

3. Public Comment

There was no public comment.

4. Approval of minutes of the regular meeting held October 9, 2023.

There was no public comment.

Motion by Boardmember Lee, seconded by Boardmember Nomura, to approve the minutes of the regular meeting held October 9, 2023. Upon voice vote, the motion carried unanimously.

5. November 2023 Carpinteria Community Library Report.

City Librarian Thomas presented the staff report. She also introduced the following:

- Carey Bradshaw, Executive Director of Therapy Dogs of Santa Barbara

- Carpinteria Community Library staff including Holden Arquilevich (not present), Terra Furuta, Maria Gonzales, Eric Castro, and Jena Jenkins
- Current members of the Library Advisory Commission including Chair Glynn Birdwell, Vice Chair Amber Kaplan, Danielle Manriquez-Osborn, and Margaret Connors
- Friends of the Library Boardmembers
- Friends of the Library Events Committee (no members present)
- City's representative to the County Library Advisory Committee - Gail Marshall (not present)
- Friends of the Library Bookstore volunteers
- Literacy Tutors at the Carpinteria Community Library
- Carpinteria Community Library volunteers

6. New Business & Discussion.

There was no new business nor discussion.

7. Adjournment.

President Clark adjourned the meeting at 6:05 pm.

Brian C. Barrett, CMC, CPMC, Secretary



City of Carpinteria

LIBRARY BOARD OF TRUSTEES AGENDA STAFF REPORT December 11, 2023

ITEM FOR LIBRARY BOARD OF TRUSTEES CONSIDERATION

December 2023 Community Library Report

STAFF RECOMMENDATION

Receive and file the report.

Sample Motion: I move to receive and file the Carpinteria Community Library report.

BACKGROUND

The Carpinteria Community Library, established by Ordinance 747 on June 14, 2021, and added to the Municipal Code, Chapter 2.38, also established a Library Board of Trustees (section 2.38.030) to meet at least once a month.

DISCUSSION

Veteran's Day was observed on Friday, November 10. The City and school district were closed; however, the Carpinteria Community Library stayed open with support from part-time staff, as libraries are generally highly utilized on school closure dates. As part of the day's activities, staff hosted a "pajama day" for youth. Additional activities and treats included pop-up story times and crafts, hot chocolate and popcorn, and an introduction to Dungeons and Dragons for teens. Staff estimates we served approximately 100 more people than usual for a typical Friday.

The library hosted a Homeschooling Fair in November. Homeschoolers are often consistent and heavy users of the library as the public library serves as their school library, in effect. Staff is aware of more than 50 families homeschooling in Carpinteria and there are likely many others. There were several intentions for the event:

- Share the library resources available to students and families, including online courses, virtual homework help, book resources, and programs.
- Discover what the library could do to support home learners.

- Launch our homeschooling resource page on the library website.¹
- Provide an opportunity for homeschoolers to meet each other and share information.

The library hosted the second annual Frosty Fest. This silly, winter-themed party is pure fun and designed to be inclusive of all. It is multi-generational and suitable for all ages.

In October, the Carpinteria Community Library had an increase in circulation by 6% over last year. (Attachment A)

Black Gold received \$17,310 from the County of Santa Barbara as gap funding to cover the loss of contribution from departed member Santa Barbara Public Library. This amount was for what would have been their share of the FY22/23 CalPERS Unfunded Accrued Pension Liability. That amount was taken from Black Gold reserves last year, so that remaining member cities would not incur additional costs. The gap funding from the County has been redeposited in reserves.

POLICY CONSISTENCY

The Library programs and resources are consistent with the actions of the City Council concerning the establishment of a municipal library.

FINANCIAL CONSIDERATIONS

No financial considerations are associated with this report.

LEGAL AND RISK MANAGEMENT CONSIDERATIONS

As determined necessary and appropriate, staff consults with the City Attorney's Office and risk managers of its insurance entity, the California Joint Powers Insurance Authority, in order to ensure compliance with legal requirements and best practices.

OPTIONS

1. Receive and file.
2. Direct staff as appropriate.

PRINCIPAL PARTIES EXPECTED AT MEETING

No principal parties expected to attend.

¹ [Homeschooling Resources For Carpinteria Families - Carpinteria Community Library \(carpinterialibrary.org\)](http://carpinterialibrary.org)

ATTACHMENTS

Attachment A – Circulation statistics for October 2023

Staff contact: Jody Thomas, City Librarian
(805) 684-4314, jodyt@carpinteriaca.gov



Signature

Staff contact: Michael Ramirez, City Manager
(805) 755-4450, michaelr@carpinteriaca.gov



Signature

BLACK GOLD COOPERATIVE LIBRARY SYSTEMS
TOTAL CHECKOUT AND RENEWAL STATISTICS
Oct 2022 - Oct 2023

Loc.	Oct-22	% Change	Oct-23	Sep-23	Aug-23	Jul-23	Jun-23	May-23	Apr-23	Mar-23	Feb-23	Jan-23	Dec-22	Nov-22	Oct-22
CC	4,428	6%	4,699	5,300	5,311	5,525	5,536	5,349	4,757	5,495	4,680	4,845	4,021	4,189	4,428
GBV	584	0%	597	612	547	695	570	594	481	486	477	1,436	485	418	584
GL	-	0%	-	-	-	11	11	26	15	2	1	2	4	5	0
GO	36,962	-9%	33,582	34,700	36,990	40,263	40,221	36,528	34,601	39,145	33,297	34,323	33,569	34,440	36,962
GS	4,697	1%	4,724	4,800	4,881	5,166	4,805	4,582	4,705	5,171	4,431	4,472	3,885	4,119	4,697
GU	2,398	22%	2,926	3,185	3,061	3,095	2,840	2,579	2,403	2,368	2,395	2,259	2,204	2,305	2,398
GY	7	0%	-	-	-	-	3	4	8	3	2	8	15	9	7
	44,648	-6%	41,829	43,297	45,479	49,230	48,450	44,313	42,213	47,175	40,603	42,500	40,162	41,296	44,648
LC	624	55%	969	395	497	778	566	732	721	1,037	695	554	518	421	624
LM	12,493	-8%	11,541	11,938	12,180	12,436	12,311	12,396	11,676	12,814	10,436	13,503	8,304	10,937	12,493
LV	1,666	-18%	1,363	1,205	1,590	1,573	1,625	1,782	1,813	2,078	1,524	1,699	1,157	1,656	1,666
	14,783	-6%	13,873	13,538	14,267	14,787	14,502	14,910	14,210	15,929	12,655	15,756	9,979	13,014	14,783
MA	251	-16%	210	217	300	312	323	306	290	307	280	318	226	216	251
MB	241	-15%	205	353	332	334	277	260	251	114	159	170	159	223	241
MC	261	-49%	134	225	256	300	298	293	341	268	334	318	252	316	261
MG	395	82%	717	639	659	619	469	676	570	603	321	368	385	346	395
MM	22,342	-5%	21319	22898	22380	24490	23917	22,088	22,142	23,599	20,264	21,219	19,756	20,890	22,342
MO	3,309	-4%	3170	2969	2976	3726	3069	3,552	3,439	3,473	3,059	3,294	2,964	3,109	3,309
	26,799	-4%	25,755	27,301	26,903	29,781	28,353	27,175	27,033	28,364	24,417	25,687	23,742	25,100	26,799
PR	16,438	-4%	15,792	16,703	17,836	18,654	16,907	16,885	15,523	17,289	14,287	15,872	15,259	15,601	16,438
PRS	23	-22%	18	45	15	8	16	31	34	26	18	23	22	40	23
	16,461	-4%	15,810	16,748	17,851	18,662	16,923	16,916	15,557	17,315	14,305	15,895	15,281	15,641	16,461
SP	6,072	-70%	1,807	2,539	4,058	6,835	7,059	5,976	5,891	5,778	5,274	5,747	5,202	6,016	6,072
TOTAL	113,191	-8%	103,773	108,723	113,869	124,820	120,823	114,639	109,661	120,056	101,934	110,430	98,387	105,256	113,191

MEMORANDUM



Council Meeting Date: December 11, 2023

To: Honorable Mayor and City Council

From: Michael Ramirez, City Manager

Subject: City Manager's Report

Senior Service Planning Committee.

The Senior Services Planning Committee scheduled for December 11, 2023 was cancelled. The focus of the meeting was a letter of interest from Family Service Agency (FSA) to manage and provide senior services in Carpinteria. After careful consideration, FSA withdrew their letter, deciding to focus on their core mission and serve the city as a strong partner rather than as a contractor. Another Senior Services Planning Committee meeting will be scheduled after the new year, date TBD. Also, the City's senior services website has been updated with new branding, approved by the committee, reflecting the program's focus on the service provided rather than the recipients of said service. The December activities can be found on the new web page, along with other helpful information such as the Senior Congregate Meals menu, provided by the Area Agency on Aging – Central Coast Commission for Senior Citizens.

Recruitments.

If approved by City Council through a budget appropriation, recruitment for the Assistant City Manager position and Parks, Recreation, and Community Services Director will begin this week. Duties for both positions are currently assigned to the City Manager and will demand his attention until filled. An amendment to the Assistant City Manager job description was made to better align the duties of the position with the Assistant City Manager's position within the overall structure. Any salary changes to this position, or any other City position, will be considered together, as part of the 2024/25 fiscal year budget process.

2023 Winter Protection Berm

The Winter Protection Berm is now in place and will remain in place until April 2024. The intended purpose of the Winter Protection Berm is to provide for a measure of protection to the residential properties along Carpinteria City Beach. Construction of the Winter Protection Berm is funded by a local assessment and the general fund.

City Hall Campus Improvements Project - Sewer Replacement

Bids were received on December 5, 2023, and are currently being evaluated. The estimated start date of the construction phase is January 2024, at the earliest, as winter weather permits. The general scope of work is an emergency repair of the City Hall

Campus' sanitary sewer lateral. The sanitary sewer lateral runs underground, parallel to the south property line of City Hall and connects with a Carpinteria Sanitary District mainline. Bid results are available on the Public Works Department webpage.

2022 Pavement Rehabilitation Project

The design phase of this pavement improvement project is complete. The estimated start date of the construction phase is January 2024, at the earliest, as winter weather permits.

2023 Pavement Maintenance and Rehabilitation Project

The design phase of this pavement improvement project is approximately 60-percent complete. A public workshop is being planned for January 2024, at the earliest, in order to seek input for the preliminary plans. The estimated start date of the construction phase is spring 2024.

Tour of Gold Coast Recycling and Transfer Station and Waste Management Simi Valley Landfill

On December 5, 2023, Public Works Department staff toured both the Gold Coast Recycling and Transfer Station and Waste Management Simi Valley Landfill in order to view the solid waste collection processes of trash, recyclables, green waste, and food waste. Future tours are being planned in 2024 for the City Council and other City staff. The City's Solid Waste Program is funded by Assembly Bill 939. Funds from this AB939 are collected by E.J. Harrison & Sons, Inc. and remitted to the City as a part of the Solid Waste Franchise Agreement. The cost of the program is also offset with the Oil Payment Program Funds from the California Department of Resource, Recovery and Recycling. For more information about the tour, please contact Environmental Program Manager Erin Maker.

Public Review of Draft Environmental Impact Report (EIR) for Chevron Decommissioning Project

The Draft EIR for the Chevron Carpinteria Oil & Gas Facility Decommissioning Project was released for a 45-day public review period, which began on November 30, 2023, and will end at 5:00 pm on January 15, 2024. The Draft EIR describes the proposed project in detail, identifies the potential environmental effects of the project and proposed mitigation measures to avoid or reduce the severity of those impacts, and considers possible project alternatives.

The City will be accepting public comments on the adequacy of the Draft EIR up until the close the comment period. Comments may be submitted in writing or by email to Community Development Director Nick Bobroff. The City will also hold a hearing with the Environmental Review Committee (ERC) to consider the Draft EIR and to provide a recommendation to the Carpinteria Planning Commission on Monday, December 18, 2023 at 5:30 pm in the Council Chambers. The public is invited to attend the ERC meeting and may provide public comments at the meeting.

Additional information about the decommissioning project, including a copy of the Draft EIR and Executive Summary is available on the City's website under "Hot Topics" on the city homepage or by visiting: <https://carpinteriaca.gov/city-hall/community-development/oil-gas-information/oil-processing-facility-decommissioning/>

**City of Carpinteria
City Council Minutes
Regular Meeting
Monday, November 27, 2023**

In-Person and Virtual Participation Options

CALL TO ORDER

Mayor Clark called the meeting to order at 5:34 pm.

ROLL CALL

Councilmembers present: Councilmember Roy Lee
Councilmember Wade T. Nomura
Councilmember Mónica J. Solórzano
Vice Mayor Natalia Alarcon
Mayor Al Clark

Staff members present: Dave Durflinger, City Manager
Michael Ramirez, Assistant City Manager
Jena Shoaf Acos, on behalf of Brownstein Hyatt Farber
Schreck, LLP acting as City Attorney of the City
of Carpinteria
Brian C. Barrett, City Clerk
John L. Ilasin, Public Works Director
Stephon Downes, Management Analyst I
Licette Maldonado, Administrative Services Director
Olivia Uribe Mutal, Program Manager

PLEDGE OF ALLEGIANCE

Mayor Clark led those present in the salute to the flag.

COUNCILMEMBER(S) REQUEST FOR REMOTE PARTICIPATION UNDER AB 2449:

There were no Councilmember requests for remote participation under AB 2449.

AGENDA MODIFICATIONS: NONE

INTRODUCTIONS, PROCLAMATIONS AND PRESENTATIONS:

1. Proclamation Recognizing 2023 Outgoing Santa Barbara Association of Realtors President Todd Shea. *(Requires approval prior to presentation of proclamation.)*

Motion by Councilmember Nomura, seconded by Councilmember Lee, to approve the Proclamation Recognizing 2023 Outgoing Santa Barbara Association of Realtors President Todd Shea. Upon voice vote, the motion carried unanimously.

Mayor Clark presented the Proclamation to Mr. Shea. Mr. Shea provided remarks.

2. New Employee Introduction: Mindy Fogg, Principal Planner and Megan Musolf, Assistant Planner.

Community Development Director Bobroff introduced Mindy Fogg, Principal Planner and Megan Musolf, Assistant Planner. Ms. Fogg and Ms. Musolf provided remarks.

3. Presentation of the 2023 Carpinteria Valley Economic Profile.

Mark Schniepp, Director of The California Economic Forecast provided the presentation and responded to questions.

Speakers in-person: Mike Wondolowski

Emails distributed: Mike Wondolowski

Motion by Councilmember Nomura, seconded by Councilmember Solórzano, to receive and file the report. Upon voice vote, the motion carried unanimously.

4. Resolution No. 6275, Congratulating Dave Durflinger on His Retirement and Commending and Thanking Him for 24 Years of Loyal and Dedicated Service to the City of Carpinteria. *(Requires approval prior to presentation of resolution.)*

Motion by Councilmember Nomura, seconded by Councilmember Lee, to adopt Resolution No. 6275. Upon voice vote, the motion carried unanimously.

Speakers in-person: Brad Stein, Fred Shaw, Julia Mayer, Susan Allen, Joe Franken, Lorraine McIntire, and Kevin Silk

Mayor Clark and the City Council presented City Manager Durflinger with Resolution No. 6275, an engraved City Tile, a California State Assembly Certificate of Recognition from Assemblymember Gregg Hart, and a Certificate of Special Congressional Recognition from Congressman Salud Carbajal.

RECESS FOR REFRESHMENTS IN COUNCIL FOYER

Mayor Clark recessed the meeting for refreshments at 6:32 pm.

RECONVENE THE REGULAR MEETING OF THE CITY COUNCIL

Mayor Clark reconvened the meeting at 7:01 pm.

PUBLIC INFORMATION REPORTS AND ANNOUNCEMENTS

Lieutenant Butch Arnoldi with the Santa Barbara County Sheriff's Department provided an update on crime in the City.

CITY MANAGER'S REPORT

City Manager Durflinger introduced the City Manager's Report and went over the holiday closure dates of City Hall, the Community Library, and the Community Pool.

Assistant City Manager Ramirez provided an update on the Senior Services Committee.

Public Works Director Ilasin spoke on the Community Rating System (CRS) of the National Flood Insurance Program and the Flood Insurance Rate Map (FIRM) Restudy.

PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA

Speakers in-person: Paul Wright

Emails distributed: Rosalind (no last name provided)

CONSENT CALENDAR:

There was no public comment.

Motion by Councilmember Lee, seconded by Councilmember Nomura, to approve the Consent Calendar Item Nos. 5 through 11. The roll call vote on the motion was as follows:

AYES: Councilmember Lee, Councilmember Nomura, Councilmember Solórzano, Vice Mayor Alarcon, and Mayor Clark

NOES: None

ABSENT: None

ABSTAIN: None

The motion carried unanimously.

5. Approve the minutes of the regular meeting held November 13, 2023.
6. Receive and file the Expenditures for the period beginning November 6, 2023 and ending November 17, 2023.

7. Receive and file Report of Contracts Executed by the City Manager for the Period of October 17, 2023 through November 20, 2023.
8. Receive and file the Monthly City Treasurer's Report on Compliance with Statement of Safekeeping and Investment of Public Funds for October 2023.
9. Adopt Ordinance No. 772 (second reading), amending various sections in Carpinteria Municipal Code Chapter 2.08 ("City Manager") to align with law and practice. *(This motion requires a roll call vote.)*
10. Accept Parcel Map 25,187 and associated documents including project-specific Covenants, Conditions and Restrictions (CC&Rs), and Informational Notice document, for the Haber Condominium Project (20-2076-DP/CDP/TPM/TEX) located at 4716 Seventh Street.
11. Excusing City Manager Dave Durlinger from attending the meeting(s) of the City Council held after November 27, 2023.

ADMINISTRATIVE MATTERS:

12. Appointments of public members to the Ad Hoc Harbor Seal Advisory Committee.

Recommendation: Make appointments to the Ad Hoc Harbor Seal Advisory Committee.

City Clerk Barrett presented the staff report.

Speakers in-person: David Allen, Susan Allen, Cynthia Steen, Mike Wondolowski, and Susan Mailheu

Speakers via Zoom: Andrew Brooks

Motion by Councilmember Solórzano, seconded by Councilmember Lee, to appoint the following public members to the Ad Hoc Harbor Seal Advisory Committee: Andrew Brooks, David Allen, Mike Wondolowski, Susan Mailheu, and C. Kathleen Lord and request staff bring back an amendment to the resolution re-forming the Committee to include two alternate members. Upon voice vote, the motion carried unanimously.

13. Authorize the City Manager to sign the Landscape Equipment Electrification Fund Program Application.

Recommendation: (1) Authorize the City Manager to sign the Landscape Equipment Electrification Fund Program Application and (2) Approve a budget

appropriation in the amount of \$11,250 to the Right-of-Way Maintenance District Fund and \$1,000 to the General Fund for Fiscal Year 2023-24 Budget. *(This motion requires a roll call vote.)*

Management Analyst I Downes presented the staff report.

There was no public comment.

Motion by Councilmember Solórzano, seconded by Councilmember Nomura, to (1) Authorize the City Manager to sign the Landscape Equipment Electrification Fund Program Application; and (2) Approve a budget appropriation in the amount of \$11,250 to the Right-of-Way Maintenance District Fund and \$1,000 to the General Fund for Fiscal Year 2023-24 Budget. The roll call vote on the motion was as follows:

AYES: Councilmember Lee, Councilmember Nomura, Councilmember Solórzano, Vice Mayor Alarcon, and Mayor Clark
NOES: None
ABSENT: None
ABSTAIN: None

The motion carried unanimously.

14. A Maintenance Agreement with the California Department of Transportation concerning the Carpinteria High School Area Crosswalk Safety Improvement Project.

Recommendation: Authorize the City Manager to execute a Maintenance Agreement with the California Department of Transportation for the Carpinteria High School Area Crosswalk Safety Improvement Project. *(This motion requires a roll call vote.)*

Public Works Director Ilasin presented the staff report and PowerPoint presentation.

There was no public comment.

Motion by Councilmember Lee, seconded by Councilmember Nomura, to authorize the City Manager on behalf of the City to execute a Maintenance Agreement with the California Department of Transportation for the Carpinteria High School Area Crosswalk Safety Improvement Project. The roll call vote on the motion was as follows:

AYES: Councilmember Lee, Councilmember Nomura, Councilmember Solórzano, Vice Mayor Alarcon, and Mayor Clark
NOES: None
ABSENT: None
ABSTAIN: None

The motion carried unanimously.

PUBLIC HEARING:

15. Ordinance No. 774, an Ordinance of the City Council of the City of Carpinteria, California, Amending Chapter 2.06 of Title 2 (City Council District Elections) and Chapter 3.34 of Title 3 (Revenue and Finance) of the Carpinteria Municipal Code Regarding Fee and Service Charge Revenue/Cost Comparison System, and Resolution No. 6282, Approving and Adopting the City's Master Fee Schedule. *(Continued from November 13, 2023 Council Meeting)*

Recommendation: (1) Introduce and approve Ordinance No. 774, as read by title only, and continue the second reading of the ordinance for adoption to December 11, 2023; and (2) Approve and adopt Resolution No. 6282, updating the City's Master Fee Schedule. *(This motion requires reading of ordinance title and a roll call vote.)*

Administrative Services Director Maldonado presented the staff report.

Speakers in-person: Steve Jarmie

Motion by Councilmember Nomura, seconded by Councilmember Lee, to (1) Approve and waive first reading of Ordinance No. 774, as read by title only, and continue the second reading for adoption to December 11, 2023, and; (2) Adopt Resolution No. 6282, approving the City's Master Fee Schedule.

City Clerk Barrett read aloud the title of Ordinance No. 774 into the record.

The roll call vote on the motion was as follows:

AYES: Councilmember Lee, Councilmember Nomura, Councilmember Solórzano, Vice Mayor Alarcon, and Mayor Clark
NOES: None
ABSENT: None
ABSTAIN: None

The motion carried unanimously.

16. Annual Report of the Development Impact Fee Program and Updating the Capital Improvement Plan.

Recommendation: Adopt Resolution No. 6276, approving and accepting the Annual Report of the Development Impact Fee Program and updating the Capital Improvement Plan.

Public Works Director Ilasin and Management Analyst I Downes presented the staff report and PowerPoint presentation.

There was no public comment.

Motion by Vice Mayor Alarcon, seconded by Councilmember Nomura, to adopt Resolution No. 6276, as read by title only. The roll call vote on the motion was as follows:

AYES: Councilmember Lee, Councilmember Nomura, Councilmember Solórzano,
Vice Mayor Alarcon, and Mayor Clark
NOES: None
ABSENT: None
ABSTAIN: None

The motion carried unanimously.

**CONSIDERATION OF ANY ITEMS REMOVED FROM CONSENT CALENDAR
AND/OR OTHER AGENDA ITEMS REQUESTED TO BE ADVANCED: NONE**

MATTERS CONTINUED FROM PREVIOUS MEETINGS: NONE

OTHER BUSINESS:

17. 2023 Economic Vitality Program Report.

Recommendation: Receive and file the 2023 Economic Vitality Program Report.

Assistant City Manager Ramirez presented the staff report and PowerPoint presentation.

There was no public comment.

Motion by Councilmember Solórzano, seconded by Councilmember Nomura, to receive and file the 2023 Economic Vitality Program report. Upon voice vote, the motion carried unanimously.

18. Approval and adoption of the City Manager Employment Agreement with a Base Salary of \$225,000.

Recommendation: Approve, adopt, and authorize for the Mayor's signature the City Manager Employment Agreement Between the City of Carpinteria and Michael Ramirez. *(This motion requires a roll call vote.)*

Program Manager Uribe Mutal and Legal Counsel Acos presented the staff report.

There was no public comment.

Motion by Councilmember Lee, seconded by Councilmember Nomura, to approve and adopt the City Manager Employment Agreement Between the City of Carpinteria and Michael Ramirez, and to authorize the Mayor to sign it on behalf of the City of Carpinteria. The roll call vote on the motion was as follows:

AYES: Councilmember Lee, Councilmember Nomura, Councilmember Solórzano, Vice Mayor Alarcon, and Mayor Clark

NOES: None

ABSENT: None

ABSTAIN: None

The motion carried unanimously.

LEGISLATIVE UPDATE: NONE

COMMITTEE REPORTS, INQUIRIES AND OTHER MATTERS PRESENTED BY COUNCILMEMBERS

Councilmember Solórzano reported that the BEACON meeting of November 17th has been rescheduled to December 8th and mentioned that the single use plastics ordinance was discussed at the November 15th Sustainability Committee.

ATTENDANCE OF COUNCILMEMBERS FOR FUTURE MEETINGS

All Councilmembers are expected to be in attendance at the December 4th Special Joint City Council & Planning Commission meeting.

ADJOURNMENT

Mayor Clark adjourned the meeting at 9:14 pm.

Al Clark, Mayor

ATTEST:

Brian C. Barrett, CMC, CPMC
City Clerk

City of Carpinteria
Special Joint City Council and Planning Commission
Meeting Minutes
Monday, December 4, 2023

In-Person and Virtual

CALL TO ORDER

Mayor Clark called the meeting to order at 5:30 pm.

ROLL CALL

City Councilmembers present:

Councilmember Roy Lee
Councilmember Wade T. Nomura
Councilmember Mónica J. Solórzano
Vice Mayor Natalia Alarcon
Mayor Al Clark

Planning Commissioners present:

Commissioner David Allen
Commissioner John Moyer
Commissioner Katherine Salant
Vice Chair Glenn LaFevers
Chair Jane Benefield

Staff members present:

Michael Ramirez, Assistant City Manager
Mack Carlson, on behalf of Brownstein Hyatt
Farber Schreck, LLP acting as City
Attorney of the City of Carpinteria
Cody T. Sargeant, on behalf of Brownstein Hyatt
Farber Schreck, LLP acting as City
Attorney of the City of Carpinteria
Nick Bobroff, Community Development Director
Brian C. Barrett, City Clerk

PLEDGE OF ALLEGIANCE

Mayor Clark led those present in the salute to the flag.

CITY COUNCIL BUSINESS:

The City Council met to consider the following item:

1. Presentation on California Density Bonus Law, the Housing Accountability Act and the California Coastal Act.

Recommendation: Receive and file report on implementation of California Housing laws in the Coastal Zone.

Community Development Director Bobroff and Legal Counsel Carlson and Sargeant presented the staff report and PowerPoint presentation and responded to questions from the City Council and Planning Commission.

PUBLIC COMMENT WILL BE HEARD CONCERNING ONLY THE AGENDIZED ITEM FOR THIS SPECIAL MEETING

Speakers in-person: Patrick O'Connor and Amrita Salm

Community Development Director Bobroff and Legal Counsel Carlson responded to questions from the public speakers.

Motion by Councilmember Nomura, seconded by Councilmember Lee, to receive and file the report on California Density Bonus Law, the Housing Accountability Act and the California Coastal Act. Upon voice vote, the motion carried unanimously.

ADJOURNMENT

Mayor Clark adjourned the meeting at 7:24 pm.

Al Clark, Mayor

ATTEST:

Brian C. Barrett, CMC, CPMC
City Clerk



City of Carpinteria

COUNCIL AGENDA STAFF REPORT December 11, 2023

ITEM FOR COUNCIL CONSIDERATION

Expenditures for the period beginning November 20, 2023 and ending December 01, 2023.

STAFF RECOMMENDATION

Receive and file Warrant Register for the period of November 20, 2023, through December 01, 2023, pursuant to Carpinteria Municipal Code 2.08.150(F).

DISCUSSION

As part of each regular City Council agenda, a list of all checks (attached) dispersed since the last reporting period is presented to the City Council pursuant to C.M.C. 2.08.150(F). The report is provided for City Council and public information and serves as staff's verification that the expenditures have been reviewed and are within budgeted appropriations.

FINANCIAL CONSIDERATIONS

The warrant register is designed to communicate fiscal activity since the prior reporting period.

ATTACHMENTS

Attachment A: Warrant Register for the period beginning November 20, 2023 and ending December 01, 2023.

Staff contact: Brenda Robinson, Accounting Specialist
(805) 755-4442, BrendaR@carpinteriaca.gov


Signature

Staff contact: Licette Maldonado, Admin Services Dir.
(805) 755-4448, LicetteM@carpinteriaca.gov


Signature

Reviewed by: Dave Durflinger, City Manager
(805) 755-4400, DaveD@carpinteriaca.gov


Signature

Warrant Register

Carpinteria, CA

Date Range: 11/20/2023 - 12/01/2023

Vendor Number
Payable #
Bank Code: AP Bank-AP Bank
Payment Type: Regular

23855

116X-RM74-7GR3

11JY-JCGQ-1FL3

16DY-HKDN-CWYJ

17TD-D6GH-DDTL

19GL-TRYW-DXV4

1CP6-6Q33-KM4G

1CPD-3JDG-7V91

1FC3-9QL1-L6JQ

1FDH-JMWL-DCFF

1FP6-L7F6-C6HN

1J6M-LPDT-L3TR

1N7R-MXJK-KFM7

1PTK-QC99-13RD

1QY3-F1XD-91DJ

1VX6-PGWD-6RJH

1XJP-XFQ4-L1XR

1YLD-MWGN-JDFD

1YLD-MWGN-LIGV

1YXD-TYDW-1DQ4

287303896883X111020223

557947

635544

635545

635583

635584

635588

2023 BUNGALOW TOUR

9016

522120

522317

522322

522588

259997

Vendor Name	Payment Date	Payment Amount	Number
Payable Type	Payable Description		
WILLIAM WOOD	11/20/2023	(207.21)	101997
AG ENT INC	11/23/2023	75.00	102512
Invoice	BACKFLOW TESTING LINDEN & EIGHTH		
AMAZON CAPITAL SERVICES INC	11/23/2023	1,562.13	102513
Invoice	ZIP BOOKS-L. MARCUS		
Invoice	BOOKS FOR LIBRARY		
Invoice	SWING SET SEATS FOR PARKS		
Invoice	BOOKS FOR LIBRARY		
Invoice	ZIP BOOKS-O.MENARD		
Invoice	BOOKS FOR LIBRARY		
Invoice	ZIP BOOKS-J. CALITRI		
Invoice	ZIP BOOKS-R. MASCITELLI		
Credit Memo	BOOKS FOR LIBRARY RETURNED		
Invoice	ZIP BOOKS-K. ZULEGER		
Invoice	BOOKS FOR LIBRARY		
Invoice	25 SETS-DIVIDER TABS		
Invoice	BOOKS FOR LIBRARY		
Invoice	ZIP BOOKS-B. HOWELL		
Invoice	KEY FOBS FOR CITY HALL NEW EMPLOYEES		
Invoice	BOOKS FOR LIBRARY		
Invoice	BOOKS FOR LIBRARY		
Invoice	BOOKS FOR LIBRARY		
Invoice	BOOKS FOR LIBRARY		
Void	11/23/2023	-	102514
AT&T MOBILITY	11/23/2023	607.37	102515
Invoice	OCT23 CITY HALL CELL PHONES		
BACKGROUNDS ONLINE	11/23/2023	108.10	102516
Invoice	OCT23 PROFESSIONAL SERVICES		
BIG GREEN CLEANING COMPANY	11/23/2023	15,118.00	102517
Invoice	NOV23 BIG GREEN CLEANING FY23-24		
Invoice	NOV23 BIG GREEN CLEANING FY23-24		
Invoice	NOV23 BIG GREEN CLEANING FY23-24		
Invoice	NOV23 BIG GREEN CLEANING FY23-24		
Invoice	NOV23 BIG GREEN CLEANING FY23-24		
CARPINTERIA ARTS CENTER	11/23/2023	120.00	102518
Invoice	2023 WALKING BUNGALOW TOUR-6 PEOPLE		
CARPINTERIA ARTS CENTER	11/23/2023	6,000.00	102519
Invoice	BELLAS ARTES SUMMER CAMP GRANT		
CARPINTERIA VALLEY LUMBER CO	11/23/2023	92.03	102520
Invoice	4 2X4X8 POSTS FOR SIGN WORK		
Invoice	THREADLOCKER FOR SHOP		
Invoice	COMMUNITY GARDEN PUMPKIN SMASH EVENT SUPPLIES		
Invoice	ELECTRICAL TAPE		
CIVICPLUS	11/23/2023	350.00	102521
Invoice	FY23-24 MINICODE ADMINISTRATIVE SUPPORT FEE		

60541	COASTAL VIEW NEWS	11/23/2023	272.00	102522
	Invoice	PUMPKIN SMASH AD 11/2/23		
INV0005085	COMMUNIFY-A COMMUNITY ACTION AG	11/23/2023	3,067.75	102523
	Invoice	FY22-23 S.C. TASK FORCE ON YOUTH GANGS		
NOV23 001 3011 022093901	COX BUSINESS	11/23/2023	564.42	102524
NOV23 001 3011 028450702	Invoice	NOV23 CITY HALL INTERNET-PHONE SERVICE		
	Invoice	NOV23 VETS HALL INTERNET SERVICES		
INV0005117	DAN CHEPLEY	11/23/2023	196.00	102525
	Invoice	TRAVEL REIMBURSEMENT CALBO EDUCATION WEEK		
INV0005115	DARIO L PINI TRUST	11/23/2023	800.00	102526
	Invoice	CITATION DEPOSIT REFUND		
7431	EASY LIFT TRANSPORTATION	11/23/2023	1,000.00	102527
	Invoice	NOV23 COMMUNITY TRANSPORTATION SERVICES		
05018	ENCOMPASS CONSULTANT GROUP INC	11/23/2023	56,836.30	102528
	Invoice	OCT23 PAVEMENT MAINTENANCE		
10599	EVERSHADE EXTERIOR CLEANING SOLUTIONS	11/23/2023	9,675.00	102529
	Invoice	OCT23 AVOCADO FESTIVAL & TRASH RECEPTACLES CLEANING		
23-5097	FLOWERS & ASSOCIATES INC	11/23/2023	1,791.00	102530
	Invoice	SEP23 ENGINEERING SERVICES FOR PALM X CARP AVE		
NOV23 209-188-2500-061589-5	FRONTIER COMMUNICATIONS	11/23/2023	543.68	102531
NOV23 805-566-1944-032923-5	Invoice	NOV23 PHONE & INTERNET - LG TOWER		
NOV23 805-684-4314-063022-5	Invoice	NOV23 PHONE & INTERNET-BEACH STORE		
NOV23 805-684-7613-042205-5	Invoice	NOV23 PHONE & INTERNET SERVICES FOR LIBRARY		
	Invoice	NOV23 PHONE & INTERNET FOR LG TOWER & BOATHOUSE		
5237	GLADWELL GOVERNMENTAL SERVICES INC	11/23/2023	650.00	102532
	Invoice	RECORD RETENTION TRAINING 11/8/23		
150006022	GRACENOTE	11/23/2023	75.65	102533
	Invoice	NOV23 LISTING DISTRIBUTION SERVICE		
605290478	HILLYARD	11/23/2023	171.37	102534
	Invoice	FLEET WASH FOR ALL VEHICLES		
INV0005086	JAYNE DIAZ	11/23/2023	691.61	102535
	Invoice	DEC23 MEDICAL REIMBURSEMENT		
INV0005087	LARRY DRIGGERS	11/23/2023	691.61	102536
	Invoice	DEC23 MEDICAL REIMBURSEMENT		
11123	LARRY NIMMER	11/23/2023	341.25	102537
	Invoice	VIDEO PRODUCTION-DOWNTOWN "T" HALLOWEEN MERCHANTS		
2408	LEWIS ENGINEERING	11/23/2023	540.00	102538
	Invoice	PROFESSIONAL SERVICES CARP SEWER THROUGH 8/15/23		
INV0005088	MARY ANN COLSON	11/23/2023	691.61	102539
	Invoice	DEC23 MEDICAL REIMBURSEMENT		
11746	MCCORMIX CORP	11/23/2023	103.93	102540
	Invoice	FUEL FOR CITY VEHICLES		
520298602	MISSION UNIFORM SERVICE	11/23/2023	603.97	102541
520298603	Invoice	MAT REPLACEMENT, UNIFORM CLEANING 10/23/23		
520298604	Invoice	MAT REPLACEMENT AT LIBRARY 10/23/23		
520343641	Invoice	TOWEL & MAT REPLACEMENT-CITY HALL 10/23/23		
520343642	Invoice	MAT REPLACEMENT, UNIFORM CLEANING 10/30/23		
520380856	Invoice	TOWEL & MAT REPLACEMENT-CITY HALL 10/30/23		
520380858	Invoice	MAT REPLACEMENT AT POOL 11/6/23		
	Invoice	MAT REPLACEMENT AT LIBRARY 11/6/23		

600-2023-10	MRS ENVIRONMENTAL INC	11/23/2023	17,387.50	102542
	Invoice	OCT23 OIL & GAS ON CALL ENVIRONMENTAL SERVICES		
49235	NEW BEGINNINGS COUNSELING CENTER	11/23/2023	3,328.68	102543
	Invoice	SEP23 SAFE PARKING PROGRAM		
OCT23 7900 0440 8110 0954	QUADIENT FINANCE USA INC	11/23/2023	1,000.00	102544
	Invoice	POSTAGE FOR CITY HALL OCTOBER 2023		
1530	ROY HARTHORN	11/23/2023	2,006.03	102545
	Invoice	SEP-OCT23 PLAN CHECK SERVICES		
INV0005089	SANTA BARBARA COUNTY CLERK OF THE	11/23/2023	50.00	102546
	Invoice	CEQA NOTICE OF EXEMPTION FILING FEE PL-23-2230		
INV0005090	SANTA BARBARA COUNTY CLERK OF THE	11/23/2023	50.00	102547
	Invoice	CEQA NOTICE OF EXEMPTION FILING FEE CITY PROJECT		
1955	SANTA BARBARA COUNTY SHERIFFS DEPT	11/23/2023	522,357.00	102548
	Invoice	NOV23 CONTRACTED LAW ENFORCEMENT SERVICES		
164823	SANTA BARBARA PEST CONTROL	11/23/2023	215.00	102549
164949	Invoice	OCT23 PEST CONTROL AT CITY HALL		
	Invoice	OCT23 PEST CONTROL AT VETS HALL		
388334275	SHOWSCAPES	11/23/2023	21,590.00	102550
	Invoice	NOV23 SHOW SCAPES MAINTENANCE FY23-24		
NOV23 700405192484	SO CA EDISON	11/23/2023	9,052.36	102551
NOV23 700474689651	Invoice	NOV23 ELECTRICITY-MULTIPLE LOCATIONS		
	Invoice	NOV23 ELECTRICITY-4683 9TH ST		
207	SOLID WASTE SOLUTIONS INC	11/23/2023	1,045.75	102552
	Invoice	OCT23 WASTEWATER PROFESSIONAL SERVICES		
3550643368	STAPLES ADVANTAGE	11/23/2023	65.40	102553
	Invoice	6 PACK PACKING TAPE		
58148	SUN COAST RENTALS	11/23/2023	18.15	102554
	Invoice	APPLIANCE DOLLY RENTAL TO MOVE FURNITURE		
127769	THE WHARF	11/23/2023	425.78	102555
130117	Invoice	SAFETY BOOTS, SOCKS - D. HUFF		
	Invoice	SAFETY SHOES, JACKET - T. GRAY		
1235	TKM ENGINEERING	11/23/2023	2,340.00	102556
1236	Invoice	OCT23 STAFF AUGMENTATION SERVICES		
	Invoice	OCT23 STAFF AUGMENTATION SERVICES		
189008	TRI-CO REPROGRAPHICS	11/23/2023	212.09	102557
189009	Invoice	SCANNING COLOR, FILE RENAME 10/31/23		
189010	Invoice	SCANNING COLOR, FILE RENAME, PDF EXTRACT 10/31/23		
189118	Invoice	SCANNING COLOR, FILE RENAME 10/31/23		
189163	Invoice	SCANNING COLOR, FILE RENAME 11/01/23		
	Invoice	SMALL FORMAT BOND, MONochrome CITY HALL CAMPUS PROJ		
1344	TWO TRUMPETS COMMUNICATIONS	11/23/2023	5,550.00	102558
	Invoice	OCT23 COMMUNICATIONS SERVICES		
6118939	UNIQUE MANAGEMENT SERVICES INC	11/23/2023	65.00	102559
	Invoice	NOV23 LOST LIBRARY BOOKS		
82022692	WAXIE SANITARY SUPPLY	11/23/2023	1,177.29	102560
82059476	Invoice	BATH TISSUE, TRASH BAGS 10/5/23		
	Invoice	TRASH BAGS BLACK & WHITE 10/23/23		
INV0004844	WILLIAM WOOD	11/23/2023	207.21	102561
	Invoice	PROJECT PL-21-2108 CLOSE OUT		
	ZWORLD GIS	11/23/2023	2,977.00	102562

2023-0386	Invoice	OCT23 MAPPING/GIS SERVICES		
INV0005130	MISSIONSQUARE	11/30/2023	4,272.11	102563
INV0005131	Invoice	Deferred Compensation Contribution-Part Time Emp		
INV0005132	Invoice	MissionSquareEmployee Contributions		
	Invoice	MISSIONSQUARE Employee Contributions		
INV0005133	SEIU LOCAL 620	11/30/2023	256.90	102564
	Invoice	Employee Union Dues Contribution		
INV0005134	UNITED WAY OF SANTA BARBARA COUNT	11/30/2023	24.00	102565
	Invoice	Employee United Way Contribution		
896715	AFLAC	11/30/2023	277.55	102566
	Invoice	NOVEMBER 2023 EMPLOYEE PREMIUMS		
24045	AG ENT INC	11/30/2023	309.96	102567
	Invoice	BACKFLOW TESTING/REPAIR CITY HALL 10/10/23		
30277	ALL LANGUAGES INTERPRETING & TRANS	11/30/2023	1,400.00	102568
30293	Invoice	2 INTERPRETERS FOR CC MTG 10/30/23		
	Invoice	2 INTERPRETERS FOR CC MTG 11/13/23		
11TN-9PWC-1H36	AMAZON CAPITAL SERVICES INC	11/30/2023	2,654.58	102569
144C-WX37-WWG6	Invoice	BOOKS FOR LIBRARY		
16CD-GMH1-C7NY	Invoice	BOOKS FOR LIBRARY		
16R1-QKWM-TG9M	Invoice	BOOKS FOR LIBRARY		
17LC-GT3C-1QG6	Invoice	BOOKS FOR LIBRARY		
17T9-4JHY-YGM3	Invoice	ZIP BOOKS-CARPINTERIA LIBRARY		
17WC-HHV9-Y1D4	Invoice	BOOKS FOR LIBRARY		
1CFJ-FQHV-PN4H	Invoice	BOOK REPAIR TAPE, SIGN HOLDER FOR LIBRARY		
1CXP-GLV1-4NFR	Invoice	ZIP BOOKS-J. CHASTEEN		
1H1W-HJFK-3VKD	Invoice	BOOKS FOR LIBRARY		
11I4I-PCGF-CXPK	Invoice	CHAIR MAT FOR M. MUSLOF		
1JLY-VPY7-QV3M	Invoice	BOOKS FOR LIBRARY		
1JYG-NRQX-1DFV	Invoice	DOOR STOPPERS FOR CITY HALL		
1MGK-NJQ4-G9DF	Invoice	ITEMS FOR COMMUNITY GARDEN EVENT NOV2023		
1NWN-G4PX-FTGN	Invoice	BOOKS FOR LIBRARY		
1PHM-QDFK-74YN	Invoice	ZIP BOOKS-J. CHASTEEN		
1QM9-MQ4F-1G31	Invoice	BOOKS FOR LIBRARY		
1QYK-PDRH-6VRM	Invoice	BOOKS FOR LIBRARY		
1R43-PMXJ-9F3X	Credit Memo	BOOKS FOR LIBRARY RETURNED		
1T4F-NNL4-1GQR	Invoice	PAINT MIXER EQUIPMENT		
1VMM-GY6X-49K4	Invoice	ZIP BOOKS-J. COLLINS		
1VTR-VRQ6-QN3M	Credit Memo	BOOKS FOR LIBRARY RETURNED		
1WVR-KRNJ-4JDY	Invoice	STAND UP DESK FOR T. SMITH		
1XWM-GN93-GPYK	Invoice	ITEMS FOR COMMUNITY GARDEN EVENT NOV2023		
1YX6-3JRD-19XM	Invoice	BOOKS FOR LIBRARY		
	Void	11/30/2023	-	102570
I500-00986537	ASBURY ENVIRONMENTAL SVCS	11/30/2023	100.00	102571
	Invoice	DISPOSAL OF OIL/MIXED OILS 10/19/23		
636893	BIG GREEN CLEANING COMPANY	11/30/2023	210.00	102572
636895	Invoice	EMERGENCY UNCLOG TOILET AT POOL 10/28/23		
	Invoice	EMERGENCY CLEANUP SEASIDE PARK 10/26/23		
300018852	CALIFORNIA ASSOCIATION OF CODE ENFC	11/30/2023	100.00	102573
	Invoice	2024 CODE ENFORCEMENT DUES FOR D. HERNANDEZ		
300013442	CALIFORNIA SOCIETY OF MUNICIPAL FINA	11/30/2023	135.00	102574
	Invoice	MANAGEMENT MEMBERSHIP G. PUNSALAN		
86462	CANNON	11/30/2023	159.75	102575
	Invoice	OCT23 VENOCO PIPELINE ABANDONMENT		
	CANON FINANCIAL SERVICES INC	11/30/2023	1,249.52	102576

31585198	Invoice	NOV23 MAINT & SERVICE CANON PRINTERS		
	CARPINTERIA VALLEY LUMBER CO	11/30/2023	201.85	102577
522669	Invoice	MATERIAL FOR SIGNAL LIGHT POLE CLEANUP		
523000	Invoice	SEED STARTER, TOOLS FOR GARDEN		
523288	Invoice	SHOWER SHUT OFF, HOSE FOR ADA SHOWER AT POOL		
523483	Invoice	TARP FOR COMMUNITY GARDEN EVENT NOV23		
523513	Invoice	BRASS PLUMBING PARTS FOR POOL		
	COASTAL VIEW NEWS	11/30/2023	2,001.00	102578
60523	Invoice	INVITING BIDS-CITY HALL PROJECT AD 11/2 & 11/9/23		
60524	Invoice	PUBLIC HEARING DIF STUDY AD 11/2 & 11/9/23		
60600	Invoice	ABOP AD 11/9/23		
60623	Invoice	PUBLIC HEARING CIP/DIF PROGRAMS AD 11/16/23		
60624	Invoice	PROP ORDINANCE 772 AD 11/16/23		
	COUNTY SANITATION COMPANY INC STE\	11/30/2023	1,600.00	102579
61677	Invoice	CLEAR CLOGGED SEWER PIPE AT CITY HALL 10/26/23		
	DEWBERRY ENGINEERS INC.	11/30/2023	1,814.20	102580
2360358	Invoice	OCT23 CARPINTERIA AVENUE BRIDGE REPLACEMENT		
	FLOWERS & ASSOCIATES INC	11/30/2023	21,789.00	102581
23-5363	Invoice	OCT23 ENGINEERING SERVICES CARP & PALM AVE		
	GILBERT PUNSALAN	11/30/2023	164.50	102582
INV0005135	Invoice	PETTY CASH REPLINISHMENT 11/30/23		
	GLADWELL GOVERNMENTAL SERVICES IN	11/30/2023	1,160.00	102583
5238	Invoice	RECORDS RETENTION MANAGEMENT SERVICES 11/19/23		
	GRAINGER	11/30/2023	31.72	102584
9897737939	Invoice	SAFETY EQUIPMENT CLEANING MATERIAL		
	GUARDIAN	11/30/2023	8,510.66	102585
NOV23 PREMIUMS-BTL, LTD, STD	Invoice	NOV23 PREMIUMS-BTL, LTD, STD		
NOV23 PREMIUMS-DENTAL	Invoice	NOV23 PREMIUMS-DENTAL		
NOV23 PREMIUMS-VISION	Invoice	NOV23 PREMIUMS-VISION		
NOV23 PREMIUMS-VOL AD&D VOL LIFE	Invoice	NOV23 PREMIUMS-VOL AD&D & VOL LIFE		
	HOME DEPOT CREDIT SERVICES	11/30/2023	150.46	102586
3433038	Invoice	DIAMOND BALDES FOR PUBLIC WORKS TOOLS		
3653140	Invoice	DIAMOND BALDES FOR PUBLIC WORKS TOOLS		
8530941	Invoice	PUBLIC WORKS SHOP SUPPLIES		
	INTERSTATE POLE INDUSTRIES	11/30/2023	23,312.16	102587
32564	Invoice	NEW FLAG POLE INSTALL AT CITY HALL		
32601	Invoice	NEW FLAG POLE INSTALL AT CITY HALL		
	JOY EQUIPMENT PROTECTION INC	11/30/2023	185.00	102588
2117	Invoice	REPLACE LEAKING FIRE SPRINKLER AT POOL 11/14/23		
	MARBORG INDUSTRIES	11/30/2023	901.20	102589
5978322	Invoice	NOV23 RENT PORTABLE RESTROOMS @ PARKING LOT 1		
	MCCORMIX CORP	11/30/2023	402.20	102590
12264	Invoice	FUEL FOR CITY VEHICLES		
	MGT OF AMERICA INC	11/30/2023	1,251.00	102591
54996	Invoice	ANNUAL SB90 CLAIMING		
	MISSION UNIFORM SERVICE	11/30/2023	172.85	102592
520380857	Invoice	MAT REPLACEMENT, UNIFORM CLEANING 11/6/23		
520380859	Invoice	TOWEL & MAT REPLACEMENT-CITY HALL 11/6/23		
	MOSS LEVY & HARTZHEIM LLP	11/30/2023	3,000.00	102593
33962	Invoice	AUDIT TO DATE		
	NACA-NATIONAL ANIMAL CARE & CONTR	11/30/2023	150.00	102594
12459	Invoice	2024 MEMBERSHIP AGENCY RENEWAL		

234-410	OPTONY INC.	11/30/2023	3,029.00	102595
	Invoice	SEP23-OCT23 PROJECT SERV FOR CITY HALL SOLAR		
01352CO23417447	OVERDRIVE INC.	11/30/2023	2,266.14	102596
01352DA23410413	Invoice	NOV23 EBOOK/AUDIOBOOK MATERIAL FOR LIBRARY		
01352DA23418096	Invoice	NOV23 EBOOK/AUDIOBOOK MATERIAL FOR LIBRARY		
	Invoice	NOV23 EBOOK/AUDIOBOOK MATERIAL FOR LIBRARY		
Q1074959	QUADIENT LEASING USA INC.	11/30/2023	622.44	102597
	Invoice	DEC23-MAR24 LEASE PAYMENT FOR C.H. POSTAGE MACHINE		
2503	RISDON'S 76 SERVICE	11/30/2023	90.00	102598
2926	Invoice	CAR WASH FOR UNIT 250 10/28/23		
6668	Invoice	CAR WASH FOR UNIT 255 10/29/23		
	Invoice	CAR WASH FOR UNIT 250 10/14/23		
2277-01-1023	RRM DESIGN GROUP	11/30/2023	14,481.00	102599
2911-01-1023	Invoice	NOV23 DOWNTOWN DESIGN OVERLAY PROGRAM		
	Invoice	OCT23 FRANKLIN CREEK TRAIL IMPROVEMENT		
2023-20231000133-1	SANTA BARBARA COUNTY TREAS/TAX CO	11/30/2023	33,749.82	102600
2023-20231000173-1	Invoice	001-070-025 CREEK PARK		
2023-20231000406-1	Invoice	001-080-038 MONTE VISTA		
2023-20231000436-1	Invoice	001-170-018 CITY HALL		
2023-20231000506-1	Invoice	001-180-072 VIOLA FIELDS		
2023-20231000508-1	Invoice	001-210-020 6351 CARP RINCON BLUFFS		
2023-20231001566-1	Invoice	001-210-024 RINCON BLUFFS PRESERVE		
2023-20231001662-1	Invoice	004-105-011 LINDEN PARKING LOT		
2023-20231001674-1	Invoice	004-005-005 EL CARRO		
2023-20231002093-1	Invoice	004-005-004 FOOTHILL		
2023-20231002321-1	Invoice	004-041-006 5004 CARP CITY PARKLET		
2023-20231002345-1	Invoice	003-261-008 4945 CARP AVE PARKING LOT		
2023-20231002352-1	Invoice	003-263-017 CACTUS LANE PARKING LOT		
2023-20231002354-1	Invoice	003-263-032 CACTUS LANE		
2023-20231002355 1 & 2	Invoice	004-047-001 SEASIDE		
2023-20231002390-1	Invoice	004-047-017 941 WALNUT (VETS HALL)		
2023-20231002981-1	Invoice	004-047-040 COMMUNITY POOL		
2023-20231002986-1	Invoice	003-470-001 ASH AVE		
2023-20231003016-1	Invoice	003-470-013 ASH AVE		
2023-20231003308-1	Invoice	003-490-015 BEACH @ LINDEN & ELM		
2023-20231003640-1	Invoice	003-590-039 ARAGON MEMORIAL PARK METER		
2023-20231004175-1	Invoice	004-009-053 EL CARRO		
2023-20231004653-1	Invoice	004-007-057 EL CARRO		
2023-2023100679-1	Invoice	004-105-016 4855 FIFTH COMMUNITY GARDEN		
2023-20231131386-1	Invoice	001-261-004 EL CARRO		
	Invoice	004-117-003 CRAVENS LANE		
	Void	11/30/2023	-	102601
388333683	SHOWSCAPES	11/30/2023	200.00	102602
	Invoice	IRRIGATION REPAIR AT LIBRARY 8/16/23		
136505428-001	SITEONE LANDSCAPE SUPPLY (ALL AROUND	11/30/2023	72.03	102603
	Invoice	FILTERS FOR POOL		
NOV23 700163777874	SO CA EDISON	11/30/2023	67.41	102604
	Invoice	NOV23 ELECTRICTY-6145 CARPINTERIA AVE		
3551681478	STAPLES ADVANTAGE	11/30/2023	224.50	102605
3551749359	Invoice	2 CASES COPY PAPER 11/2/23		
	Invoice	2 CASES COPY PAPER 11/2/23		
45636	TRAFFIC TECHNOLOGIES LLC	11/30/2023	734.92	102606
	Invoice	12 ALUMINUM SIGNS		
2505192471	TRANSAMERICA EMPLOYEE BENEFITS	11/30/2023	723.85	102607
	Invoice	NOV23 EMPLOYEE PREMIUMS		

189642	TRI-CO REPROGRAPHICS	11/30/2023	282.03	102608
189949	Invoice	SCAN, FILE RENAME, PDF 11/9/23		
190029	Invoice	SCAN, FILE RENAME, PDF 11/14/23		
190177	Invoice	11X17 COLOR, SMALL FORMAT, HAND FOLD 11/15/23		
190178	Invoice	SCAN, FILE RENAME, PDF 11/17/23		
30026586	UNITED PET CARE	11/30/2023	51.50	102609
	Invoice	NOV23 PET INSURANCE PREMIUMS		
82088808	WAXIE SANITARY SUPPLY	11/30/2023	1,912.29	102610
82105070	Invoice	BATH TISSUE, SEAT COVERS, PAPER TOWELS 11/6/23		
	Invoice	BATH TISSUE, TRASH BAGS FOR CITY HALL 11/13/23		
20285	WESTAIRE HEATING & CONDITIONING INC.	11/30/2023	500.00	102611
	Invoice	OCT23 HVAC MAINTENANCE LIBRARY/VETS HALL		
93222341	WEX BANK (CHEVRON)	11/30/2023	1,818.52	102612
	Invoice	NOV23 FUEL FOR CITY VEHICLES		
010-56670	WILLDAN FINANCIAL SERVICES	11/30/2023	2,625.00	102613
	Invoice	SERVICES TO UPDATE DEVELOPMENT IMPACT FEE STUDY		
9019405132	WILLIAMS SCOTSMAN INC.	11/30/2023	447.99	102614
	Invoice	NOV23 LEASE FOR PARK & REC MOBILE OFFICE		
PR24 11/30/23	EDD-SDI	11/30/2023	1,472.46	DFT0003173
	Invoice	PR24 11/30/23 SDI TAXES		
PR24 11/30/23-1	EDD-SIT	11/30/2023	6,801.64	DFT0003174
	Invoice	PR24 11/30/23 SIT TAXES		
PR24 11/30/23-1	INTERNAL REVENUE SERVICE	11/30/2023	20,286.75	DFT0003175
	Invoice	PR24 11/30/23 FEDERAL TAX PAYMENT		



City of Carpinteria

COUNCIL AGENDA STAFF REPORT December 11, 2023

ITEM FOR COUNCIL CONSIDERATION

Adoption of Ordinance No. 774, amending Chapter 2.06 of Title 2 (City Council District Elections) and Chapter 3.34 of Title 3 (Revenue and Finance) of the Carpinteria Municipal Code.

STAFF RECOMMENDATION

Adopt Ordinance No. 774 (second reading), amending Chapter 2.06 of Title 2 (City Council District Elections) and Chapter 3.34 of Title 3 (Revenue and Finance).

Sample Motion: I move to adopt Ordinance No. 774, amending Chapter 2.06 of Title 2 (City Council District Elections) and Chapter 3.34 of Title 3 (Revenue and Finance).

(This motion requires a roll call vote.)

BACKGROUND

At a Special City Council meeting of October 30, 2023, the City Council reviewed and filed the Cost of Service Study (Study) designed to determine the level of fees necessary to ensure the City recovers the full cost of providing the various services it makes available to the public. The City Council provided direction to staff and continued the meeting to November 13, 2023. City staff, requiring additional time, requested the City Council continue the matter to the meeting of November 27, 2023. On November 27, 2023, Ordinance 774 had its first reading and with no additional changes was approved by the City Council and scheduled for second reading.

The purpose of this agenda matter is for the Council to consider the second reading and adoption of Ordinance No. 774. These amended regulations will become effective 30 days from adoption.

DISCUSSION

Amendment to CMC Chapter 2.06, City Council District Elections.

The Study proposes a new fee entitled “Elections Candidate Processing,” which is a filing fee for each City Council candidate’s nomination papers. California Elections Code Section 10228 authorizes the City Council to set the candidate filing fee by ordinance in a not-to-exceed amount of \$25. Ordinance No. 774, includes, in part, a proposed amendment to CMC Chapter 2.06 (CITY COUNCIL DISTRICT ELECTIONS) to include establishing the \$25 candidate filing fee.

The proposed amendment would add the following sections to Chapter 2.06 and read as follows:

2.06.060 – Candidate Filing Fee.

- A. In accordance with Section 10228 of the California Elections Code, as such section may be amended from time to time, it is hereby determined that a filing fee for each City Council candidate’s nomination papers for elective office shall be established by resolution of the City Council.
- B. The filing fee established in subsection (A) of this section shall be payable at the time of submission of nomination papers to the City Clerk.
- C. Filing fees collected pursuant to this article shall be paid into the General Fund of the City.

2.06.070 – Petition in Lieu of Fees.

- A. Notwithstanding any other provision of this chapter, a candidate for City Council may submit, in lieu of all or part of the required filing fee, a petition containing four qualified signatures for each dollar of the filing fee not paid.
- B. Within the meaning of this section, a qualified signature is the signature of a person who, at the time of providing such signature, is a registered voter of the City and a resident of the geographical area making up the district from which the Councilmember candidate is to be elected.
- C. Any petition submitted pursuant to this section in lieu of all or part of the required filing fee shall be submitted to the City Clerk with nomination papers related thereto, together with the amount of the filing fee, if any, remaining to be paid.

2.06.080 – Extension of Filing Date.

- A. Nothing contained in this chapter shall be construed to extend or otherwise modify the period of time for filing nomination papers for candidates of City Council office.

Amendment to CMC Chapter 3.34, Revenue and Finance.

City staff is recommending changes to certain provisions of Chapter 3.34 (REVENUE AND FINANCE) of Title 3 of the Carpinteria Municipal Code in order to support the effective and efficient process of annually updating the City's Master Fee Schedule. The proposed change removes the percentage recovery of the costs reasonably borne table that will be included in the annual fee resolution during the mid-year process. This change provides efficiency as well as transparency during the annual review.

The proposed amendment to CMC Chapter 3.34 would modify Section 3.34.040 to read as follows:

3.34.040 - Schedule of Fees and Service Charges.

- A. Fees and service charges for regulations, products, and services shall be established in a master fee schedule adopted by resolution of the city council so as to recover costs reasonably borne and necessary to provide the regulation, product, or service. The master fee schedule shall be adopted annually by resolution of the city council but may be modified more frequently at the discretion of the city council.
- B. The regulations, products, and services shall be as defined in the most recent cost of service study received by the city council, and may be amended/updated from time to time, a copy of which shall be on file in the office of the city clerk.
- C. For the purpose of this chapter, "fee and/or charge" includes any required deposit relating to a regulation, product, or service enumerated in this section, which deposit is to be applied against such fee and/or charge.

POLICY CONSISTENCY

The proposed amendment is consistent with the City's interest in ensuring its policies and practices are consistent with applicable federal and state laws.

FINANCIAL CONSIDERATIONS

None.

LEGAL AND RISK MANAGEMENT CONSIDERATIONS

The City Attorney has reviewed this Agenda item and will be available to answer questions at the meeting.

PRINCIPAL PARTIES EXPECTED AT MEETING

None.

ATTACHMENTS

Attachment A: Ordinance No. 774

Staff contact:

Licette Maldonado, Administrative Services Director
licettem@carpinteriaca.gov; (805) 755-4448



Signature

Reviewed by: Dave Durflinger, City Manager
daved@carpinteriaca.gov; (805) 755-4400



Signature

ATTACHMENT A

Ordinance No. 774

ORDINANCE NO. 774

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
CARPINTERIA AMENDING CHAPTER 2.06 (CITY COUNCIL DISTRICT
ELECTIONS) OF TITLE 2 TO ADD SECTIONS 2.06.060, 2.06.070, AND
2.06.080; AND CHAPTER 3.34 (REVENUE AND FINANCE) OF TITLE 3
TO MODIFY SECTION 3.34.040 RELATING TO SCHEDULE OF FEES
AND SERVICE CHARGES**

WHEREAS, pursuant to Article XIII B of the California Constitution and Carpinteria Municipal Code (CMC) Chapter 3.34, it is the intent of the City Council to require the ascertainment and recovery of costs reasonably borne from fees, charges, and regulatory license fees in; and

WHEREAS, CMC Chapter 3.34 provides a mechanism for ensuring that fees adopted annually by the City Council by resolution do not exceed the reasonable estimated cost for providing the regulation, products or services for which the fees are charged; and

WHEREAS, “costs reasonably borne” shall include all direct and indirect costs, fixed asset recovery expenses, general and departmental overhead, and debt services costs as further defined in CMC Section 3.34.030; and

WHEREAS, pursuant to CMC Section 3.34.020 the City Manager has been delegated the authority to implement said City Council policy to establish or adjust the amount of fees and charges to recover the percentage of costs reasonably borne in providing the regulation, product, or service; and

WHEREAS, the City of Carpinteria has prepared a Cost of Services Study, dated September 2023 which was presented to the City Council at a public hearing on October 9, 2023, and October 30, 2023; and

WHEREAS, the City Council directed staff to initiate the update of the City’s Master Fee Schedule and CMC Chapter 3.34; and

WHEREAS, pursuant to California Elections Code Section 10228, the Master Fee Schedule includes a new fee entitled “Elections Candidate Processing” which is a filing fee for each City Council candidate’s nomination papers; and

WHEREAS, the City Manager is recommending amending Chapter 2.06 (CITY COUNCIL DISTRICT ELECTIONS) of Title 2 of the CMC to incorporate said Candidate Filing Fee; and

WHEREAS, the City Manager is recommending changes to certain provisions of Chapter 3.34 (REVENUE AND FINANCE) of Title 3 of the CMC in order to support the effective and efficient process of annually updating the City’s Master Fee Schedule.

**THE CITY COUNCIL OF THE CITY OF CARPINTERIA DOES ORDAIN AS
FOLLOWS:**

SECTION 1. INCORPORATION OF RECITALS

The above recitals are true and correct and are incorporated herein, and are each relied upon independently by the City Council for its adoption of this Ordinance.

SECTION 2. AMENDING CHAPTER 2.06 (CITY COUNCIL DISTRICT ELECTIONS) OF TITLE 2 OF THE CARPINTERIA MUNICIPAL CODE

New Sections 2.06.060 titled "Candidate Filing Fee", 2.06.070 titled "Petition in Lieu of Fees" and 2.06.080 titled "Extension of Filing Date" are hereby added to the City's municipal code as follows:

"2.06.060 – Candidate Filing Fee.

(A) In accordance with Section 10228 of the California Elections Code, as such section may be amended from time to time, it is hereby determined that a filing fee for each City Council candidate's nomination papers for elective office shall be established by resolution of the City Council.

(B) The filing fee established in subsection (A) of this section shall be payable at the time of submission of nomination papers to the City Clerk.

(C) Filing fees collected pursuant to this article shall be paid into the General Fund of the city.

2.06.070 – Petition in Lieu of Fees.

(A) Notwithstanding any other provision of this chapter, a candidate for City Council may submit, in lieu of all or part of the required filing fee, a petition containing four qualified signatures for each dollar of the filing fee not paid.

(B) Within the meaning of this section, a qualified signature is the signature of a person who, at the time of providing such signature, is a registered voter of the City and a resident of the geographical area making up the district from which the Councilmember candidate is to be elected.

(C) Any petition submitted pursuant to this section in lieu of all or part of the required filing fee shall be submitted to the City Clerk with nomination papers related thereto, together with the amount of the filing fee, if any, remaining to be paid.

2.06.080 – Extension of Filing Date.

(A) Nothing contained in this chapter shall be construed to extend or otherwise modify the period of time for filing nomination papers for candidates of City Council office."

SECTION 3. AMENDING SECTION 3.34.040 IN CARPINTERIA MUNICIPAL CODE CHAPTER 3.34 (SCHEDULE OF FEES AND SERVICE CHARGES) OF TITLE 3 (REVENUE AND FINANCE)

Section 3.34.040 in CMC Chapter 3.34 (Schedule of Fees and Service Charges) of Title 3 (Revenue and Finance) is hereby amended to read as follows:

“3.34.040 - Schedule of Fees and Service Charges.

(A) Fees and service charges for regulation, product, and service shall be established in a master fee schedule adopted by resolution of the city council so as to recover costs reasonably borne and necessary to provide the regulation, product, or service. The master fee schedule shall be adopted annually by resolution of the city council but may be modified more frequently at the discretion of the city council.

(B) The regulation, product, and service shall be as defined in the most recent cost of service study received by the City Council, and may be amended/updated from time to time, a copy of which shall be on file in the office of the city clerk.

(C) For the purpose of this chapter, "fee and/or charge" includes any required deposit relating to a regulation, product, or service enumerated in this section, which deposit is to be applied against such fee and/or charge.”

SECTION 4. EFFECTIVE DATE

This Ordinance shall take effect and be in force and effect thirty (30) days from and after its passage; and before the expiration of fifteen (15) days of its passage shall be published once with the names of the members of the City Council voting for and against the same in the Coastal View, a newspaper of general circulation, published in the City of Carpinteria, County of Santa Barbara pursuant to California Government Code Section 36937.

SECTION 5. SEVERABILITY

If any section, subsection, sentence, clause, phrase, or word of this Ordinance is for any reason held to be invalid by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance, and each and all provisions hereof, irrespective of the fact that one or more provisions may be declared invalid.

SECTION 6. CEQA EXEMPTION

The City Council finds that this Ordinance is not subject to the California Environmental Quality Act (“CEQA”) pursuant to State CEQA Guidelines Sections 15060(c)(3) (this activity is not a “project” as defined in § 15378) and 15060(c)(2) (this activity will not result in a direct or reasonably foreseeable change in the environment).

SECTION 7. LIMITED EFFECT

Except as explicitly provided herein, all other provisions of CMC Chapters 2.06 and 3.34 shall remain unchanged and in full force and effect.

PASSED, APPROVED AND ADOPTED on December 11, 2023, by the following vote:

AYES: COUNCILMEMBER(S):

NOES: COUNCILMEMBER(S):

ABSENT: COUNCILMEMBER(S):

ABSTAIN: COUNCILMEMBER(S):

Mayor, City of Carpinteria

ATTEST:

Brian C. Barrett, CMC, CPMC
City Clerk, City of Carpinteria

I hereby certify that the foregoing Ordinance was duly and regularly introduced and adopted at a regular meeting of the City Council of the City of Carpinteria held on December 11, 2023.

Brian C. Barrett, CMC, CPMC
City Clerk, City of Carpinteria

APPROVED AS TO FORM:

Jena Shoaf Acos, on behalf of Brownstein
Hyatt Farber Schreck, LLP acting as
City Attorney of the City of Carpinteria



City of Carpinteria

COUNCIL AGENDA STAFF REPORT December 11, 2023

ITEM FOR COUNCIL CONSIDERATION

Approval and adoption of Resolution No. 6283, amending the composition of the Ad hoc Harbor Seal Advisory Committee by adding alternate public members.

STAFF RECOMMENDATION

Approve and adopt Resolution No. 6283, amending the composition of the Ad hoc Harbor Seal Advisory Committee by adding alternate public members and designations.

Sample Motion: Approve and adopt Resolution No. 6283, amending the composition of the Ad hoc Harbor Seal Advisory Committee by adding two alternate public members and appointing _____ & _____ to serve in that capacity.

BACKGROUND

The City Council initially formed the Ad Hoc Harbor Seal Advisory Committee on August 9, 2021 (2021-23 Committee) for the purpose of developing an understanding of the local harbor seal population, including causes of recent trends in births and haul-out numbers, and recommending to the City Council specific actions that it finds should be taken to mitigate habitat degradation and seal disturbances in the City. The 2021-23 Committee's work was completed and it dissolved in July of 2023, when its recommendation were provided to the City Council.

The 2021-23 Committee included Councilmembers Al Clark and Roy Lee as well as five additional members of the public who were appointed by the Council on January 24, 2022 and June 13, 2022. On July 10, 2023, the Council received and filed the Carpinteria Harbor Seal Rookery Report and directed staff to return at a future Council meeting with the possibility of re-establishing the Harbor Seal Advisory Committee (Committee). On September 25, 2023, the Council initiated the process to re-establish the Committee consisting of two Councilmembers and five members of the public. On October 23, 2023, the City Council adopted Resolution No. 6271 (Attachment A), re-establishing the Committee and appointing Councilmembers Mónica Solórzano and Natalia Alarcon to serve as Council representatives.

At the November 27, 2023 Council meeting, the Council appointed the five public members on the Committee and requested staff return with an amendment to the resolution that re-established the Committee to add two alternate public member positions to the Committee.

The purpose of this agenda matter is for the Council to consider adopting Resolution No. 6283, amending the composition of the Committee to include two alternate public member positions and to make appointments to fill the two alternate public member positions.

DISCUSSION

The City originally received nine applications from interested individuals to serve as the public members of the Committee. The Council appointed five of the nine interested applicants as public members on the Committee at its November 27, 2023 meeting. The current public members of the Committee are: Andrew Brooks, David Allen, Mike Wondolowski, Susan Mailheau, and C. Kathleen Lord.

The following applicants were not among those selected to fill the five public member positions, but may be interested in serving as alternate public members:

- David Springer
- Randall Moon
- Cynthia Steen
- Danel Trevor

The term of the two alternate public members would be the same as the regular public member positions and last until the Committee has completed its work, but no later than December 30, 2024, unless extended by the City Council. Participation of the alternate members would be established by the rules set out in Resolution No. 6283 as follows:

Alternate members shall serve the same term as regular public members and be subject to the same attendance requirements. With the exception of voting, alternate public members shall have all rights of participation, including, but not limited to, access to agendas and agenda materials, and to the deliberative process. If one or more regular public members are absent, one or both alternates would serve as voting members as long as a quorum of the Committee exists. The City Clerk shall by random lottery determine which alternate will serve as first alternate at the initial meeting of the Committee. After the initial meeting, designation as the first alternate shall rotate each meeting, irrespective of alternate public member attendance. In the absence of the first alternate, the second alternate, if needed, would participate.

POLICY CONSISTENCY

This agenda matter is consistent with the City Council's authority and interest in efficient, transparent, and accountable local government decision-making.

FINANCIAL CONSIDERATIONS

There will be no effect on any City fund with appointments to the Harbor Seal Advisory Committee.

LEGAL AND RISK MANAGEMENT CONSIDERATIONS

There are no legal nor risk management considerations presented with this report.

OPTIONS

1. Approve and adopt Resolution No. 6283, approving a change in the compilation of the Re-Established Ad hoc Harbor Seal Advisory Committee to include two alternate public members and filling those two alternate public member positions. *(Staff recommendation)*
2. The City Council could choose not to approve the recommendation and provide further direction to staff.

PRINCIPAL PARTIES EXPECTED AT MEETING

None.

ATTACHMENTS

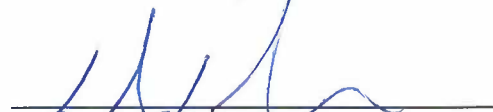
- A. Resolution No. 6283
- B. Applications

Staff contact:

Brian C. Barrett, City Clerk
(805) 755-4403; brianb@carpinteriaca.gov

Reviewed by: Dave Durflinger, City Manager
(805) 755-4400, daved@carpinteriaca.gov


Signature


Signature

ATTACHMENT A
Resolution No. 6283

RESOLUTION NO. 6283

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
CARPINTERIA, AMENDING RESOLUTION NO. 6271 AND APPROVING
A CHANGE IN THE COMPOSITION OF THE AD HOC HARBOR SEAL
ADVISORY COMMITTEE**

WHEREAS, on October 23, 2023, the City Council of the City of Carpinteria adopted Resolution No. 6271, which re-established an Ad hoc Harbor Seal Advisory Committee comprised of two Councilmembers and five members of the public; and

WHEREAS, at its meeting of November 27, 2023, the City Council made appointments to fill the five public member positions on the Ad hoc Harbor Seal Advisory Committee and requested staff return with a draft amendment to allow for the addition of two alternate public member positions; and

WHEREAS, the City Council wishes to amend Resolution No. 6271 and change the composition of the Ad hoc Harbor Seal Advisory Committee to add two alternate public member positions and to establish rules for alternative member participation.

NOW, THEREFORE, BE IT RESOLVED as follows:

SECTION 1. The above recitals are true and correct, and incorporated herein by reference.

SECTION 2. Resolution No. 6271 is hereby amended by adding two alternate public members to the Ad hoc Harbor Seal Advisory Committee.

SECTION 3. Alternate members shall serve the same term as regular public members and be subject to the same attendance requirements. With the exception of voting, alternate public members shall have all rights of participation, including, but not limited to, access to agendas and agenda materials, and to the deliberative process. If one or more regular public members are absent, one or both alternates would serve as voting members as long as a quorum of the Committee exists. The City Clerk shall by random lottery determine which alternate will serve as first alternate at the initial meeting of the Committee. After the initial meeting, designation as the first alternate shall rotate each meeting, irrespective of alternate public member attendance. In the absence of the first alternate, the second alternate, if needed, would participate.

PASSED, APPROVED AND ADOPTED on this 11th day of December, 2023, by the following vote:

AYES: COUNCILMEMBER(S):

NOES: COUNCILMEMBER(S):

ABSENT: COUNCILMEMBER(S):

ABSTAIN: COUNCILMEMBER(S):

Mayor, City of Carpinteria

ATTEST:

Brian C. Barrett, CMC, CPMC
City Clerk, City of Carpinteria

I hereby certify that the foregoing resolution was adopted at a regular meeting of the City Council of the City of Carpinteria held on December 11, 2023.

Brian C. Barrett, CMC, CPMC
City Clerk, City of Carpinteria

APPROVED AS TO FORM:

Jena Shoaf Acos, on behalf of Brownstein
Hyatt Farber Schreck, LLP acting as
City Attorney of the City of Carpinteria

ATTACHMENT B
Applications



**CITY OF CARPINTERIA
APPLICATION FOR APPOINTMENT
TO A CITY BOARD, COMMISSION OR
COMMITTEE**

Please return to: City Clerk's Office
City of Carpinteria
5775 Carpinteria Avenue
Carpinteria, CA 93013

RECEIVED
CITY OF CARPINTERIA

OCT 30 2023

BRIAN C. BARRETT
CITY CLERK

BOARD, COMMISSION OR COMMITTEE APPLYING FOR:

HARBOR SEAL ADVISORY COMMITTEE

APPLICANT: DAVID SPRINGER

Name

Home Address

Business Address

Email

Phone Number(s)

Are you a resident of the City of Carpinteria? YES

EXPERIENCE/BACKGROUND:

BA GEOLOGY + ENV. STUDIES, UCSB; MA GEOGRAPHY (HYDROLOGY), UCSB
Education

RETIRED FROM 35 YEARS AS PROGRAM MANAGER / GEOLOGIST
Present Occupation (Please describe any relevant past work experience.)

VENTURA GEM & MINERAL SOCIETY, V.P.; SEAL WATCH VOLUNTEER
Memberships in Organizations

Reasons why you believe you should be appointed (attach additional sheets if needed.):

AS A SCIENTIST OVER THE PAST 35 YEARS, I HAVE WORKED IN
THE ENVIRONMENTAL INDUSTRY CLEANING UP CONTAMINATED
SOIL AND GROUNDWATER. I UNDERSTAND WORKING WITH STAKEHOLDERS.
[SEE ATTACHED].

Please list City Commission/Committee/Board (including dates) you are currently serving on or have served on: NONE

I, the undersigned, hereby certify that all the statements contained herein above, are true and correct to the best of my knowledge and belief. I understand that false statements in my application will disqualify me from service on any Commission/Committee/Board of the City of Carpinteria. If appointed, I understand I will be responsible for filing an annual Statement of Economic Interests and fulfilling ethics training, and failure to do so in a timely manner may be cause for termination of position. This application is a public document and is available for review. You are strongly encouraged to attend the Council meeting when appointment is being made.

THIS APPLICATION MUST BE SIGNED AND DATED

Signature

Date

Rev. 08/15/22

David Springer

10/28/2023

28 Oct 2023

Continued explanation of "Reasons why you believe you should be appointed:

I am accustomed to working with Federal, State and County officials. My last 22 years have been focused on work at Vandenberg AFB. I managed several very large programs for environmental engineering companies and was engaged in environmental restoration activities and program management overseeing this work. We regularly interfaced with stakeholders in formal meetings and presented our findings and recommendations from work completed, engaged in negotiations, and ultimately cleaned/closed scores of sites etc. In our work, we were required to protect 13 threatened or endangered species, working closely with representatives from CA Dept of Fish and Wildlife, and in accordance with requirements set forth by the US Fish and Wildlife Service. I am comfortable with data and use my discipline as a scientist to comb through data seeking answers to questions. I believe these skills would be of benefit on a committee level. Also, as a recent volunteer for Seal Watch this past year, I have grown very fond of our local seal population and seek to help protect their way of life.



**CITY OF CARPINTERIA
APPLICATION FOR APPOINTMENT
TO A CITY BOARD, COMMISSION OR
COMMITTEE**

Please return to: City Clerk's Office
City of Carpinteria
5775 Carpinteria Avenue
Carpinteria, CA 93013

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CITY OF CARPINTERIA

OCT 30 2023

BRIAN C. BARRETT
CITY CLERK

BOARD, COMMISSION OR COMMITTEE APPLYING FOR:
HARBOR SEAL Advisory Committee

APPLICANT: RANDALL MOON

Name

Home Address

SAME

Business Address

Email

Phone Number(s)

Are you a resident of the City of Carpinteria? yes

EXPERIENCE/BACKGROUND:

Education

BA New College, PhD Univ. of Washington Dept of Zoology, postdoc Caltech

Present Occupation (Please describe any relevant past work experience.)

Professor Emeritus Dept. of Pharmacology, Univ. of Washington School of Medicine

Memberships in Organizations

Volunteer; Seal Watch, Volunteer: Channel Island Marine and Wildlife Institute

Reasons why you believe you should be appointed (attach additional sheets if needed.):

ATTACHED

Please list City Commission/Committee/Board (including dates) you are currently serving on or have served on: NONE

I, the undersigned, hereby certify that all the statements contained herein above, are true and correct to the best of my knowledge and belief. I understand that false statements in my application will disqualify me from service on any Commission/Committee/Board of the City of Carpinteria. **If appointed, I understand I will be responsible for filing an annual Statement of Economic Interests and fulfilling ethics training, and failure to do so in a timely manner may be cause for termination of position.** This application is a public document and is available for review. You are strongly encouraged to attend the Council meeting when appointment is being made.

THIS APPLICATION MUST BE SIGNED AND DATED

Signature

Date

R. Moon

28 Oct 2023

Qualifications of RANDALL MOON

I have been walking to the beach see the harbor seals for years, as hanging out with seals was the only way for me to see my seal-loving wife-who practically lives at the rookery. The more I learned about harbor seals the more impressed I became and the more that I feel compelled to insure their survival. What I bring to the table is over 30 years of leading research in cancer biology, regeneration, and drug discovery. In addition to being a medical school professor I was the founding director of the first stem cell institute in Seattle, and I have co-founded two successful biotech companies, which depended on effectiveness as a member on committees.

HITTING THE GROUND RUNNING: While I did not serve on the initial harbor seal advisory committee, I have been heavily involved behind the scenes through discussions with Dr. Susan Mailheau, my wife, who was a member of the original harbor seal committee. I am very familiar with the committee report to the City Council and the steps to take to restore the health of the seal population.

One of the first tasks I would take would be to improve the recruitment and retention of volunteers. Seal Watch must become a year-round organization but meeting this goal will be difficult since Seal Watch has been unable to fully staff the monitoring for even 5 months. From Seal Watchers who have stopped volunteering I have learned that volunteers often feel invisible, and that their contributions are not acknowledged. I can improve on this record.

LESSONS FROM THE FIRST SEAL COMMITTEE: Our suggestion made at council meetings and letters has discussed the benefits of recruiting experts to this committee. This would help insure that decisions are based on sound data. Without an understanding of how to obtain data using the scientific method it would be easy for the committee to get side-tracked. For example, it took several years for Seal Watch to accept readily available data that the seal population was declining, and the role of human disturbances in this decline was not widely appreciated. I would help focus on reducing these disturbances, relying on existing law embodied in the Marine Mammal Protection Act.

CULTIVATING PARTNERSHIPS: I also bring to the committee an existing relationship with the Channel Island Marine and Wildlife Institute (CIMWI). CIMWI is the only organization in Santa Barbara and Ventura counties allowed to intervene and treat seals and sea lions. Susan and I have completed CIMWI training and we have spent years as volunteers, providing us with unique hands-on knowledge of seal injuries, health, and illnesses. In addition to coordinating with this non-profit, I would work with CIMWI in an effort to include seal watch volunteers in the boat trips to release rehabilitated seals to the wild. These releases occur in the Channel Islands, and would help reward volunteers for their service.

I am confident that this committee can lead the restoration of a healthy rookery, provided that planned development of the nearby bluffs does not impact the seals, which is an open issue.



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NOV 02 2023
CITY OF CARPINTERIA

**CITY OF CARPINTERIA
APPLICATION FOR APPOINTMENT
TO A CITY BOARD, COMMISSION OR
COMMITTEE**

Please return to: City Clerk's Office
City of Carpinteria
5775 Carpinteria Avenue
Carpinteria, CA 93013

BOARD, COMMISSION OR COMMITTEE APPLYING FOR:

Seal Watch Advisory Board

APPLICANT:

Name

Cynthia (Cindy) Steen

Home Address

Business Address

Email

Phone Number(s)

Are you a resident of the City of Carpinteria? Yes. I am a resident. I am retired. Cell phone:

EXPERIENCE/BACKGROUND:

Education

San Marcos High, Cal Poly San Luis Obispo (Bachelor of Agriculture Science and Master of Business Administration/Agribusiness Concentration).

Present Occupation (Please describe any relevant past work experience.)

I have been retired since 2020. I was a project director on USAID-funded projects in 5 countries, responsible for staff, planning, reporting, budgets, etc.

Memberships in Organizations

None currently.

Reasons why you believe you should be appointed (attach additional sheets if needed.):

I have been a Seal Watch volunteer for 2 seasons (since I retired and moved back to Carpinteria). I am committed to the well-being of our unique seal colony.

My experience as manager of complex projects with multiple stakeholders will serve the committee well.

I am interested in becoming involved in more community programs, and look forward to networking with committee members and city employees.

Please list City Commission/Committee/Board (including dates) you are currently serving on or have served on: n/a

I, the undersigned, hereby certify that all the statements contained herein above, are true and correct to the best of my knowledge and belief. I understand that false statements in my application will disqualify me from service on any Commission/Committee/Board of the City of Carpinteria. **If appointed, I understand I will be responsible for filing an annual Statement of Economic Interests and fulfilling ethics training, and failure to do so in a timely manner may be cause for termination of position.** This application is a public document and is available for review. You are strongly encouraged to attend the Council meeting when appointment is being made.

THIS APPLICATION MUST BE SIGNED AND DATED

Signature

C Steen

November 1, 2023

Date



**CITY OF CARPINTERIA
APPLICATION FOR APPOINTMENT
TO A CITY BOARD, COMMISSION OR
COMMITTEE**

RECEIVED

NOV 16 2023

CITY OF CARPINTERIA

Please return to: City Clerk's Office
City of Carpinteria
5775 Carpinteria Avenue
Carpinteria, CA 93013

BOARD, COMMISSION OR COMMITTEE APPLYING FOR:

Seal Watch Advisory Comm.

APPLICANT:

Daniel Trevor

Name

Home Address

Business Address

Email

Phone Number(s)

N/A

Are you a resident of the City of Carpinteria?

Yes

EXPERIENCE/BACKGROUND:

Education

10 years served as Volunteer for Seal Watch. Reg. X-Ray Tech

Present Occupation (Please describe any relevant past work experience.)

Program Director for American Cancer Society in Santa Barbara area.

Memberships in Organizations

Host, Carpinteria Seniors

Reasons why you believe you should be appointed (attach additional sheets if needed.):

*Have 10 years Volunteer Service with Seal Watch
Completed S.B. Museum of History Whale watch program
and served as Volunteer for many years. Foot
injury made me retire*

Please list City Commission/Committee/Board (including dates) you are currently serving on or have served

on: *Carpinteria Mobile Home Advisory Rent Stabilization
Board, 5 years.*

I, the undersigned, hereby certify that all the statements contained herein above, are true and correct to the best of my knowledge and belief. I understand that false statements in my application will disqualify me from service on any Commission/Committee/Board of the City of Carpinteria. **If appointed, I understand I will be responsible for filing an annual Statement of Economic Interests and fulfilling ethics training, and failure to do so in a timely manner may be cause for termination of position.** This application is a public document and is available for review. You are strongly encouraged to attend the Council meeting when appointment is being made.

THIS APPLICATION MUST BE SIGNED AND DATED

Daniel Trevor
Signature

11-16-23
Date



City of Carpinteria

COUNCIL AGENDA STAFF REPORT December 11, 2023

ITEM FOR COUNCIL CONSIDERATION

Approval and adoption of urgency Ordinance No. 775, modifying Ordinance No. 744 as amended, extending the Temporary COVID-19 Outdoor Business Permit Program.

STAFF RECOMMENDATION

Approve and adopt urgency Ordinance No. 775, extending the Temporary COVID-19 Outdoor Business Permit Program in order to allow businesses to operate in the City's public right-of-way and privately-owned outdoor spaces for supporting social distancing and economic recovery following the COVID-19 pandemic.

Sample Motion: I move to approve and adopt urgency Ordinance No. 775, as read by title only. *(Motion requires reading of ordinance title and roll call vote) (4/5th vote required)*

BACKGROUND

On May 26, 2020, the City Council approved urgency Ordinance No. 744, which established the Temporary COVID-19 Outdoor Business Permit Program (Temporary Program) for allowing limited business operations in the City's public right-of-way and privately-owned outdoor spaces and waiving the Downtown "T" Encroachment Permit Program fee. The Temporary Program was extended five times by the City Council (Ordinance Nos. 746, 749, 754, 761, and 767) since its adoption and is set to expire on December 31, 2023.

Concurrent with its second extension of the Temporary Program (Ordinance No. 749), the City Council also directed staff to initiate the legislative process for permanent parklets to be allowed as another type of encroachment in the City's public right-of-way under the Downtown "T" Encroachment Permit Program.

On October 9, 2023, the City Council adopted Resolution No. 6174, amending the Downtown "T" Encroachment Guidelines for allowing a permanent parklet as a permissible encroachment in the City's public right-of-way under the Downtown "T" Encroachment Permit Program. The City Council also directed staff to prepare an urgency ordinance to extend the Temporary Program.

The purpose of this agenda matter is for the City Council to consider and act on urgency Ordinance No. 775, extending the Temporary Program until the earlier of June 30, 2024, or when the City Council decides to terminate it.

DISCUSSION

The original purpose of the Temporary Program was to enable the public to engage in business activity while practicing effective social distancing during the COVID-19 pandemic. Although restrictions on events and public gatherings have been lifted statewide, the unpredictable nature of the virus continues to raise concerns about the spread of COVID-19. Recognizing the improving conditions surrounding COVID-19 while acknowledging ongoing risks, the Governor declared the end of the COVID-19 State of Emergency on February 28, 2023.

Continuing the Temporary Program is anticipated to minimize the risk of spreading COVID-19 and facilitate ongoing economic recovery activity by allowing businesses to operate outdoors. Commercial activity and businesses are recognized as essential to a vibrant and healthy community, and the Temporary Program provides flexibility to local businesses to accommodate consumer outdoor eating preferences established during the COVID-19 pandemic

The proposed urgency Ordinance No. 775, as shown in Attachment A, would extend the Temporary Program through June 30, 2024, for only existing permittees. The Temporary Program would continue to allow existing permittees to continue the use of their temporary parklets in the City's right-of-way until the City can permit permanent parklets under the City's recently amended Downtown "T" Encroachment Guidelines. The Temporary Program would also continue to allow outdoor eating on privately-owned outdoor spaces during the development of permanent zoning regulations. This would provide additional time for 1) permittees of temporary parklets to transition to the amended Downtown "T" Encroachment Guidelines under the Downtown "T" Encroachment Permit Program and 2) staff to amend the City's zoning regulations in order to accommodate privately-owned outdoor dining through a public process involving review by the Architectural Review Board, Planning Commission, and City Council. At the time of this staff report, there are eleven (11) Temporary Program permits for encroachment in the City's public right-of-way and twenty-one (21) Temporary Program permits for business operations in privately-owned outdoor spaces.

POLICY CONSISTENCY

The establishment of regulations necessary to address risks to public peace, health, and safety are an inherent part of the City's police powers.

The recommendation is also consistent with the City's Economic Vitality Program.

FINANCIAL CONSIDERATIONS

No Additional Funding Requested. The City Council waived the fees of the Temporary Program. Should the City Council approve and adopt Ordinance No. 775, the waiver of fees would continue. Staff would also continue to administer the Temporary Program at no additional cost.

LEGAL AND RISK MANAGEMENT CONSIDERATIONS

The City is authorized to adopt the rules and regulations now proposed pursuant to its police powers, Vehicle Code Section 22507, Government Code Section 65907 and Carpinteria Municipal Code Chapters 12.02 and 14.64. The California Legislature enacted Assembly Bill 1217 (2023), which extends the provisions of Assembly Bill 61 (2021) including the relief from parking restrictions for expanded outdoor dining areas through July 1, 2026.

The proposed urgency Ordinance No. 775 is proposed to be adopted as an urgency ordinance pursuant to Government Code section 36937. An ordinance adopted under Government Code Section 36837 takes effect immediately when it is related to preservation of public peace, health, safety, or containing a declaration of facts constituting the urgency and is passed by a four-fifth (4/5th) vote of the City Council.

This Ordinance is exempt from the provisions of the California Environmental Quality Act ("CEQA") under CEQA Guidelines section 15061 (b)(3) because there is no possibility that the implementation of this Ordinance will have significant effects on the environment. The Ordinance would implement a Temporary Outdoor Business Permit process, similar to existing permit processes, which is solely an administrative process resulting in no change to the environment.

OPTIONS

1. Approve and adopt urgency Ordinance No. 775. (Staff recommendation)
2. Approve with amendment(s) urgency Ordinance No. 775.
3. The City Council could choose to not approve the recommendation and direct staff as determined appropriate.

PRINCIPAL PARTIES EXPECTED AT MEETING

Representatives of businesses holding Temporary Program permits.

ATTACHMENTS

Attachment A: Ordinance No. 775

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Reviewed by:

Dave Durlinger, City Manager
(805) 755-4400; daved@carpinteriaca.gov


Signature


Signature

ATTACHMENT A
Ordinance No. 775

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ORDINANCE NO. 775

AN URGENCY ORDINANCE OF THE CITY OF CARPINTERIA AMENDING ORDINANCE NO. 744, AS AMENDED BY ORDINANCE NOS. 746, 749, 754, 761, and 767, TO EXTEND THE TEMPORARY COVID-19 OUTDOOR BUSINESS PERMIT PROGRAM TO ALLOW BUSINESSES TO OPERATE IN THE CITY RIGHT-OF-WAY AND OTHER PRIVATELY-OWNED OUTDOOR SPACES TO ENCOURAGE SOCIAL DISTANCING AND ECONOMIC RECOVERY FROM THE COVID-19 PANDEMIC AND SETTING FORTH THE FACTS CONSTITUTING SUCH URGENCY

WHEREAS, during the COVID-19 pandemic, federal, state and local governments, including the City of Carpinteria ("City"), declared states of emergency and undertook emergency actions in an effort to minimize the spread of the novel virus;

WHEREAS, such actions included stay at home orders, face-covering requirements, and implementing measures to promote social distancing, such as by prohibiting or limiting non-essential gatherings;

WHEREAS, on March 17, 2020, the California Department of Public Health ("CDPH") and the Santa Barbara County Public Health Department directed all bars, nightclubs, pubs, breweries, and wineries to close immediately as well as restaurants and other food facilities offering onsite dining to immediately transition to only offering delivery or take-out service as part of the public health effort to slow the spread of the COVID-19 virus; and

WHEREAS, many businesses citywide were either not permitted to remain open or required to severely restrict activities, causing significant adverse financial impacts to businesses, vendors, staffers, the negative effects of which still affect consumer spending and tourism in the City of Carpinteria;

WHEREAS, on May 26, 2020, following gradual re-openings permitted at the State and County levels, the City Council adopted urgency Ordinance No. 744, enacting the Temporary COVID-19 Outdoor Business Permit Program to allow business to operate in the City's right-of-way and in other privately-owned outdoor spaces to encourage social distancing and economic activity during the COVID-19 pandemic; and

WHEREAS, the California Legislature enacted Assembly Bill 61 (2021), which authorized local agencies to provide relief from parking restrictions for expanded outdoor dining areas to mitigate COVID-19 pandemic restrictions on dining through July 1, 2024; and

WHEREAS, the California Legislature enacted Assembly Bill 1217 (2023), which extends the provisions of Assembly Bill 61 (2021), including the relief from parking restrictions for expanded outdoor dining areas, through July 1, 2026; and

WHEREAS, on May 10, 2021, November 22, 2021, April 25, 2022, November 14, 2022 and June 12, 2023, the City Council respectively approved and adopted Ordinance Nos. 746, 749, 754, 761 and 767 amending Ordinance No. 744 to extend the Temporary COVID-19 Outdoor Business Permit Program, which is currently set to

expire at 11:59 pm on December 31, 2023;

WHEREAS, despite the conclusion of the federal and California states of emergency in February and May 2023, the City retains authority under its police powers, Government Code Section 65907 and Vehicle Code Section 22507 to continue implementation of the Temporary COVID-19 Outdoor Business Permit Program to promote economic development and encourage ongoing health and safety measures to protect the public from the still prevalent virus and its variants; and

WHEREAS, the continuation of City's Temporary COVID-19 Outdoor Business Permit Program remains necessary for the economic recovery of businesses still reeling from the negative impacts resulting from the COVID-19 pandemic that extend beyond the COVID-19 States of Emergency; and

WHEREAS, local businesses report that the ability to use outdoor spaces in the public right-of-way or in private parking areas has been a lifeline and many customers continue to prefer outdoor accommodations; and

WHEREAS, allowing continued utilization of outdoor spaces for business operations and providing flexibility in the continuance of temporary use permits enhances economic vitality and recovery, and augments the City's tax base; and

WHEREAS, various strains of COVID-19 continue to evolve and circulate and remain a threat to certain vulnerable groups, such as the immunocompromised and elderly individuals; and

WHEREAS, most children under the age of 12 have not been vaccinated against the COVID-19 virus;¹ and

WHEREAS, the City Council has initiated the development of a proposed permanent permit program to allow for parklet outdoor seating areas in the City right-of-way; and

WHEREAS, on October 9, 2023, the City Council: (a) adopted Resolution No. 6174 to amend the Downtown "T" Encroachment Guidelines, adding parklets as a permissible encroachment and certain standards for compliant parklets in City right-of-way, (b) authorized the establishment of a modular parklet lease program, and (c) directed staff to prepare an ordinance to extend the Temporary COVID-19 Outdoor Business Permit Program to continue parklet use on privately-owned property and in City right-of-way; and

WHEREAS, the City Council herein authorizes continued parklet use as established in the Temporary COVID-19 Outdoor Business Permit Program to allow continuity for businesses operating in outdoor areas while affording the City additional

¹ See American Academy of Pediatrics, Summary of data publicly reported by the Centers for Disease Control and Prevention (5/3/23) <https://www.aap.org/en/pages/2019-novel-coronavirus-covid-19-infections/children-and-covid-19-vaccination-trends/> (accessed on Nov. 9, 2023).

time to develop, consider, and implement the Downtown "T" Encroachment Guidelines for parklets in City right-of-way and a permanent parklet program for privately-owned property, thereby achieving the dual public health and safety and economic goals of the City following the COVID-19 pandemic.

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

Section 1. Incorporation of Recitals. All the recitals set forth above are true, correct, and valid, and are hereby incorporated and adopted as findings of the City Council as though fully set forth herein.

Section 2. Findings. The Council hereby finds, determines and declares that this Urgency Ordinance adoption pursuant to Government Code Section 36937 is necessary because:

A. Commercial activity and businesses are essential to a vibrant and healthy community, and this Temporary COVID-19 Outdoor Business Permit Program provides flexibility to local businesses to re-open and remain open while protecting the peace, health, safety, and welfare of members of the public during and following the COVID-19 pandemic; and

B. The pandemic's effects on local economies and consumer preferences are longer lasting than initially anticipated; and

C. Without the amendment and extension of the Urgency Ordinance, there is an increased risk of a substantial impact to local businesses, causing further disruption by delaying local economic recovery, and endangering the lives or property of inhabitants of the City; and

D. The Downtown "T" Encroachment Permit Program was established to allow local businesses within the Downtown "T" to apply for a permit to conduct certain business operations within the City right-of-way, which provides a framework for the portion of the Temporary COVID-19 Outdoor Business Permit Program applicable to the City right-of-way and other privately-owned property, but requires certain modifications to streamline the implementation of permits with all due speed during and following the COVID-19 pandemic; and

E. Carpinteria Municipal Code Chapter 14.64 establishes a temporary use permit to allow businesses to engage in temporary uses on privately-owned property that provides a framework for the Temporary COVID-19 Outdoor Business Permit Program applicable to privately-owned property, but requires certain modifications to streamline the approval and implementation of permits with all due speed during and following the COVID-19 pandemic; and

F. The City Council recognizes the Temporary COVID-19 Outdoor Business Permit Program continues to require that certain temporary exceptions to the

requirements of Carpinteria Municipal Code Chapter 12.02, the Downtown "T" Encroachment Permit Program, and Carpinteria Municipal Code Chapter 14.64 may be necessary, as determined by the City Manager through additional rules and regulations; and

G. The City Council has initiated the process to establish a permanent parklet program and associated regulations and desires continuity between the existing Temporary COVID-19 Outdoor Business Permit Program and the permanent program; and

H. For the immediate preservation of the public peace, health, safety, and welfare the Council finds that it is necessary to adopt this Urgency Ordinance amending Ordinance No. 744, as amended by Ordinance Nos. 746, 749, 754, 761, and 767 that established the Temporary COVID-19 Outdoor Business Permit Program, for all of the reasons set forth in the recitals above, which and are incorporated herein by reference.

Section 3. Urgency Need. Based on the foregoing recitals and findings, all of which are deemed true and correct, this Urgency Ordinance is needed for the immediate preservation of the public peace, health, safety and welfare. This Urgency Ordinance shall take effect immediately upon adoption in accordance with Government Code Section 36937.

Section 4. Amendment. This Urgency Ordinance hereby amends and supersedes Section 11 of Ordinance No. 744, as it has been amended, to read as follows:

"Section 11. Effective Date and Termination. This Urgency Ordinance shall become effective immediately and shall remain in effect until the earlier of 11:59 pm on June 30, 2024, or termination by the City Council."

Section 5. Scope. Except as expressly amended and superseded by this Urgency Ordinance, all other sections, subsections, sentences, clauses, phrases or words of Ordinance No. 744, as amended, remain in full force and effect.

Section 6. Severability. If any section, subsection, sentence, clause, phrase or word of this Urgency Ordinance is for any reason held to be invalid and/or unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Urgency Ordinance or amended Ordinance No. 744.

Section 7. Effective Date. This Urgency Ordinance shall become effective immediately.

Section 8. Environmental Determination. The City Council finds that the adoption and implementation of this urgency Ordinance is exempt from the provisions of the California Environmental Quality Act ("CEQA") under CEQA Guidelines Section

15061(b)(3) in that the City Council finds there is no possibility that the implementation of this Ordinance may have significant effects on the environment. The urgency Ordinance would amend Ordinance No. 744, that established a Temporary COVID-19 Outdoor Business Permit Program, similar to existing permit processes, which is solely an administrative process resulting in no change to the environment.

SECTION 9. Publication. The City Clerk is directed to cause this urgency Ordinance to be published in the manner required by law.

PASSED, APPROVED AND ADOPTED on December 11, 2023 by the following vote:

AYES: COUNCILMEMBER(S):

NOES: COUNCILMEMBER(S):

ABSENT: COUNCILMEMBER(S):

ABSTAIN: COUNCILMEMBER(S):

Mayor, City of Carpinteria

ATTEST:

Brian C. Barrett, CMC, CPMC
City Clerk, City of Carpinteria

I hereby certify that the foregoing Ordinance was duly and regularly introduced and adopted at a regular meeting of the City Council of the City of Carpinteria held on December 11, 2023.

Brian C. Barrett, CMC, CPMC
City Clerk, City of Carpinteria

APPROVED AS TO FORM:

Jena S. Acos, on behalf of Brownstein
Hyatt Farber Schreck, LLP acting as
City Attorney of the City of Carpinteria



City of Carpinteria

COUNCIL AGENDA STAFF REPORT December 11, 2023

ITEM FOR COUNCIL CONSIDERATION

Public hearing and receipt of testimony on adopting resolutions establishing development impact fees starting in calendar year 2024. The City Council will also receive and approve the Development Impact Fee Nexus Study that supports the development impact fees.

STAFF RECOMMENDATION

1. Adopt Resolution No. 6278, approving the 2023 Development Impact Fee Nexus Study.
2. Adopt Resolution No. 6279, establishing the Development Impact Fee Program.
3. Adopt Resolution No. 6280, approving and setting the amount of Quimby fees pursuant to Carpinteria Municipal Code Chapter 16.24.

Motion: I move to adopt Resolution Nos. 6278, 6279, and 6280, as read by title only.

BACKGROUND

In order to mitigate the impacts on public improvements and facilities due to new development or redevelopment, the City established a Development Impact Fee (DIF) Program. The City's DIF Program was initially established in 1994 through adoption of City Council Ordinance No. 500, and its regulations reside in Chapter 15.80 of the Carpinteria Municipal Code. The City's DIF Program was established pursuant to the authority granted to cities through the Mitigation Fee Act, also known as Assembly Bill 1600, which allows for the collection of fees from developers and apply the revenue to public improvement projects that are needed to serve new development projects.

Public improvement projects, also known as capital projects, are described in the City's adopted Capital Improvement Plan (CIP) and include projects that are entirely or partially necessary due to impacts on public improvements and facilities created by new development projects. The amount of each DIF is based on a nexus study. The nexus study determines the "fair share" of each public improvement project cost that is attributable to new development projects in accordance with the Mitigation Fee Act.

The Mitigation Fee Act also requires local agencies to regularly update both their nexus study and CIP. On May 23, 2022, the City Council authorized the City Manager to enter into a professional services agreement with Wildan Financial Services to update the City's Development Impact Fee Nexus Study as the nexus study in accordance with the Mitigation Fee Act. On August 8, 2022, the City Council adopted Resolution No. 6153, approving the 2022 CIP (Fiscal Year 2022/23 through Fiscal 2026/27) in accordance with the Mitigation Fee Act as the prerequisite for updating the City's nexus study.

The purpose of this agenda matter is for the City Council to consider and approve the 2023 Development Impact Fee Nexus Study as the nexus study based on the 2022 CIP; establish the City's DIF Program based on the 2023 Development Impact Fee Nexus Study; and approve and set the amount of Quimby fees pursuant to Carpinteria Municipal Code Chapter 16.24.

DISCUSSION

Pursuant to the Mitigation Fee Act, the nexus study is required to be updated at least every eight years. With the adopted 2022 CIP, the City's intent is to concurrently update the nexus study with the proposed 2023 Development Impact Fee Nexus Study, as shown as Attachment A. The proposed 2023 Development Impact Fee Nexus Study provides the basis for updating the following categories of development impact fees (listed in alphabetical order) as a part of the City's DIF Program:

- Aquatics Facilities
- General Government Facilities
- Highways and Bridges
- Open Space
- Park and Recreation Facilities
- Park Land Acquisition
- Parking Facilities
- Quimby
- Storm Drain Facilities
- Streets and Thoroughfares
- Traffic Control Facilities

The proposed 2023 Development Impact Fee Nexus Study details the methodology of calculating the development impact fee for each of the aforementioned categories. In brief, the methodology involved the following steps:

Development Impact Fee Calculation Methodology Steps:

1. Estimate existing development and future growth.
2. Identify public facility or improvement standards.
3. Determine public facility or improvement needs and costs.
4. Allocate cost share to accommodate growth.
5. Identify alternative funding needs.
6. Calculate fee by allocating costs per unit of development.

The proposed Resolution No. 6278, as shown as Attachment B, would approve the 2023 Development Impact Fee Nexus Study as the nexus study based on the 2022 CIP. The proposed Resolution No. 6279, as shown as Attachment C, would establish the City's DIF Program concurrent to the adoption of the 2023 Development Impact Fee Nexus Study in order to continue collection of development impact fees through the City's DIF Program. Finally, the proposed Resolution No. 6280, as shown as Attachment D, would approve and set the amount of Quimby fees pursuant to Carpinteria Municipal Code Chapter 16.24.

The following table shows an example of the change of levels between the existing development impact fees¹ and proposed development impact fees:

Example Comparison of Current and Proposed Development Impact Fees

Land Use	Proposed Size	Current	Proposed	Percent Change
Single Family Unit	2,500 square feet	\$44,310	\$39,750	(10%)
Multifamily Unit	1,500 square feet	\$29,473	\$23,850	(19%)
Multifamily Unit	1,000 square feet	\$29,473	\$15,900	(46%)
Retail	10,000 square feet	\$212,500	\$113,620	(47%)
Parking Space	1 each	\$25,768	\$14,728	(43%)

¹ Development Impact Fee Study Update. Willdan Financial Services. 24 August 2017

The primary factors that drive the change of levels are 1) cost of capital projects in the 2022 CIP, 2) residential development impact fees charged per square foot, 3) changes in growth assumptions, and 4) assumed cost of land acquisition.

Should the City Council adopt said resolutions, the new development impact fee schedules in the 2023 Development Impact Fee Nexus Study would take effect sixty (60) days from and after its adoption. In March 2023, the Finance/Budget Committee reviewed the proposed 2023 Development Impact Fee Nexus Study and found no exceptions.

POLICY CONSISTENCY

The recommendation is consistent with the Mitigation Fee Act, as codified by Government Code Sections 66000 et seq. and 66477 and Carpinteria Municipal Code Chapters 15.80 and 16.24.

FINANCIAL CONSIDERATIONS

No Additional Funding Requested. Collection of development impact fees would contribute revenue to fund public improvements and facilities of the 2022 CIP.

LEGAL AND RISK MANAGEMENT CONSIDERATIONS

Notice of the public hearing appeared in the Coastal View Newspaper on November 2 and 9, 2023, and is consistent with Government Code Sections 65090, 65094, and 66002.

OPTIONS

1. Adopt Resolution Nos. 6278, 6279, and 6280. (Staff recommendation)
2. Direct staff to amend resolutions, as determined appropriate, and adopt resolutions as amended.

PRINCIPAL PARTIES EXPECTED AT MEETING

There are no principal parties expected at this meeting.

ATTACHMENTS

Attachment A: 2023 Development Impact Fee Nexus Study
Attachment B: Resolution No. 6278
Attachment C: Resolution No. 6279
Attachment D: Resolution No. 6280

Staff contact:

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Signature

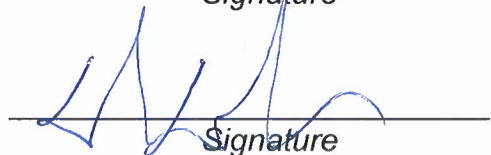
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Reviewed by:

Dave Durflinger, City Manager
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Signature

ATTACHMENT A

2023 Development Impact Fee Nexus Study

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CITY OF CARPINTERIA

DEVELOPMENT IMPACT FEE NEXUS STUDY UPDATE

FINAL DRAFT

NOVEMBER 22, 2023



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Executive Summary

This report summarizes an analysis of development impact fees needed to support future development in the City of Carpinteria through 2050. It is the City's intent that the costs representing future development's share of public facilities and capital improvements be imposed on that development in the form of a development impact fee, also known as a public facilities fee. The public facilities and improvements included in this analysis are divided into the fee categories listed below:

- Highways and Bridges;
- Streets and Thoroughfares;
- Traffic Control;
- Parking Facilities;
- Storm Drain Facilities;
- ♦ General Government Facilities;
- ♦ Aquatic Facilities;
- ♦ Parks and Recreation Facilities; and,
- ♦ Open Space.

Background and Study Objectives

The primary policy objective of a development impact fee program is to ensure that new development pays the capital costs associated with growth. Although growth also imposes operating costs, there is not a similar system to generate revenue from new development for services. The primary purpose of this report is to calculate and present fees that will enable the City to expand its inventory of public facilities, as new development creates increases in service demands.

The City imposes public facilities fees under authority granted by the *Mitigation Fee Act* (the *Act*), contained in *California Government Code* Sections 66000 *et seq.* This report provides the necessary findings required by the *Act* for adoption of the fees presented in the fee schedules contained herein.

All development impact fee-funded capital projects should be programmed through the City's five-year Capital Improvement Plan (CIP). Using a CIP can help the City identify and direct its fee revenue to public facilities projects that will accommodate future growth. By programming fee revenues to specific capital projects, the City can help ensure a reasonable relationship between new development and the use of fee revenues as required by the *Mitigation Fee Act*.

Facility Standards and Costs

This study uses two approaches to calculate facilities standards and allocate the costs of planned facilities to accommodate growth in compliance with the *Mitigation Fee Act* requirements.

The **existing inventory** approach is based on a facility standard derived from the City's existing level of facilities and existing demand for services. This approach results in no facility deficiencies attributable to existing development. This approach is often used when a long-range plan for new facilities is not available. Only the initial facilities to be funded with fees are identified in the fee study. Future facilities to serve growth will be identified through the City's annual capital improvement plan and budget process and/or completion of a new facility master plan. This approach is to calculate the general government facilities, parks and recreation facilities and open space facilities fees in this report.

The **planned facilities** approach allocates costs based on the ratio of planned facilities that serve new development to the increase in demand associated with new development. This approach is appropriate when specific planned facilities that only benefit new development can be identified, or when the specific share of facilities benefiting new development can be identified. Examples

include street improvements to avoid deficient levels of service or a sewer trunk line extension to a previously undeveloped area. This approach is used for the highways and bridges, streets and thoroughfares, traffic control facilities, parking facilities storm drainage facilities and aquatic facilities fees.

Use of Fee Revenues

Impact fee revenue must be spent on new facilities or expansion of current facilities to serve new development. Facilities can be generally defined as capital acquisition items with a useful life greater than five years. Impact fee revenue can be spent on capital facilities to serve new development, including but not limited to: land acquisition, construction of buildings, the acquisition of vehicles or equipment, information technology, software licenses and equipment.

Development Impact Fee Schedule Summary

Table E.1 summarizes the development impact fees that meet the City's identified needs and comply with the requirements of the *Mitigation Fee Act*. The City can adopt fees no greater than the fees shown in this table. As a policy decision to incentivize certain types of development, such as affordable housing production, the City may adopt fees lower than those shown here.

Table E.1: Maximum Justified Impact Fee Summary

Land Use	Highways and Bridges	Streets and Thoroughfares	Traffic Control Facilities	Storm Drainage	General Facilities and Equipment	Aquatic Facilities ¹	Parks and Recreation Facilities ¹	Open Space	Total - Maximum Justified
<i>Residential per Square Foot</i>	\$ 1.52	\$ 0.11	\$ 0.18	\$ 1.61	\$ 0.86	\$ 0.31	\$ 11.31	\$ -	\$ 15.90
<i>Nonresidential - Fee per 1,000 Sq. Ft. or per Room (Resort/Hotel)</i>									
Commercial	\$ 5.55	\$ 0.39	\$ 0.64	\$ 1.02	\$ 0.46	\$ -	\$ -	\$ 3.30	\$ 11.36
Industrial	1.69	0.12	0.20	0.73	0.25	-	-	1.81	4.80
Resort/Hotel ²	2,115	148	244	-	120	-	-	868	3,495

Note: Parking facilities fee is: \$ 14,728 per parking space.

¹ Residential congregate care facilities are not assumed to create demand for these facility types, and are not charged these fees.

² All fees except for the storm drain fee are charged per hotel/resort guest room. Storm drain fee charged at the commercial rate per 1,000 square feet.

Sources: Tables 3.5, 4.3, 5.3, 7.5, 8.6, 9.5, 10.8 and 11.4.

Other Funding Needed

Impact fees may only fund the share of public facilities related to new development in Carpinteria. They may not be used to fund the share of facility needs generated by existing development or by development outside of the City. As shown in **Table E.2**, approximately \$51.1 million in additional funding will be needed to complete the facility projects the City currently plans to develop. The "Additional Funding Required" column shows non-impact fee funding required to fund a share of the improvements partially funded by impact fees. Non-fee funding is needed because these facilities are needed partially to remedy existing deficiencies and partly to accommodate new development.

There is no time limit by which impact fee revenue must be spent. However, if the City is accruing revenue to fund new development's share of a project, then it must make certain findings with respect to unexpended impact fee fund balances after five years. Among other requirements, the five-year report requires the City to "Identify all sources and amounts of funding anticipated to complete financing in incomplete improvements," and to "Designate the approximate dates on which supplemental funding is expected to be deposited into the appropriate account or fund."¹ See *Reporting Requirements* in Chapter 13 in this report for more information.

The City will need to develop alternative funding sources to fund existing development's share of the planned facilities. Potential sources of revenue include but are not limited to: existing or new general fund revenues, existing or new taxes, special assessments, and grants.

Table E.2: Non-Impact Fee Funding Required

Fee Category	Net Project Cost	Projected Impact Fee Revenue	Additional Funding Required
Highways and Bridges	\$ 36,636,969	\$ 7,506,964	\$ 29,130,004
Streets and Thoroughfares	2,561,138	524,781	2,036,358
Traffic Control Facilities	1,382,828	1,382,828	-
Parking Facilities	2,700,000	2,700,000	-
Storm Drainage	24,029,927	4,079,110	19,950,817
General Government ¹	2,005,545	2,005,545	-
Aquatic Facilities	520,000	520,000	-
Parks and Recreation Facilities	18,792,044	18,792,044	-
Open Space	4,196,000	4,196,000	-
Total	\$ 92,824,451	\$ 41,707,272	\$ 51,117,179

¹ Fees calculated using the existing standard.

Sources: Tables 3.3, 3.4, 4.1, 5.1, 6.1, 7.3, 8.5, 9.3, 10.6 and 11.3.

¹ California Government Code § 66001(d).

1. Introduction

This report presents an analysis of the need for public facilities to accommodate new development in the City of Carpinteria. This chapter provides background for the study and explains the study approach under the following sections:

- Public Facilities Financing in California;
- Study Objectives;
- Fee Program Maintenance;
- Study Methodology; and
- Organization of the Report.

Public Facilities Financing in California

The changing fiscal landscape in California during the past 45 years has steadily undercut the financial capacity of local governments to fund infrastructure. Three dominant trends stand out:

- The passage of a string of tax limitation measures, starting with Proposition 13 in 1978 and continuing through the passage of Proposition 218 in 1996;
- Declining popular support for bond measures to finance infrastructure for the next generation of residents and businesses; and
- Steep reductions in federal and state assistance.

Faced with these trends, many cities and counties have had to adopt a policy of “growth pays its own way.” This policy shifts the burden of funding infrastructure expansion from existing ratepayers and taxpayers onto new development. This funding shift has been accomplished primarily through the imposition of assessments, special taxes, and development impact fees also known as public facilities fees. Assessments and special taxes require the approval of property owners and are appropriate when the funded facilities are directly related to the developing property. Development impact fees, on the other hand, are an appropriate funding source for facilities that benefit all development jurisdiction-wide. Development impact fees need only a majority vote of the legislative body for adoption.

Study Objectives

The primary policy objective of a public facilities fee program is to ensure that new development pays the capital costs associated with growth. *Policy PF-5b* of the Public Facilities & Services Element of the General Plan states, “The City will require proposed new developments to pay a fair share of the cost of needed public facilities and services.” *Implementation Policy 62* of the City’s General Plan states, “Continue to update and collect parkland in-lieu, Quimby, and development impact fees to assist the City in acquisition of new parkland to maintain the desired level of service.” The primary purpose of this report is to update the City’s impact fees based on the most current available facility plans and growth projections. The proposed fees will enable the City to expand its inventory of public facilities as new development leads to increases in service demands. This report supports the General Plan policy stated above.

The City imposes public facilities fees under authority granted by the Mitigation Fee Act (the Act), contained in California Government Code Sections 66000 et seq. This report provides the necessary findings required by the Act for adoption of the fees presented in the fee schedules presented in this report.

Carpinteria is forecast to moderate growth through this study's planning horizon of 2050. This growth will create an increase in demand for public services and the facilities required to deliver them. Given the revenue challenges described above, Carpinteria has decided to use a development impact fee program to ensure that new development funds the share of facility costs associated with growth. This report makes use of the most current available growth forecasts and facility plans to update the City's existing fee program to ensure that the fee program accurately represents the facility needs resulting from new development.

Fee Program Maintenance

Once a fee program has been adopted it must be properly maintained to ensure that the revenue collected adequately funds the facilities needed by new development. To avoid collecting inadequate revenue, the inventories of existing facilities and costs for planned facilities must be updated periodically for inflation, and the fees recalculated to reflect the higher costs. The use of an established construction cost index is necessary to accurately adjust the impact fees for inflation. For a list of recommended indices, see Chapter 13.

While fee updates using inflation indices are appropriate for annual or periodic updates to ensure that fee revenues keep up with increases in the costs of public facilities, it is recommended to conduct more extensive updates of the fee documentation and calculation (such as this study) when significant new data on growth forecasts and/or facility plans become available. For further detail on fee program implementation, see Chapter 13.

Study Methodology

Development impact fees are calculated to fund the cost of facilities required to accommodate growth. The six steps followed in this development impact fee study include:

1. **Estimate existing development and future growth:** Identify a base year for existing development and a growth forecast that reflects increased demand for public facilities;
2. **Identify facility standards:** Determine the facility standards used to plan for new and expanded facilities;
3. **Determine facilities required to serve new development:** Estimate the total amount of planned facilities, and identify the share required to accommodate new development;
4. **Determine the cost of facilities required to serve new development:** Estimate the total amount and the share of the cost of planned facilities required to accommodate new development;
5. **Calculate fee schedule:** Allocate facilities costs per unit of new development to calculate the development impact fee schedule; and
6. **Identify alternative funding requirements:** Determine if any non-fee funding is required to complete projects.

The key public policy issue in development impact fee studies is the identification of facility standards (step #2, above). Facility standards document a reasonable relationship between new development and the need for new facilities. Standards ensure that new development does not fund deficiencies associated with existing development.

Types of Facility Standards

There are three separate components of facility standards:

- *Demand standards* determine the amount of facilities required to accommodate growth, for example, park acres per thousand residents, square feet of library space per capita, or gallons of water per day. Demand standards may also reflect a level of service such as the vehicle volume-to-capacity (V/C) ratio used in traffic planning.
- *Design standards* determine how a facility should be designed to meet expected demand, for example, park improvement requirements and technology infrastructure for City office space. Design standards are typically not explicitly evaluated as part of an impact fee analysis but can have a significant impact on the cost of facilities. Our approach incorporates the cost of planned facilities built to satisfy the City's facility design standards.
- *Cost standards* are an alternate method for determining the amount of facilities required to accommodate growth based on facility costs per unit of demand. *Cost standards* are useful when demand standards were not explicitly developed for the facility planning process. *Cost standards* also enable different types of facilities to be analyzed based on a single measure (cost or value), and are useful when different facilities are funded by a single fee program. Examples include facility costs per capita, cost per vehicle trip, or cost per gallon of water per day.

New Development Facility Needs and Costs

A number of approaches can be used to identify facility needs and costs to serve new development. This is often a two-step process: (1) identify total facility needs, and (2) allocate to new development its fair share of those needs.

This study uses two common methods for determining new development's fair share of planned facilities costs: the **existing inventory method**, and the **planned facilities method**. Often the method selected depends on the degree to which the community has engaged in comprehensive facility master planning to identify facility needs.

The formula used by each approach and the advantages and disadvantages of each method is summarized below:

Existing Inventory Method

The existing inventory method allocates costs based on the ratio of existing facilities to demand from existing development as follows:

$$\frac{\text{Current Value of Existing Facilities}}{\text{Existing Development Demand}} = \$/\text{unit of demand}$$

Under this method new development will fund the expansion of facilities at the same standard currently serving existing development. By definition the existing inventory method results in no facility deficiencies attributable to existing development. This method is often used when a long-range plan for new facilities is not available. Only the initial facilities to be funded with fees are identified in the fee study. Future facilities to serve growth are identified through an annual capital improvement plan and budget process, possibly after completion of a new facility master plan. This approach is to calculate the general government facilities, parks and recreation facilities and open space facilities fees in this report.

Planned Facilities Method

The planned facilities method allocates costs based on the ratio of planned facility costs to demand from new development as follows:

$$\frac{\text{Cost of Planned Facilities}}{\text{New Development Demand}} = \$/\text{unit of demand}$$

This method is appropriate when planned facilities will entirely serve new development, or when a fair share allocation of planned facilities to new development can be estimated. An example of the former is a Wastewater trunk line extension to a previously undeveloped area. An example of the latter is expansion of an existing library building and book collection, which will be needed only if new development occurs, but which, if built, will in part benefit existing development, as well. Under this method new development will fund the expansion of facilities at the standards used in the applicable planning documents. This approach is used for the highways and bridges, streets and thoroughfares, traffic control facilities, parking facilities, storm drainage facilities and aquatic facilities fees.

Organization of the report

The determination of a public facilities fee begins with the selection of a planning horizon and development of growth projections for population and employment. These projections are used throughout the analysis of different facility categories and are summarized in Chapter 2.

Chapters 3 through 11 identify facility standards and planned facilities, allocate the cost of planned facilities between new development and other development, and identify the appropriate development impact fee for each of the following facility categories:

- Highways and Bridges;
- Streets and Thoroughfares;
- Traffic Control;
- Parking Facilities;
- Storm Drain Facilities;
- ♦ General Government Facilities;
- ♦ Aquatic Facilities;
- ♦ Parks and Recreation Facilities; and,
- ♦ Open Space.

Chapter 12 describes how this study meets the requirements of AB 602.

Chapter 13 details the procedures that the City must follow when implementing a development impact fee program. Impact fee program adoption procedures are found in *California Government Code* Sections 66016 through 66018.

The five statutory findings required for adoption of the proposed public facilities fees in accordance with the Mitigation Fee Act are documented in Chapter 14.

2. Growth Forecasts

Growth projections are used as indicators of demand to determine facility needs and allocate those needs between existing and new development. This chapter explains the source for the growth projections used in this study based on a 2023 base year and a planning horizon of 2050.

Estimates of existing development and projections of future growth are critical assumptions used throughout this report. These estimates are used as follows:

- The estimate of existing development in 2023 is used as an indicator of existing facility demand and to determine existing facility standards.
- The estimate of total development at the 2050 planning horizon is used as an indicator of future demand to determine total facilities needed to accommodate growth and remedy existing facility deficiencies, if any.²
- Estimates of growth from 2023 through 2050 are used to (1) allocate facility costs between new development and existing development, and (2) estimate total fee revenues.

The demand for public facilities is based on the service population, dwelling units or nonresidential development creating the need for the facilities.

Land Use Types

To ensure a reasonable relationship between each fee and the type of development paying the fee, growth projections distinguish between different land use types. The land use types that impact fees have been calculated for are defined below.

- **Residential dwelling units:** All residential dwelling units. Fees are charged per square foot of building space.
- **Commercial:** All commercial, retail, educational, institutional and hotel/motel development.
- **Industrial:** All manufacturing and other industrial development.
- **Resort/Hotel:** All facilities providing temporary accommodation.

Some developments may include more than one land use type, such as a mixed-use development with both multi-family and commercial uses. In those cases, the facilities fee would be calculated separately for each land use type.

The City has the discretion to determine which land use type best reflects a development project's characteristics for purposes of imposing an impact fee and may adjust fees for special or unique uses to reflect the impact characteristics of the use. If a project results in the intensification of use, at its discretion, the City can charge the project the difference in fees between the existing low intensity use and the future high intensity use.

Impact Fees for Accessory Dwelling Units

The California State Legislature recently amended requirements on local agencies for the imposition of development impact fees on accessory dwelling units (ADU) with Assembly Bill AB 68 in 2021. The amendment to California Government Code §65852.2(f)(2) stipulates that local

² Existing deficiencies cannot be funded through impact fees.

agencies may not impose any impact fees on ADU less than 750 square feet. ADU greater than 750 square feet can be charged impact fees in proportion to the size of the primary dwelling unit.

Calculating Impact Fees for Accessory Dwelling Units

For ADUs greater than 750 square feet, impact fees can be charged as a percentage of the single family impact fee. The formula is:

$$\frac{\text{ADU Square Feet}}{\text{Primary Residence Square Feet}} \times \text{Single Family Impact Fee} = \text{ADU Impact Fee}$$

In the case of an 800 square foot ADU and a 1,600 square foot primary residence, the impact fees would be 50 percent (800 square feet / 1,600 square feet = 50%) of the single family dwelling unit fee.

Existing and Future Development

Table 2.1 shows the estimated number of residents, dwelling units, employees, and building square feet in Carpinteria, both in 2023 and in 2050. The base year estimates of residents and dwelling units come from the California Department of Finance. The projection of future dwelling units is based on data from the City's General Plan. The buildout projection of residents is based on multiplying total increase in units from General Plan, by occupancy density assumptions of 2.77 residents per single family unit and 1.69 residents per multifamily unit. Note that the residential density assumption of 2.17 residents per dwelling unit in Table 2.2 is current the average occupant density across all types of units.

Base year employees were estimated based on data from the US Census Bureau's OnTheMap application. Total future employees were estimated based on the SBCAG Regional Growth Forecast, allocated to the nonresidential land use categories based on the current proportions.

Note that the demographic assumptions do not specifically call out accessory dwelling units and hotel/resort land uses. It is assumed that growth for those land uses has been captured in the other land use categories.

Table 2.1 : Demographic Assumptions

	2023	2050	Increase
Residents ¹	12,690	14,783	2,093
Dwelling Units ²			
Single Family	2,732	3,024	430
Multi-family	2,991	3,297	471
Total	5,723	6,321	901
Employment ³			
Commercial	3,826	5,508	1,682
Industrial	2,426	3,492	1,066
Total	6,252	9,000	2,748
Equivalent Building Square Feet (000s) ⁴			
Commercial	1,805	2,598	793
Industrial	2,091	3,010	919
Total	3,896	5,608	1,712

Note: Figures have been rounded to the hundreds.

¹ Current population from California Department of Finance (DOF). Buildout projection based on multiplying total increase in units from Housing Element, by current occupancy density factors of 2.77 residents per single family unit and 1.69 residents per multifamily unit.

² Current values from DOF. Projection total based on increase in dwelling units identified in the Housing Element. Assumes proportion of single family to multifamily units will be constant through the planning horizon.

³ Existing employment from OnTheMap. Projected 2050 employment from SBCAG's Regional Growth Forecast 2017-2050, allocated to commercial and industrial land use categories based on current ratio.

⁴ Estimated building square feet calculated based on employment estimates and density factors in Table 2.2.

Sources: California Department of Finance (DOF), Table E-5, 2023; SBCAG Draft Regional Growth Forecast 2017-2050; OnTheMap Application; City of Carpinteria General Plan; City of Carpinteria 2023 - 2031 Housing Element; Willdan Financial Services.

Occupant Densities

All fees in this report are calculated based on dwelling units, building square feet or hotel rooms. Occupant density assumptions ensure a reasonable relationship between the size of a development project, the increase in service population associated with the project, and the amount of the fee.

Occupant densities (residents per dwelling unit or workers per building square foot or hotel room) are the most appropriate characteristics to use for most impact fees. The fee imposed should be based on the land use type that most closely represents the probable occupant density of the development.

The average occupant density factors used in this report are shown in Table 2.2. The residential density factors are based on data for Carpinteria from the 2021 U.S. Census' American Community Survey (Tables B25024 and B25033). Table B25024 provides total housing units by

land use designation. Table B25033 documents the total population residing in occupied housing. Total residents are divided by total units to estimate average persons per dwelling unit Citywide.

The nonresidential occupancy factors are derived from data from the Institute of Traffic Engineers Trip Generation Manual, 11th Edition.

Table 2.2: Occupant Density Assumptions

<i>Residential</i>	2.28	Residents per Dwelling Unit
<i>Nonresidential</i>		
Commercial	2.12	Employees per 1,000 square feet
Industrial	1.16	Employees per 1,000 square feet
Resort/Hotel	0.56	Employees per room

Sources: U.S. Census Bureau, 2021 American Community Survey 5-Year Estimates, Tables B25024 and B25033; ITE Trip Generation Manual, 11th Edition, 2021; Willdan Financial Services.

3. Highways and Bridges

This chapter summarizes an analysis of the need for highways and bridges to accommodate new development. The chapter documents a reasonable relationship between new development and the impact fee for funding of these facilities.

Trip Demand

The need for highways and bridges is based on the trip demand placed on the system by development. A reasonable measure of demand is the number of average daily vehicle trips, adjusted for the type of trip. Vehicle trip generation rates are a reasonable measure of demand on the City's system of street improvements across all modes because alternate modes (transit, bicycle, pedestrian) often substitute for vehicle trips.

The two types of trips adjustments made to trip generation rates to calculate trip demand are described below:

- Pass-by trips are deducted from the trip generation rate. Pass-by trips are intermediates stops between an origin and a final destination that require no diversion from the route, such as stopping to get gas on the way to work.
- The trip generation rate is adjusted by the average length of trips for a specific land use category compared to the average length of all trips on the street system.

These adjustments allow for a holistic quantification of trip demand that takes trip purpose and length into account for fee calculation purposes.

Table 3.1 shows the calculation of trip demand factors by land use category based on the adjustments described above. Data is based on extensive and detailed trip surveys conducted in the San Diego region by the San Diego Association of Governments. The surveys provide one of the most comprehensive databases available of trip generation rates, pass-by trips factors, and average trip length for a wide range of land uses. Though urban development patterns differ between San Diego and the City of Carpinteria, the use of this data is appropriate as a means of allocating trips across multiple land use categories. It should be noted that the projections of current and future trip generation in this report are based on data specific to the City of Carpinteria.

Table 3.1: Trip Rate Adjustment Factors

	Primary Trips ¹	Diverted Trips ¹	Total Excluding Pass-by ¹	Average Trip Length ²	Adjustment Factor ³	ITE Category	PM Peak Hour Trips ⁴	Trip Demand Factor ⁵
	A	B	C = A + B	D	E = C x D		F	G = E x F
Residential								
Single Family	86%	11%	97%	7.9	1.11	Single Family Housing (210)	0.99	1.10
Multifamily	86%	11%	97%	7.9	1.11	Apartment (220)	0.57	0.63
Nonresidential								
Commercial	47%	31%	78%	3.6	0.41	Shopping Center (820)	4.09	1.68
Industrial	79%	19%	98%	9.0	1.28	Industrial Park (130)	0.40	0.51
Resort/Hotel	58%	38%	96%	7.6	1.06	Hotel (310)	0.60	0.64

¹ Percent of total trips. Primary trips are trips with no midway stops, or "links". Diverted trips are linked trips whose distance adds at least one mile to the primary trip. Pass-by trips are links that do not add more than one mile to the total trip.

² In miles. Based on SANDAG data.

³ The trip adjustment factor equals the percent of non-pass-by trips multiplied by the average trip length and divided by the systemwide average trip

⁴ Trips per dwelling unit or per 1,000 building square feet or per hotel room

⁵ The trip demand factor is the product of the trip adjustment factor and the trip rate.

Sources: San Diego Association of Governments, Brief Guide of Vehicular Traffic Generation Rates for the San Diego Region, April 2002; Institute of Traffic Engineers, Trip Generation, 11th Edition; Willdan Financial Services.

Trip Demand Growth

The planning horizon for this analysis is 2050. **Table 3.2** lists the 2023 and 2050 land use assumptions used in this study. The trip demand factors calculated in **Table 3.1** are multiplied by the existing and future dwelling units and building square feet to determine the increase in trip demand attributable to new development.

Table 3.2: Land Use Scenario and Trip Demand Generation

Land Use	2023			2050		Growth 2023 to 2050	
	Trip Demand Factor	Units / 1,000 SF	Trips	Units / 1,000 SF	Trips	Units / 1,000 SF	Trips
Residential							
Single Family	1.10	2,732	3,005	3,024	3,326	292	321
Multi-family	0.63	2,991	1,884	3,297	2,077	306	193
Subtotal		5,723	4,889	6,321	5,403	598	514
Nonresidential							
Commercial	1.68	1,805	3,032	2,598	4,365	793	1,333
Industrial	0.51	2,091	1,066	3,010	1,535	919	469
Subtotal		3,896	4,098	5,608	5,900	1,712	1,802
Total			8,987		11,303		2,316
Share			79.5%		100.0%		20.5%

Sources: Tables 2.1 and 3.1; Willdan Financial Services

Project Costs and Cost Allocation

Highways and bridges project cost estimates are summarized in **Table 3.3**. The included projects reconfigure existing facilities to accommodate increasing traffic volumes. The projects are estimated to cost \$36.6 million. Of the \$36.6 million total project cost, 23-percent is allocated to new development through this impact fee. The allocation is equal to new development's share of total 2050 trip demand, as identified in Table 3.2.

Table 3.3: Highways and Bridges Project List

Project Code	From : To	Total Project Cost	Percent Allocated to DIF	Net DIF Allocation
HI-06	Santa Ynez Avenue Overcrossing	\$ 23,289,558	20.5%	\$ 4,772,062
HI-07	Carpinteria Ave Bridge over Carpinteria Creek - Bridge Work	13,347,411	20.5%	2,734,903
Total		\$ 36,636,969		\$ 7,506,964

Sources: City of Carpinteria CIP FY 2022/23 - FY 2026/27; Table 3.2, Willdan Financial Services.

Fee per Trip Demand Unit

Every impact fee consists of a dollar amount, or the cost of projects that can be funded by a fee, divided by a measure of development. In this case, all fees are first calculated as a cost per trip demand unit. Then these amounts are translated into housing unit (cost per dwelling unit) and employment space (cost per 1,000 square feet) by multiplying the cost per trip by the trip generation rate for each land use category. These amounts become the fee schedule.

Table 3.4 calculates the cost the cost per trip demand unit by dividing the total project costs attributable to new development summarized in Table 3.3, by the total growth in trips calculated in Table 3.2.

Table 3.4: Cost per Trip to Accommodate Growth

Net Cost of Projects Allocated to New Development	\$ 7,506,964
Growth in Daily Trips	2,316
Cost per Trip	\$ 3,241

Sources: Tables 3.2 and 3.3; Willdan Financial Services.

Fee Schedule

Table 3.5 shows the maximum justified highways and bridges impact fee schedule. The City can adopt any fee up to this amount. The fees are based on the costs per trip shown in Table 3.4. The cost per trip is multiplied by the trip demand factors in Table 3.1 to determine a fee per unit of new development. The fee per dwelling unit is converted into a fee per square foot by dividing the fee per dwelling unit by the assumed average square footage of a dwelling unit.

The total fee includes a two-percent (2%) administrative charge to fund costs that include: a standard overhead charge applied to all City programs for legal, accounting, and other

departmental and administrative support, and fee program administrative costs including revenue collection, revenue and cost accounting, mandated public reporting, and fee justification analyses.

In Willdan's experience with impact fee programs, two-percent of the base fee adequately covers the cost of fee program administration. The administrative charge should be reviewed and adjusted during comprehensive impact fee updates to ensure that revenue generated from the charge sufficiently covers, but does not exceed, the administrative costs associated with the fee program.

Table 3.5: Highways and Bridges Facilities Impact Fee

Land Use	A	B	C = A x B		D = C x 0.02	E = C + D	E / Average
	Cost Per Trip	Trip Demand Factor	Base Fee ¹	Admin Charge ^{1, 2}		Total Fee ¹	Fee per Sq. Ft. ³
<u>Residential</u>	\$ 3,241	0.85	\$ 2,755	\$ 55		\$ 2,810	\$ 1.52
<u>Nonresidential</u>							
Commercial	\$ 3,241	1.68	\$ 5,445	\$ 109		\$ 5,554	\$ 5.55
Industrial	3,241	0.51	1,653	33		1,686	1.69
Resort/Hotel	3,241	0.64	2,074	41		2,115	n/a

¹ Fee per average sized dwelling unit or per 1,000 square feet of nonresidential building space or per hotel room.

² Administrative charge of 2.0 percent for (1) legal, accounting, and other administrative support and (2) impact fee program administrative costs including revenue collection, revenue and cost accounting, mandated public reporting, and fee justification analyses.

³ Assumes an average of 1,846 square feet per dwelling unit based on an analysis of data from the 2019 American Housing Survey.

Sources: Tables 3.1 and 3.4; Willdan Financial Services.

4. Streets and Thoroughfares

This chapter summarizes an analysis of the need for streets and thoroughfares to accommodate new development. The chapter documents a reasonable relationship between new development and the impact fee for funding of these facilities. Note that the trip demand factors calculated in Table 3.1, and the trip growth projections calculated in Table 3.2 will also be used in this chapter.

Project Costs and Cost Allocation

Cost estimate for streets and thoroughfares needed to serve new development are summarized in **Table 4.1**. The City will require a variety of streets and thoroughfares projects to serve new development. All project costs were identified in the City's 2023 CIP. Of the \$2.6 million in eligible project costs, 23-percent is allocated to new development through this impact fee. The allocation is equal to new development's share of total 2050 trip demand, as identified in Table 3.2.

Table 4.1: Streets and Thoroughfares Project List

Project Code	From : To	Total Project Cost	Percent Allocated to DIF	Net DIF Allocation
ST-13	West Via Real Widening	\$ 322,716	20.5%	\$ 66,125
ST-18	Casitas Pass Road Traffic Calming	445,422	20.5%	91,268
ST- 55	Ninth Street Improvements- Holly Avenue to West End	1,793,000	20.5%	367,388
Total - Streets and Thoroughfares		\$ 2,561,138		\$ 524,781

Sources: City of Carpinteria CIP FY 2022/23 - FY 2026/27; Table 3.2, Willdan Financial Services.

Fee per Trip Demand Unit

Every impact fee consists of a dollar amount, or the cost of projects that can be funded by a fee, divided by a measure of development. In this case, all fees are first calculated as a cost per trip demand unit. Then these amounts are translated into housing unit (cost per unit) and employment space (cost per 1,000 square feet) by multiplying the cost per trip by the trip generation rate for each land use category. These amounts become the fee schedule.

Table 4.2 calculates the cost the cost per trip demand unit by dividing the total project costs attributable to new development summarized in Table 4.1, by the total growth in trips calculated in Table 3.2.

Table 4.2: Cost per Trip to Accommodate Growth

Net Cost of Projects Allocated to New Development	\$	524,781
Growth in Daily Trips		2,316
Cost per Trip	\$	227

Sources: Tables 3.2 and 4.1.

Fee Schedule

Table 4.3 shows the maximum justified streets and thoroughfares impact fee schedule. The City can adopt any fee up to this amount. The fees are based on the costs per trip shown in Table 4.2. The cost per trip is multiplied by the trip demand factors in Table 3.1 to determine a fee per unit of new development. The fee per dwelling unit is converted into a fee per square foot by dividing the fee per dwelling unit by the assumed average square footage of a dwelling unit.

The total fee includes a two-percent (2%) administrative charge to fund costs that include: a standard overhead charge applied to all City programs for legal, accounting, and other departmental and administrative support, and fee program administrative costs including revenue collection, revenue and cost accounting, mandated public reporting, and fee justification analyses.

In Willdan's experience with impact fee programs, two-percent of the base fee adequately covers the cost of fee program administration. The administrative charge should be reviewed and adjusted during comprehensive impact fee updates to ensure that revenue generated from the charge sufficiently covers, but does not exceed, the administrative costs associated with the fee program.

Table 4.3: Streets and Thoroughfares Impact Fee

Land Use	A	B	C = A x B		D = C x 0.02	E = C + D	E / Average
	Cost Per Trip	Trip Demand Factor	Base Fee ¹	Admin Charge ^{1, 2}		Total Fee ¹	Fee per Sq. Ft. ³
<u>Residential</u>	\$ 227	0.85	\$ 193	\$ 4		\$ 197	\$ 0.11
<u>Nonresidential</u>							
Commercial	\$ 227	1.68	\$ 381	\$ 8		\$ 389	\$ 0.39
Industrial	227	0.51	116	2		118	0.12
Resort/Hotel	227	0.64	145	3		148	n/a

¹ Fee per average sized dwelling unit or per 1,000 square feet of nonresidential building space or per hotel room.

² Administrative charge of 2.0 percent for (1) legal, accounting, and other administrative support and (2) impact fee program administrative costs including revenue collection, revenue and cost accounting, mandated public reporting, and fee justification analyses.

³ Assumes an average of 1,846 square feet per dwelling unit based on an analysis of data from the 2019 American Housing Survey.

Sources: Tables 3.1 and 4.2; Willdan Financial Services.

5. Traffic Control Facilities

This chapter summarizes an analysis of the need for traffic control facilities to accommodate new development. The chapter documents a reasonable relationship between new development and the impact fee for funding of these facilities. Note that the trip demand factors calculated in Table 3.1, and the trip growth projections calculated in Table 3.2 will also be used in this chapter.

Project Costs and Cost Allocation

Cost estimates for traffic signals and related facilities needed to serve new development are summarized in **Table 5.1**. The City will require two new signals to serve new development. The City is also planning crosswalk safety improvements adjacent to the high school. The signal projects are needed solely in response to additional traffic caused by new development, so they are completely allocated to new development in this impact fee. The crosswalk safety project is needed to serve both existing and new development, so it is allocated to the fee study based on new development's proportional share of trip demand at the planning horizon.

Table 5.1: Traffic Control Facilities Project List

Project Code	Intersection	Total Project Cost	Percent Allocated to DIF	Net DIF Allocation
TC-01	Carpinteria Avenue/Palm Avenue	\$ 415,020	100%	\$ 415,020
TC-02	Santa Ynez Avenue/Via Real	317,808	100%	317,808
TC-03	Carpinteria High School Area Crosswalk Safety Improvements	650,000	20%	133,186
Total - Traffic Control Facilities		\$ 1,382,828		\$ 866,014

Sources: City of Carpinteria CIP FY 2022/23 - FY 2026/27; Table 3.2, Willdan Financial Services.

Fee per Trip Demand Unit

Every impact fee consists of a dollar amount, or the cost of projects that can be funded by a fee, divided by a measure of development. In this case, all fees are first calculated as a cost per trip demand unit. Then these amounts are translated into housing unit (cost per unit) and employment space (cost per 1,000 square feet) by multiplying the cost per trip by the trip generation rate for each land use category. These amounts become the fee schedule.

Table 5.2 calculates the cost the cost per trip demand unit by dividing the total project costs attributable to new development summarized in Table 5.1, by the total growth in trips calculated in Table 3.2.

Table 5.2: Cost per Trip to Accommodate Growth

Net Cost of Projects Allocated to New Development	\$	866,014
Growth in Daily Trips		<u>2,316</u>
Cost per Trip	\$	374

Sources: Tables 3.2 and 5.1; Willdan Financial Services.

Fee Schedule

Table 5.3 shows the maximum justified traffic control facilities fee schedule. The City can adopt any fee up to this amount. The proposed fees are based on the costs per trip shown in Table 5.2. The cost per trip is multiplied by the trip demand factors in Table 3.1 to determine a fee per unit of new development. The fee per dwelling unit is converted into a fee per square foot by dividing the fee per dwelling unit by the assumed average square footage of a dwelling unit.

The total fee includes a two-percent (2%) administrative charge to fund costs that include: a standard overhead charge applied to all City programs for legal, accounting, and other departmental and administrative support, and fee program administrative costs including revenue collection, revenue and cost accounting, mandated public reporting, and fee justification analyses.

In Willdan's experience with impact fee programs, two-percent of the base fee adequately covers the cost of fee program administration. The administrative charge should be reviewed and adjusted during comprehensive impact fee updates to ensure that revenue generated from the charge sufficiently covers, but does not exceed, the administrative costs associated with the fee program.

Table 5.3: Traffic Control Facilities Impact Fee

Land Use	A		B		C = A x B		D = C x 0.02		E = C + D		E / Average	
	Cost Per	Trip	Demand	Trip	Base Fee ¹	Admin	Charge ^{1, 2}		Total Fee ¹	Fee per	Sq. Ft. ³	
<i>Residential</i>	\$	374	0.85		\$ 318	\$	6		\$ 324	\$	0.18	
<i>Nonresidential</i>												
Commercial	\$	374	1.68		\$ 628	\$	13		\$ 641	\$	0.64	
Industrial		374	0.51		191		4		195		0.20	
Resort/Hotel		374	0.64		239		5		244		n/a	

¹ Fee per average sized dwelling unit or per 1,000 square feet of nonresidential building space or per hotel room.

² Administrative charge of 2.0 percent for (1) legal, accounting, and other administrative support and (2) impact fee program administrative costs including revenue collection, revenue and cost accounting, mandated public reporting, and fee justification analyses.

³ Assumes an average of 1,846 square feet per dwelling unit based on an analysis of data from the 2019 American Housing Survey.

Sources: Tables 3.1 and 5.2; Willdan Financial Services.

6. Parking Facilities

This chapter summarizes an analysis of the need for parking facilities to accommodate new development. The chapter documents a reasonable relationship between new development and the impact fee for funding of these facilities.

Project Costs

The City's recent *Downtown Carpinteria Parking Study* (2021) identified several options for creating a surface parking lot on a City owned the vacant parcel (APN 004-105-026). This project is also listed in the City's CIP. The project costs \$2.7 million and is summarized in **Table 6.1**.

Table 6.1: Parking Facilities Project List

Project Code	From : To	Total Project Cost
P-04	Parking Lot #4	\$ 2,700,000
Total		\$ 2,700,000

Sources: City of Carpinteria CIP FY 2022/23 - FY 2026/27.

Fee Schedule

Table 6.2 shows the maximum justified in-lieu parking facilities fee per parking space. The City can adopt any fee up to this amount. The fee is calculated by dividing the total cost of all parking spaces that expand parking capacity, by the increase in parking spaces. The project will add 289 new parking spaces, as identified in Option 4 of the *Downtown Carpinteria Parking Study*. As new development occurs and is required to provide parking, it can pay the fee at the appropriate cost per required parking space to satisfy its parking requirements if all required parking spaces cannot be accommodated onsite.

Table 6.2: In-Lieu Fee per Parking Space

Total Project Costs	\$ 2,700,000
Additional Parking Spaces Created ¹	187
Cost per Parking Space	\$ 14,439
Administrative Charge (2%)	289
Total Fee per Parking Space	\$ 14,728

¹ Maximum number of parking spaces that can be created on Lot 4 under Option 4 of *Downtown Carpinteria Parking Study*.

Sources: *Downtown Carpinteria Parking Study*, 2021; Table 6.1, Willdan Financial Services.

7. Storm Drain Facilities

This chapter summarizes an analysis of the need for storm drain facilities to accommodate growth within the City of Carpinteria. The projects and associated costs in this chapter were identified in the City's 2023 CIP. This chapter documents a reasonable relationship between new development and a storm drain fee to fund storm drain facilities that serve new development.

Storm Drain Demand

Most new development generates storm water runoff that must be controlled through storm drain facilities by increasing the amount of land that is impervious to precipitation. **Table 7.1** shows the calculation of equivalent dwelling unit (EDU) demand factors based on impervious surface coefficient by land use category. The impervious surface coefficients are based on data from California Environmental Protection Agency data. EDU factors relate demand for storm drain facilities in terms of the demand created by a single family dwelling unit. It is assumed that congregate care facilities have similar impervious surface coefficients and are developed at a similar density to multifamily development. Similarly, hotel/resort development is assumed to have similar impervious surface coefficients and are developed at a similar density to commercial development.

Table 7.1: Storm Drain Equivalent Dwelling Unit (EDU) Factors

	DU or KSF per acre ¹	Impervious Surface Coefficient	Equivalent Dwelling Unit (EDU) ²
<i>Residential</i>			
Single Family	2.45	0.61	1.00
Multi-Family	12.35	0.76	0.25
<i>Nonresidential</i>			
Commercial	15.25	0.80	0.21
Industrial	21.78	0.81	0.15

¹ Dwelling units for residential and thousand building square feet for non-residential. Density based on estimated development and acreage for each land use type in the City's land use element. Nonresidential densities are based on assumed maximum floor-area-ratios of 0.35 for commercial and 0.5 industrial.

² EDUs per dwelling unit for residential development and per thousand square feet for nonresidential development.

Sources: City of Carpinteria General Plan; Tables 1 and 2 from the User's Guide for the California Impervious Surface Coefficients, Office of Environmental Health Hazard Assessment California Environmental Protection Agency, December 2010; Willdan Financial Services.

EDU Generation by New Development

Table 7.2 shows the estimated EDU generation from new development through 2050. New development will generate approximately 925 new EDUs inside the city limits, representing 18.4-percent of total storm drain demand in 2050.

Table 7.2: Storm Drain Facilities EDU Generation

	EDU Factor ¹	Existing (DU/KSF)	Projected Growth (DU/KSF)	Total (DU/KSF)	Existing EDUs	Growth in EDUs	Total
<u>Residential</u>							
Single Family	1.00	2,732	430	3,162	2,732	430	3,162
Multi-Family	0.25	<u>2,991</u>	<u>471</u>	<u>3,462</u>	<u>748</u>	<u>118</u>	<u>866</u>
Subtotal		5,723	901	6,624	3,480	548	4,028
<u>Nonresidential</u>							
Commercial	0.21	1,805	793	2,598	379	167	546
Industrial	0.15	<u>2,091</u>	<u>919</u>	<u>3,010</u>	<u>314</u>	<u>138</u>	<u>452</u>
Subtotal		3,896	1,712	5,608	693	305	998
Total					4,172	853	5,025
					83.0%	17.0%	100.0%

¹ Per dwelling unit (residential) or thousand building square feet (nonresidential).

Sources: Table 2.1 and 7.1; Willdan Financial Services

Planned Facilities

The City's 2023 CIP identified storm drainage projects that will serve both existing and new development in Carpinteria. **Table 7.3** summarizes the storm drainage projects that will serve the City. The cost of the facilities listed in these tables is the basis for the storm drainage impact fee for new development in the City. The allocation of storm drain facilities costs to new development is equal to new development's share of total EDUs in 2050. In total, \$4.4 million worth of storm drain improvements are allocated to new development.

Table 7.3: Total Cost of Facilities Needed to Serve New Development

Project Code	Name	Total Cost	Allocation to New Development	Costs	
				Allocated to New Development	
SD-01	Casitas Pass Storm Drain	\$ 1,435,658	17.0%	\$ 243,705	
SD-02	East Via Real Storm Drain	1,746,557	17.0%	296,480	
SD-03	Calle Arena Culvert	409,837	17.0%	69,570	
SD-04	Upper Palm Avenue Storm	96,938	17.0%	16,455	
SD-05	Walnut Avenue Storm Drain	1,689,659	17.0%	286,822	
SD-06	Beach Area Drainage	5,921,781	17.0%	1,005,230	
SD-07	Star Pine Road Storm Drain	1,001,279	17.0%	169,968	
SD-13	Ash Avenue Storm Water Lift	4,303,292	17.0%	730,489	
SD-20	Via Real at Santa Ynez Avenue Storm Drain Improvements	489,596	17.0%	83,110	
SD-22	Conduit Installation for Recycled Water Project.	6,935,331	17.0%	1,177,281	
Total		\$ 24,029,927		\$ 4,079,110	

Sources: City of Carpinteria CIP FY 2022/23 - FY 2026/27; Table 7.2, Willdan Financial Services.

Cost per Equivalent Dwelling Unit

This chapter uses the planned facilities approach to calculate the storm drainage cost standard. The cost of planned facilities allocated to new development is divided by the growth in EDUs to determine a cost standard per EDU. **Table 7.4** shows the facility cost standard for storm drain facilities.

Table 7.4: Storm Drain Cost per EDU

Net Cost of Planned Facilities for New Development	\$	4,079,110
Growth in EDUs		853
Cost per EDU	\$	4,782

Sources: Tables 7.2 and 7.3.

Fee Schedule

The maximum justified fee for storm drain facilities is shown in **Table 7.5**. The City can adopt any fee up to this amount. The cost per EDU from Table 7.4 is converted to a fee per unit of new development based on the EDU factors shown in Table 7.1. The fee per dwelling unit is converted into a fee per square foot by dividing the fee per dwelling unit by the assumed average square footage of a dwelling unit.

The total fee includes a two-percent (2.0%) administrative charge to fund costs that include: a standard overhead charge applied to all City programs for legal, accounting, and other departmental and administrative support, and fee program administrative costs including revenue collection, revenue and cost accounting and mandated public reporting.

In Willdan's experience with impact fee programs, two-percent of the base fee adequately covers the cost of fee program administration. The administrative charge should be reviewed and adjusted during comprehensive impact fee updates to ensure that revenue generated from the charge sufficiently covers, but does not exceed, the administrative costs associated with the fee program.

Table 7.5: Storm Drainage Facilities Impact Fee Schedule

	A Cost Per EDU	B EDU Factor	C = A x B Base Fee ¹	D = C x 0.02 Admin Charge ^{1, 2}	E = C + D Total Fee ¹	E / Average Fee per Sq. Ft. ³
<i>Residential</i>	\$ 4,782	0.61	\$ 2,917	\$ 58	\$ 2,975	\$ 1.61
<i>Nonresidential</i>						
Commercial	\$ 4,782	0.21	\$ 1,004	\$ 20	\$ 1,024	\$ 1.02
Industrial	4,782	0.15	717	14	731	0.73

¹ Fee per average sized dwelling unit or per 1,000 square feet of nonresidential.

² Administrative charge of 2.0 percent for (1) legal, accounting, and other administrative support and (2) impact fee program administrative costs including revenue collection, revenue and cost accounting, mandated public reporting, and fee justification analyses.

³ Assumes an average of 1,846 square feet per dwelling unit based on an analysis of data from the 2019 American Housing Survey.

Sources: Tables 7.1 and 7.4; Willdan Financial Services.

8. General Government Facilities

The purpose of this fee is to ensure that new development funds its fair share of general government facilities. A fee schedule is presented based on the existing facilities standard of general government facilities in the City of Carpinteria to ensure that new development provides adequate funding to meet its needs.

Service Population

General government facilities serve both residents and businesses. Therefore, demand for services and associated facilities are based on the City's service population including residents and workers.

Table 8.1 shows the existing and future projected service population for general government facilities. While specific data is not available to estimate the actual ratio of demand per resident to demand by businesses (per worker) for this service, it is reasonable to assume that demand for these services is less for one employee compared to one resident, because nonresidential buildings are typically occupied less intensively than dwelling units. The 0.31-weighting factor for workers is based on a 40-hour workweek divided by the total number of non-work hours in a week (128) and reflects the degree to which nonresidential development yields a lesser demand for general government facilities.

Table 8.1: General Facilities & Equipment Service Population

	A	B	$C = A + (B \times 0.31)$
	Residents	Workers	Service Population
Existing (2023)	12,690	6,252	14,628
New Development (2023-2050)	2,093	2,748	2,945
Total (2050)	14,783	9,000	17,573
Weighting factor ¹	1.00	0.31	

¹ Workers are weighted at 0.31 of residents based on a 40 hour work week out of a possible 128 non-work hours in a week ($40/128 = 0.31$)

Source: Table 2.1; Willdan Financial Services.

Facility Inventories and Standards

This section describes the City's general government facilities facility inventory and facility standards.

Existing Inventory

This study uses the existing standard methodology to calculate fees for general government facilities. The general government facilities inventory is comprised of City Hall, the Public Works building, and various video, computer and mobile equipment. In total the City owns approximately \$10 million worth of general government facilities.

Table 8.2: General Facilities & Equipment Inventory

Description	Quantity	Units	Unit Cost	Total Value
<u>City Hall - 5775 Carpinteria Ave.</u>				
City Hall Building	14,000 sq. ft.		\$ 293	\$ 4,099,200
Public Works Building	3,840 sq. ft.		136	521,000
Generator Building	160 sq. ft.		256	41,000
Electrical Building	264 sq. ft.		417	110,000
Shed	180 sq. ft.		50	9,000
Carport	900 sq. ft.		10	9,000
Hazardous Waste Shed 2	240 sq. ft.		84	20,200
Public Works Shed 1	200 sq. ft.		70	14,000
Public Works Shed 2	200 sq. ft.		58	11,500
Hazardouse Waste Shed 1	200 sq. ft.		85	17,000
Land	4.81 acres		985,200	4,738,812
Subtotal				\$ 9,590,712
<u>Equipment</u>				
Video Equipment				\$ 155,642
Computer Equipment				119,526
Mobile Equipment				100,000
Subtotal				\$ 375,168
Total				\$ 9,965,880

Source: City of Carpinteria, CJPIA Property Schedule, October 11, 2022.

Planned Facilities

Table 8.3 summarizes the planned general government facilities needed to serve the City through 2050, as identified by the City's CIP. The City plans to make improvements to the City Hall campus, construct an emergency operations center, add several storage facilities, transit facility improvements, upgrades to the corporation yard, library improvements and to add solar generation and storage facilities. New facilities costs are estimated to total approximately \$20.4 million through 2050.

Table 8.3: Planned General Facilities & Equipment

Project Code	Name	Total Project Cost
<i>Public Facilities</i>		
GF-02	City Hall Campus Site Improvements	\$ 1,550,000
GF-03	Construction of EOC/Sheriff Sub- Station	13,239,954
GF-07	Corporation Yard Maintenance Storage	963,240
GF-10	Transit Facility Improvements	125,000
GF-11	Corporation Yard Maintenance Building Fire Sprinkler System	195,000
GF-12	City Hall Storage	500,000
GF-16	City Hall Solar Energy Generation and Storage	433,450
GF-17	City Hall Campus Expansion	2,000,000
GF-18	Carpinteria Library Improvements	1,395,600
Total - General Facilities Projects Costs		\$ 20,402,244

Sources: City of Carpinteria CIP FY 2022/23 - FY 2026/27.

Cost Allocation

Table 8.4 shows new development's existing per capita investment in general government facilities. This value is calculated by dividing cost of existing facilities by the existing service population. The value per capita is multiplied by the worker weighting factor of 0.31 to determine the value per worker.

Table 8.4: General Facilities & Equipment Existing Standard

Value of Existing Facilities	\$ 9,965,880
Existing Service Population	14,628
Cost per Capita	\$ 681
Facility Standard per Resident	\$ 681
Facility Standard per Worker ¹	211

¹ Based on a weighing factor of 0.31.

Sources: Tables 8.1 and 8.2, Willdan Financial Services.

Fee Revenue Projection

The City plans to use general government facilities fee revenue to construct improvements to add to the system of administrative and public works facilities to serve new development. **Table 8.5** details a projection of fee revenue, based on the service population growth increment identified in Table 8.1. To fully fund the planned facilities identified in Table 8.3, the City will need to identify nearly \$18.4 million for non-fee funding sources. However, since this fee is calculated at the existing standard, so long as the projected impact fee revenue is spent on facilities needed to serve new development, then new development has not been unfairly burdened.

Table 8.5: Revenue Projection - Existing Standard

Cost per Capita	\$ 681
Growth in Service Population (2023- 2050)	2,945
Fee Revenue	\$ 2,005,545
Net Cost of Planned Facilities	20,402,244
Non-Fee Revenue to Be Identified	\$ (18,396,699)

Sources: Tables 8.1, 8.3 and 8.4.

Fee Schedule

Table 8.6 shows the maximum justified general government facilities fee schedule. The City can adopt any fee up to this amount. The cost per capita is converted to a fee per unit of new development based on dwelling unit and employment densities (persons per dwelling unit or employees per 1,000 square feet of nonresidential building space or per hotel room). The fee per dwelling unit is converted into a fee per square foot by dividing the fee per dwelling unit by the assumed average square footage of a dwelling unit.

The total fee includes a two-percent (2.0%) administrative charge to fund costs that include: a standard overhead charge applied to City programs for legal, accounting, and other departmental and administrative support, and fee program administrative costs including revenue collection, revenue and cost accounting and mandated public reporting.

In Willdan's experience with impact fee programs, two-percent of the base fee adequately covers the cost of fee program administration. The administrative charge should be reviewed and adjusted during comprehensive impact fee updates to ensure that revenue generated from the charge sufficiently covers, but does not exceed, the administrative costs associated with the fee program.

Table 8.6: General Facilities & Equipment Fee Schedule

Land Use	A	B	C = A x B		D = C x 0.02	E = C + D	E / Average
	Cost Per Capita	Density	Base Fee ¹	Admin Charge ^{1, 2}		Total Fee ¹	Fee per Sq. Ft. ³
<u>Residential</u>	\$ 681	2.28	\$ 1,553	\$ 31		\$ 1,584	\$ 0.86
<u>Nonresidential</u>							
Commercial	\$ 211	2.12	\$ 447	\$ 9		\$ 456	\$ 0.456
Industrial	211	1.16	245	5		250	0.250
Resort/Hotel	211	0.56	118	2		120	n/a

¹ Fee per average sized dwelling unit (residential) or per 1,000 square feet (nonresidential).

² Administrative charge of 2.0 percent for (1) legal, accounting, and other administrative support and (2) impact fee program administrative costs including revenue collection, revenue and cost accounting, mandated public reporting, and fee justification analyses.

³ Assumes an average of 1,846 square feet per dwelling unit based on an analysis of data from the 2019 American Housing Survey.

Sources: Tables 2.2 and 8.4.

9. Aquatic Facilities

The following chapter documents the nexus analysis, demonstrating the need for new aquatic facilities demanded by new development.

Service Population

Residents are assumed to be the primary users of aquatic facilities, so the service population only includes residents. **Table 9.1** shows the existing and future projected service population for aquatic facilities.

Table 9.1: Aquatic Facilities Service Population

	Residents
Existing (2023)	12,690
Growth (2023 - 2050)	2,093
Total (2050)	14,783

Source: Table 2.1.

Existing Aquatic Facilities Inventory

The City of Carpinteria maintains two aquatic facilities. **Table 9.2** summarizes the City's existing aquatic facilities inventory. All facilities are located within the City limits. In total, the City owns approximately \$3.9 million in aquatic facilities.

Table 9.2: Existing Aquatic Facilities Inventory

	Building Square Feet	Cost per Square Foot	Total Replacement Cost
<u>Facilities</u>			
Community Pool - 5305 Carpinteria Ave.	n/a	n/a	\$ 2,245,263
Bath House	3,000	536	1,609,300
Total Value - Existing Facilities	3,000		\$ 3,854,563

Source: City of Carpinteria, CIPA Property Schedule, October 11, 2022.

Planned Aquatic Facilities

The City has identified a single planned aquatic facility in its CIP, improvements to the community pool. **Table 9.3** details the cost of the City's planned aquatic facility.

Table 9.3: Planned Aquatic Facilities

	Total Cost
PR-23 Carpinteria Community Pool Improvements	\$ 520,000
Net Cost of Planned Facilities	\$ 520,000

Sources: City of Carpinteria CIP FY 2022/23 - FY 2026/27.

Cost Allocation

Table 9.4 shows the calculation of the planned facilities per capita standard. This value is calculated by dividing the net cost of planned facilities by the growth in service population.

Table 9.4: Aquatic Facilities Planned Facilities Standard

Net Value of Planned Facilities	\$ 520,000
Service Population Growth (2023 to 2050)	2,093
Cost per Capita	\$ 248

Sources: Tables 9.1 and 9.3, Willdan Financial Services.

Use of Fee Revenue

The City plans to use aquatic facilities fee revenue to construct improvements to add to the system of aquatic facilities that serves new development. Using the planned facility methodology results in fee revenue that equals the cost of the planned improvement identified in Table 9.3.

Fee Schedule

Table 9.5 shows the maximum justified aquatic facilities fee schedule. Congregate care facilities are not assumed to create demand for this facility type, and are not charged this fee. This is consistent with the City's current fee program. The City can adopt any fee up to the maximum justified amount. The cost per capita is converted to a fee per unit of new development based on dwelling unit densities (persons per dwelling). The fee per dwelling unit is converted into a fee per square foot by dividing the fee per dwelling unit by the assumed average square footage of a dwelling unit.

The total fee includes a two-percent (2%) administrative charge to fund costs that include: a standard overhead charge applied to City programs for legal, accounting, and other departmental and administrative support, and fee program administrative costs including revenue collection, revenue and cost accounting, mandated public reporting, and fee justification analyses.

In Willdan's experience with impact fee programs, two-percent of the base fee adequately covers the cost of fee program administration. The administrative charge should be reviewed and adjusted during comprehensive impact fee updates to ensure that revenue generated from the charge sufficiently covers, but does not exceed, the administrative costs associated with the fee program.

Table 9.5: Aquatic Facilities Fee Schedule

Land Use	A	B	C = A x B		D = C x 0.02	E = C + D	
	Cost Per Capita	Density	Base Fee ¹	Admin Charge ^{1, 2}		Total Fee ¹	E / Average Fee per Sq. Ft. ³
<u>Residential</u>	\$ 248	2.28	\$ 565	\$ 11		\$ 576	\$ 0.31

¹ Fee per average sized dwelling unit.

² Administrative charge of 2.0 percent for (1) legal, accounting, and other administrative support and (2) impact fee program administrative costs including revenue collection, revenue and cost accounting, mandated public reporting, and fee justification analyses.

³ Assumes an average of 1,846 square feet per dwelling unit based on an analysis of data from the 2019 American Housing Survey.

Sources: Tables 2.2 and 9.4; Willdan Financial Services

10. Park and Recreation Facilities

The purpose of the parkland and park facilities impact fee is to fund the park facilities needed to serve new development. The maximum justified impact fee is presented based on the existing plan standard of parkland and park facilities per capita.

Service Population

Table 10.1 shows the existing and future projected service population for park and recreation facilities. Residents are assumed to be the primary users of parks and recreation facilities, so the service population only includes residents.

Table 10.1: Parks Service Population

	Residents
Existing (2023)	12,690
Growth (2023 - 2050)	2,093
Total (2050)	14,783

Source: Table 2.1.

Existing Parkland and Park Facilities Inventory

The City of Carpinteria maintains several park and recreation facilities throughout the city. **Table 10.2** summarizes the City's existing parkland inventory in 2023. All facilities are located within the City limits. The inventory also includes undeveloped raw land and distinguishes the acreage accordingly. In total, the inventory includes a total of 130.79 acres of parkland.

Table 10.2: Park Land Inventory

Name	Developed	Undeveloped	Total
	Acreage		
Carpinteria Bluffs Nature Preserve	5.00	48.00	53.00
Carpinteria City Beach	5.00	-	5.00
Carpinteria Community Garden	0.80	-	0.80
Carpinteria Community Pool	0.70	-	0.70
Carpinteria Creek Park	1.00	-	1.00
Carpinteria Salt Marsh Nature Preserve	8.60	-	8.60
Creek Side parcels (Manion)	-	0.61	0.61
El Carro Park	9.75	-	9.75
Franklin Creek Park	0.95	-	0.95
Heath Ranch Park	2.40	-	2.40
Historical Marker Park (Concha Park)	0.25	-	0.25
Lagunitas Park	-	2.56	2.56
Memorial Park	2.10	-	2.10
Monte Vista Park	3.66	-	3.66
Seaside Park	0.40	-	0.40
Tar Pits Park	-	8.77	8.77
Vacant Lot at 399 Linden Avenue	-	1.40	1.40
Viola Fields	5.60	-	5.60
Mills Corner	0.05	-	0.05
Farmer Parcel	-	1.54	1.54
Rincon Preserve	-	21.65	21.65
Total - Parkland	46.26	84.53	130.79

Source: City of Carpinteria.

Parkland and Park Facilities Unit Costs

Table 10.3 displays the unit costs necessary to develop parkland in Carpinteria. Land acquisition is estimated at \$985,200 per acre, based on an analysis of land sales comparisons since 2017 as reported by CoStar. An estimate of \$809,600 per acre for standard parkland improvements was calculated based on the cost of improvements to Lagunitas Park from the City's CIP. In total, it costs approximately \$1.8 million to purchase and improve an acre of parkland in Carpinteria.

Table 10.3: Park Facilities Unit Costs

	Cost Per Acre	Share of Total Costs
Land Acquisition	\$ 985,200	55%
Improvements ¹	<u>809,600</u>	45%
Total Cost per Acre	\$ 1,794,800	100%

¹ Based on cost to improve Lagunitas Park from the City's CIP.

Sources: City of Carpinteria CIP FY 2022/23 - FY 2026/27; CoStar; Willdan Financial Services.

Improved Parkland Equivalent

Before calculating the existing parkland standard, unimproved parkland owned by the City must be converted to an equivalent amount of improved parkland. **Table 10.4** details this conversion. The conversion is based on the ratio of the cost of an improved acre of land (including land and improvements) relative to an acre of unimproved parkland (only land). The estimate of the value of unimproved park and the cost of park improvements are detailed above in Table 10.3.

Table 10.4: Undeveloped Parkland Equivalent

Parkland Improved	\$ 1,794,800
Undeveloped Land	<u>985,200</u>
Undeveloped Land Costs Percentage of Parkland costs	54.89%
Undeveloped Acres	84.53
Equivalent Improved Acres	46.40

Sources: Tables 10.2 and 10.3; Willdan Financial Services.

Parkland and Park Facility Standards

Park facility standards establish a reasonable relationship between new development and the need for expanded parkland and park facilities. Information regarding the City's existing inventory of existing parks facilities is based on data provided by the City and is consistent with prior impact fee analyses.

City of Carpinteria Parkland and Park Facilities Standards

Table 10.5 shows the existing standard for improved park acreage per 1,000 residents based on the type of parkland. In total the City has an existing parkland standard of 7.16 acres per 1,000 residents. As a policy decision, this impact fee will be charged at a standard of 5.0 acres per 1,000 residents.

Table 10.5: Parkland Standards

Developed Park Acreage	46.26
Undeveloped Equivalent Improved Acres	46.40
Total Developed Park Acreage Equivalent	92.66
Service Population (2023)	12,690
Existing Standard (Acres per 1,000 Residents)	7.30
Policy Standard (Acres per 1,000 Residents)	5.00

Sources: Tables 10.1, 10.2 and 10.4; Willdan Financial Services.

Facilities Needed to Accommodate New Development

Table 10.6 shows the park facilities needed to accommodate new development at the policy standard of 5.0 acres per 1,000 residents. To achieve the standard by the planning horizon, new development must fund the purchase and improvement of 10.47 parkland acres, at a total cost of approximately \$18.8 million.

Table 10.6: Park Facilities Needed to Accommodate New Development

		Land	Improvements	Total
<i>Facility Needs</i>				
Facility Standard (acres/1,000 service population)	A	5.00	5.00	5.00
Service Population Growth (2023-2050)	B	2,093	2,093	2,093
Facility Needs (acres)	$C = (B/1,000) \times A$	10.47	10.47	10.47
<i>Parkland</i>				
Average Unit Cost (per acre)	D	\$ 985,200	\$ 809,600	\$ 1,794,800
Total Cost of Facilities	$E = C \times D$	\$10,315,044	\$ 8,477,000	\$18,792,044

Note: Totals have been rounded to the thousands.

Sources: Tables 10.1, 10.3, and 10.5; Willdan Financial Services.

Parks and Recreation Facilities Cost per Capita

Table 10.7 shows the cost per capita of providing new parkland and park facilities at the policy facility standard. The cost per capita is shown separately for land and improvements. First, the per acre unit costs are multiplied by the acreage standards to determine the total amount of costs needed to serve 1,000 residents for land and improvements. Then, those costs are divided by 1,000 to determine the cost needed to serve one resident.

Table 10.7: Park Facilities Investment per Capita

	Land	Improvements	Total
Parkland Investment (per acre)	\$ 985,200	\$ 809,600	\$ 1,794,800
Facility Standard (acres per 1,000 service pop.)	5.00	5.00	5.00
Total Investment Per 1,000 capita	\$ 4,926,000	\$ 4,048,000	\$ 8,974,000
	1,000	1,000	1,000
Investment Per Capita	\$ 4,926	\$ 4,048	\$ 8,974

Sources: Tables 10.3, and 10.6; Willdan Financial Services.

Use of Fee Revenue

The City plans to use park and recreation facilities fee revenue to purchase parkland or construct improvements to add to the system of park facilities that serves new development. The City may only use impact fee revenue to provide facilities and intensify usage of existing facilities needed to serve new development.

Fee Schedule

To calculate fees by land use type, the investment in park facilities is determined on a per resident basis for both land acquisition and improvement. These investment factors (shown in Table 10.7) are investment per capita based on the unit cost estimates and facility standards.

Table 10.8 shows the maximum justified park and recreation facilities fee based on the policy standard of 5.0 acres per capita. Congregate care facilities are not assumed to create demand for this facility type and are not charged this fee. This is consistent with the City's current fee program. The investment per capita is converted to a fee per dwelling unit. The total fee includes an administrative charge to fund costs that include: (1) legal, accounting, and other administrative support and (2) impact fee program administrative costs including revenue collection, revenue and cost accounting, mandated public reporting, and fee justification analyses.

In Willdan's experience with impact fee programs, two-percent of the base fee adequately covers the cost of fee program administration. The administrative charge should be reviewed and adjusted during comprehensive impact fee updates to ensure that revenue generated from the charge sufficiently covers, but does not exceed, the administrative costs associated with the fee program.

Table 10.8: Park and Recreation Facilities Impact Fee Schedule

Land Use	A Cost Per Capita	B Density	C = A x B Base Fee ¹	D = C x 0.02 Admin Charge ^{1, 2}	E = C + D Total Fee ¹	E / Average Fee per Sq. Ft. ³
<i><u>Residential Dwelling Unit</u></i>						
Land (Quimby)	\$ 4,926	2.28	\$ 11,231	\$ 225	\$ 11,456	\$ 6.21
Improvements	4,048	2.28	9,229	185	9,414	5.10
Total	\$ 8,974		\$ 20,460	\$ 410	\$ 20,870	\$ 11.31

¹ Fee per average sized dwelling unit.

² Administrative charge of 2.0 percent for (1) legal, accounting, and other administrative support and (2) impact fee program administrative costs including revenue collection, revenue and cost accounting, mandated public reporting, and fee justification analyses.

³ Assumes an average of 1,846 square feet per dwelling unit based on an analysis of data from the 2019 American Housing Survey.

Sources: Tables 2.2 and 10.7.

11. Open Space

Open space is needed to accommodate both residential and nonresidential growth by providing land for residents and businesses that is open to the public, has no building structures, and is available for passive recreational uses. The demand for open space from residential development has already been quantified in the land component of the parks and recreation facilities fee. The purpose of this open space fee is to accommodate demand for open space from nonresidential development.

Service Population

Open space in Carpinteria serves both residents and businesses. Therefore, demand for services and associated facilities are based on the City's service population including residents and workers.

Table 11.1 shows the existing and future projected service population for open space. While specific data is not available to estimate the actual ratio of demand per resident to demand by businesses (per worker) for this service, it is reasonable to assume that demand for these services is far less for one employee compared to one resident, because nonresidential buildings are typically occupied less intensively than dwelling units. While specific worker demand factors for Carpinteria are not available, this study assumes a worker demand at 0.31 relative to a resident.

Table 11.1: Open Space Service Population

	A	B	$C = A + (B \times 0.31)$
	Residents	Workers	Service Population
Existing (2023)	12,690	6,252	14,628
New Development (2023-2050)	2,093	2,748	2,945
Total (2050)	14,783	9,000	17,573
Weighting factor	1.00	0.31	

¹ Workers are weighted at 0.31 of residents based on a 40 hour work week out of a possible 128 non-work hours in a week ($40/128 = 0.31$)

Source: Table 2.1; Willdan Financial Services.

Cost Allocation

Table 11.2 illustrates the facility standard for open space land acquisition and the cost per capita (per resident and per employee). This standard is based upon the total acres of existing park land as calculated to determine the land component of the parks and recreation facilities fee. The service population includes residents and employees with employees weighted to account for their lower level of demand for open space compared to residents. Including both residents and employees in the service population ensures that the facility standard and fee do not overlap with the land component of the parks and recreation facilities fee documented in Chapter 10. Under this approach nonresidential development is only allocated its fair share of the need for additional open space and parks.

Table 11.2: Open Space Standards

Existing Open Space Acreage	130.79
Existing Service Population	14,628
Open Space Acres per 1,000 Service Population	8.94
Open Space Acres per 1,000 Service Population - Policy Standard	5.00
Cost per Acre	\$ 985,200
Cost per Capita	\$ 4,926
Facility Standard per Resident	\$ 4,926
Facility Standard per Worker ¹	1,527

¹ Based on a weighing factor of 0.31.

Sources: Tables 11.1 and 10.3, Willdan Financial Services.

Fee Revenue Projection

The City plans to use open space facilities fee revenue to purchase open space to add to the inventory of open space that serves new development. **Table 11.3** details a projection of fee revenue, based on the service population growth increment identified in Table 11.1.

Table 11.3: Revenue Projection - Existing Standard

Cost per Worker	\$ 1,527
Growth in Service Population (2023 - 2050)	2,748
Fee Revenue	\$ 4,196,000

Sources: Tables 11.1 and 11.2.

Fee Schedule

Table 11.4 shows the maximum justified open space facilities fee schedule. The cost per capita is converted to a fee per unit of new development based on dwelling unit densities (persons per dwelling). The total fee includes a two-percent (2.0%) administrative charge to fund costs that include: a standard overhead charge applied to City programs for legal, accounting, and other departmental and administrative support, and fee program administrative costs including revenue collection, revenue and cost accounting and mandated public reporting.

In Willdan's experience with impact fee programs, two-percent of the base fee adequately covers the cost of fee program administration. The administrative charge should be reviewed and adjusted during comprehensive impact fee updates to ensure that revenue generated from the charge sufficiently covers, but does not exceed, the administrative costs associated with the fee program.

Table 11.4: Open Space Facilities Fee Schedule

Land Use	A	B	C = A x B		D = C x 0.02		E = C + D	E / 1,000
	Cost Per Capita	Density	Base Fee ¹	Admin Charge ^{1, 2}	Total Fee ¹			Fee per Sq. Ft.
<i><u>Nonresidential</u></i>								
Commercial	\$ 1,527	2.12	\$ 3,237	\$ 65	\$ 3,302			\$ 3.30
Industrial	1,527	1.16	1,771	35	1,806			1.81
Resort/Hotel	1,527	0.56	851	17	868			n/a

¹ Fee 1,000 square feet (commercial and industrial) or per room (resort/hotel)

² Administrative charge of 2.0 percent for (1) legal, accounting, and other administrative support and (2) impact fee program administrative costs including revenue collection, revenue and cost accounting, mandated public reporting, and fee justification analyses.

Sources: Tables 2.2 and 11.2; Willdan Financial Services

12. AB 602 Requirements

On January 1, 2022, new requirements went into effect for California jurisdictions implementing impact fees. Among other changes, AB 602 added Section 66016.5 to the Government Code, which set guidelines for impact fee nexus studies. Four key requirements from that section which concern the nexus study are reproduced here:

66016.5. (a) (2) When applicable, the nexus study shall identify the existing level of service for each public facility, identify the proposed new level of service, and include an explanation of why the new level of service is appropriate.

66016.5. (a) (4) If a nexus study supports the increase of an existing fee, the local agency shall review the assumptions of the nexus study supporting the original fee and evaluate the amount of fees collected under the original fee.

66016.5. (a) (5) A nexus study adopted after July 1, 2022, shall calculate a fee imposed on a housing development project proportionately to the square footage of proposed units of the development. A local agency that imposes a fee proportionately to the square footage of the proposed units of the development shall be deemed to have used a valid method to establish a reasonable relationship between the fee charged and the burden posed by the development.

66016.5. (a) (6) Large jurisdictions shall adopt a capital improvement plan as a part of the nexus study.

Compliance with AB 602

The following sections describe this study's compliance with the new requirements of AB 602.

66016.5. (a) (2) - Level of Service

1. For fees calculated under the existing standard methodology, the fees are calculated such that new development funds facilities at the existing level of service. These fee categories are: general government facilities, parks and recreation facilities and open space facilities fees. The existing level service in terms of the existing facility investment per capita is shown in each corresponding chapter.

2. For fees calculated under the planned facilities methodology, the fees are calculated to ensure that the level of service does not fall to unacceptable levels. The fees calculated under this approach are the highways and bridges, streets and thoroughfares, traffic control facilities, parking facilities, storm drainage facilities and aquatic facilities fees. Projects were identified in the City's CIP as necessary to maintain an acceptable level of service. New development only funds its proportional share of each CIP project.

66016.5. (a) (4) – Review of Original Fee Assumptions

The original fee schedules and corresponding revenue generated were reviewed by the City and Willdan prior to conducting the nexus study analysis. **Table 12.1** reviews the key assumptions from the 2017 study and compares them to the assumptions used in this 2023 fee study. The table compares the studies' planning horizons, projected growth, and facility standards per unit of demand.

Table 12.1: Review of Prior Study Assumptions

	2017 Study	2023 Study
<u>Planning Horizon</u>	2040	2050
<u>Projected Growth</u>		
Projected Increase - Residents	1,728	2,093
Projected Increase - Employment	618	2,748
<u>Facility Standards</u>		
Highways and Bridges - Cost per Trip	\$ 6,718	\$ 3,241
Streets and Thoroughfares - Cost per Trip	1,316	227
Traffic Control Facilities - Cost per Trip	541	374
Storm Drainage Cost per EDU	4,457	4,782
General Government - Cost per Capita	502	681
Aquatic Facilities - Cost per Capita	125	248
Parks and Recreation Facilities - Cost per Capita	6,356	8,974
Open Space - Cost per Worker	1,350	1,527

Sources: City of Carpinteria Development Impact Fee Study Update, 2017; Willdan Financial Services.

Table 12.2 displays annual fee revenue collected, by impact fee fund.

Table 12.2: Annual Collected Impact Fee Revenue

Fee Category	2018	2019	2020	2021	2022	Five Year Average Annual Revenue
General Government Facilities DIF	\$ 745	\$ 5,322	\$ 4,537	\$ 19,671	\$ 9,757	\$ 8,006
Highways & Bridges DIF	-	69,330	14,736	127,181	149,382	72,126
Storm Drain Facilities DIF	-	9,232	61,806	23,672	28,963	24,735
Traffic Control Facilities DIF	-	6,397	4,184	30,471	11,997	10,610
Streets & Thoroughfares DIF	-	15,545	1,481	14,724	29,336	12,217
Parking Facilities DIF	10,640	-	-	-	36,350	9,398
Park Land Acquisition DIF	11,829	-	18,328	19,803	-	9,992
Park & Recreation Facilities DIF	9,045	26,737	-	147,866	-	36,730
Aquatic Facilities DIF	345	731	1,634	12,539	2,198	3,489
Open Space DIF	-	25,172	-	-	-	5,034
Qutmby Fees	-	308,704	19,803	70,435	36,318	87,052
Total	\$ 32,603	\$ 467,170	\$ 126,509	\$ 466,363	\$ 304,300	\$ 279,389

Source: City of Carpinteria.

66016.5. (a) (5) – Residential Fees per Square Foot

Impact fees for residential land uses are calculated per square foot and comply with AB 602.

66016.5. (a) (6) – Capital Improvement Plan

The Capital Improvement Plan for this nexus study is comprised of the identified planned facilities within each facility fee chapter. Planned facilities identified in this document are sourced from the City's current adopted CIP. Adoption of this nexus study would approve the planned facilities identified herein as the Capital Improvement Plan for this nexus study.

13. Implementation

Impact Fee Program Adoption Process

Impact fee program adoption procedures are found in the *California Government Code* section 66016. Adoption of an impact fee program requires the City Council to follow certain procedures including holding a public hearing. Data, such as an impact fee report, must be made available at least 10 days prior to the public hearing. The City's legal counsel should be consulted for any other procedural requirements as well as advice regarding adoption of an enabling ordinance and/or a resolution. After adoption there is a mandatory 60-day waiting period before the fees go into effect.

Inflation Adjustment

The City has kept its impact fee program up to date by periodically adjusting the fees for inflation. Such adjustments should be completed regularly to ensure that new development will fully fund its share of needed facilities. We recommend that the California Construction Cost Index (CCCI) be used for adjusting fees for inflation.

While fee updates using inflation indices are appropriate for periodic updates to ensure that fee revenues keep up with increases in the costs of public facilities, the City will also need to conduct more extensive updates of the fee documentation and calculation (such as this study) when significant new data on growth forecasts and/or facility plans become available.

Reporting Requirements

The City complies with the annual and five-year reporting requirements of the *Mitigation Fee Act*. For facilities to be funded by a combination of public fees and other revenues, identification of the source and amount of these non-fee revenues is essential. Identification of the timing of receipt of other revenues to fund the facilities is also important. The City will continue to comply with all annual and five-year reporting requirements of the *Mitigation Fee Act*.

There is no time limit by which impact fee revenue must be spent. However, if the City is accruing impact fee revenue to fund new development's share of a project, then it must make certain findings with respect to unexpended impact fee fund balances after five-years. Among other requirements, the five-year report requires the City to "Identify all sources and amounts of funding anticipated to complete financing in incomplete improvements," and to "Designate the approximate dates on which supplemental funding is expected to be deposited into the appropriate account or fund."³

On October 13, 2023 AB 516 was signed into law by the Governor of California, and will go into effect on January 1, 2024. This the bill requires local agencies to:

- Include information on projects noted in prior reports and whether construction began on the approximate date noted in the previous report.
- Explain the reason for any delay in the start of the project and provide a new approximate date construction will begin.
- Identify the number of people or entities that receive refunds of Mitigation Fee Act fees.

³ *California Government Code* § 66001(d).

The bill also requires local agencies to inform people paying mitigation fees that they:

- Can request an audit to determine if the fees charged by a local agency are more than the amount of money needed to cover the cost of the public improvements.
- Can receive information by mail about when the local agency will meet to review its annual Mitigation Fee Act report.
- Can access and review mitigation fee information on the local agency's website, and how to do so.

Table 13.1 summarizes the annual and five-year reporting requirements identified in the *Mitigation Fee Act*.

Table 13.1: Annual and Five-Year Reporting Requirements

CA Gov't Code Section	Timing	Reporting Requirements ¹	Recommended Fee Adjustment
66001.(d)	The fifth fiscal year following the first deposit into the account or fund, and every five years thereafter	(A) Identify the purpose to which the fee is to be put. (B) Demonstrate a reasonable relationship between the fee and the purpose for which it is charged. (C) Identify all sources and amounts of funding anticipated to complete financing in incomplete improvements. (D) Designate the approximate dates on which supplemental funding is expected to be deposited into the appropriate account or fund.	Comprehensive Update
66006. (b)	Within 180 days after the last day of each fiscal year	(A) A brief description of the type of fee in the account or fund. (B) The amount of the fee. (C) The beginning and ending balance of the account or fund. (D) The amount of the fees collected and the interest earned. (E) An identification of each public improvement on which fees were expended including share funded by fees. (F) (i) An identification of an approximate date by which the construction of the public improvement will commence if the local agency determines that sufficient funds have been collected to complete financing on an incomplete public improvement and the public improvement remains incomplete. (ii) An identification of each public improvement identified in a previous report pursuant to clause (i) and whether construction began on the approximate date noted in the previous report. (iii) For a project identified pursuant to clause (ii) for which construction did not commence by the approximate date provided in the previous report, the reason for the delay and a revised approximate date that the local agency will commence construction. (G) A description of any potential interfund transfers. (H) The amount of refunds made (if any).	Inflationary Adjustment

¹ Edited for brevity. Refer to the government code for full description.

Sources: California Government Code §66001 and §66006.

Programming Revenues and Projects with the CIP

The City maintains a Capital Improvement Program (CIP) to plan for future infrastructure needs. The CIP identifies costs and phasing for specific capital projects. The use of the CIP in this manner documents a reasonable relationship between new development and the use of those revenues.

The City may decide to alter the scope of the planned projects or to substitute new projects as long as those new projects continue to represent an expansion of the City's facilities. If the total cost of facilities varies from the total cost used as a basis for the fees, the City should consider revising the fees accordingly.

Reimbursements

For some facility categories, particularly park facilities, developers occasionally dedicate parkland and construct facilities in lieu of paying the development impact fee. If a developer builds parkland that exceeds the development's share of needed facilities, that developer should be reimbursed for the amount of facilities created above and beyond that development's impact. The development's share of needed facilities is equal to the amount of impact fees it pays in each fee category. However, we recommend that the City reimburse the difference based on a) the costs identified in the most recent CIP, and b) the City's timeline for completing the facility. By following these guidelines, the City will not be unfairly burdened with unanticipated costs.

14. Mitigation Fee Act Findings

Public facilities fees are one-time fees typically paid when a building permit is issued and imposed on development projects by local agencies responsible for regulating land use (cities and counties). To guide the widespread imposition of public facilities fees the State Legislature adopted the *Mitigation Fee Act* (the *Act*) with Assembly Bill 1600 in 1987 and subsequent amendments. The *Act*, contained in *California Government Code* Sections 66000 through 66025, establishes requirements on local agencies for the imposition and administration of fee programs. The *Act* requires local agencies to document five findings when adopting a fee.

The five statutory findings required for adoption of the public facilities fees documented in this report are presented in this chapter and supported in detail by the preceding chapters. All statutory references are to the *Act*.

Purpose of Fee

- ♦ *Identify the purpose of the fee (§66001(a)(1) of the Act).*

Development impact fees are designed to ensure that new development will not burden the existing service population with the cost of facilities required to accommodate growth. The purpose of the fees proposed by this report is to provide a funding source from new development for capital improvements to serve that development. The fees advance a legitimate City interest by enabling the City to provide public facilities to new development.

Use of Fee Revenues

- ♦ *Identify the use to which the fees will be put. If the use is financing facilities, the facilities shall be identified. That identification may, but need not, be made by reference to a capital improvement plan as specified in §65403 or §66002, may be made in applicable general or specific plan requirements, or may be made in other public documents that identify the facilities for which the fees are charged (§66001(a)(2) of the Act).*

Fees proposed in this report, if enacted by the City, would be used to fund expanded facilities to serve new development. Facilities funded by these fees are designated to be located within the City's sphere of influence. Fees addressed in this report have been identified by the City to be restricted to funding the following facility categories: highways and bridges, streets and thoroughfares, parking, traffic control facilities, storm drainage facilities, general government facilities, aquatic facilities, parks and recreation facilities and open space.

Benefit Relationship

- ♦ *Determine the reasonable relationship between the fees' use and the type of development project on which the fees are imposed (§66001(a)(3) of the Act).*

The City will restrict fee revenue to the acquisition of land, construction of facilities and buildings, and purchase of related equipment, furnishings, vehicles, and services used to serve new development. Facilities funded by the fees are expected to provide a citywide network of facilities accessible to the additional residents and workers associated with new development. Under the *Act*, fees are not intended to fund planned facilities needed to correct existing deficiencies. Thus, a reasonable relationship can be shown between the use of fee revenue and the new development residential and non-residential use classifications that will pay the fees.

Burden Relationship

- ♦ *Determine the reasonable relationship between the need for the public facilities and the types of development on which the fees are imposed (§66001(a)(4) of the Act).*

Facilities need is based on a facility standard that represents the demand generated by new development for those facilities. For each facility category, demand is measured by a single facility standard that can be applied across land use types to ensure a reasonable relationship to the type of development. For most facility categories service population standards are calculated based upon the number of residents associated with residential development and the number of workers associated with non-residential development. To calculate a single, per capita standard, one worker is weighted less than one resident based on an analysis of the relative use demand between residential and non-residential development.

The standards used to identify growth needs are also used to determine if planned facilities will partially serve the existing service population by correcting existing deficiencies. This approach ensures that new development will only be responsible for its fair share of planned facilities, and that the fees will not unfairly burden new development with the cost of facilities associated with serving the existing service population.

Chapter 2, Growth Forecasts provides a description of how service population and growth forecasts are calculated. Facility standards are described in the *Facility Standards* sections of each facility category chapter.

Proportionality

- ♦ *Determine how there is a reasonable relationship between the fees amount and the cost of the facilities or portion of the facilities attributable to the development on which the fee is imposed (§66001(b) of the Act).*

The reasonable relationship between each facilities fee for a specific new development project and the cost of the facilities attributable to that project is based on the estimated new development growth the project will accommodate. Fees for a specific project are based on the project's size. Larger new development projects can result in a higher service population resulting in higher fee revenue than smaller projects in the same land use classification. Thus, the fees ensure a reasonable relationship between a specific new development project and the cost of the facilities attributable to that project.

See *Chapter 2, Growth Forecasts and Unit Costs*, or the *Service Population* sections in each facility category chapter for a description of how service populations or other factors are determined for different types of land uses. See the *Fee Schedule* section of each facility category chapter for a presentation of the proposed facilities fees.

ATTACHMENT B

Resolution No. 6278

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RESOLUTION NO. 6278

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARPINTERIA APPROVING AND ADOPTING THE 2023 DEVELOPMENT IMPACT FEE NEXUS STUDY

WHEREAS, the Mitigation Fee Act, as amended, allows for local agencies to collect fees from developers and apply the revenue to public improvement projects that are needed to serve new development projects; and

WHEREAS, in order to mitigate the impacts on public improvements and facilities due to new development or redevelopment, the City established a Development Impact Fee (DIF) Program through adoption of City Council Ordinance No. 500, codified in Carpinteria Municipal Code Chapter 15.80; and

WHEREAS, the City's DIF Program was established pursuant to the authority granted to cities through the Mitigation Fee Act; and

WHEREAS, public improvement projects, also known as capital projects, are described in the City's 2022 Capital Improvement Plan (CIP) as adopted by City Council Resolution No. 6153; and

WHEREAS, the public improvements projects of the 2022 CIP are entirely or partially necessary due to impacts on public improvements and facilities created by new development projects; and

WHEREAS, the amount of each DIF is based on a nexus study which determines the "fair share" of each public improvement project cost that is attributable to new development projects; and

WHEREAS, the City's last nexus study, the 2017 Development Impact Fee Study Update, was adopted through City Council Resolution No. 5749; and

WHEREAS, the City intends to update its nexus study with the 2023 Development Impact Fee Nexus Study as prepared by Willdan Financial Services dated November 22, 2023; and

WHEREAS, the 2023 Development Impact Fee Nexus Study is in accordance with the Mitigation Fee Act; and

WHEREAS, the Notice of Public Hearing appeared in the Coastal View Newspaper on November 2 and 9, 2023, and is consistent with Government Code Sections 65090, 65094, and 66002.

NOW, THEREFORE, BE IT RESOLVED as follows:

SECTION 1. Findings

The City Council hereby finds as follows:

- A. All provisions set forth above are true and correct and are hereby incorporated herein by reference as findings.
- B. The purpose of the development impact fees is to finance public improvements and facilities in order to reduce the impacts on public services and facilities caused by new development.
- C. The development impact fees collected pursuant to this resolution shall be used to finance only the public improvements and facilities described or identified in the CIP to which the specific development impact fee relates.
- D. The City Council approved the aforesaid 2023 Development Impact Fee Nexus Study following a public hearing on the matter, and the same are incorporated herein, and the City Council further finds that new development will generate additional demands on public improvements and facilities and will contribute to the impact upon public improvements and facilities.
- E. There is a need for public improvements and facilities that have not been constructed and which are required to ensure that new development is consistent with the City's General Plan and Local Coastal Plan and to protect the public's health, safety, and general welfare.
- F. The facts and evidence presented in the aforesaid 2023 Development Impact Fee Nexus Study establish that there is a reasonable relationship between the need for the public improvements and facilities described or identified in the CIP and the impacts of new development.
- G. The facts and evidence presented in the aforesaid 2023 Development Impact Fee Nexus Study establish that there is a reasonable relationship between the development impact fees and the type of development project on which the development impact fee is imposed.
- H. The facts and evidence presented in the aforesaid 2023 Development Impact Fee Nexus Study establish that there is a reasonable relationship between the need for public improvements and facilities

described or identified in the CIP and the type of development project on which the development impact fee is imposed.

- I. The facts and evidence presented in the aforesaid 2023 Development Impact Fee Nexus Study establish that there is a reasonable relationship between the amount of the development impact fee and the cost of the public improvement or facility or portion of the public improvement or facility attributable to the development on which the development impact fee is imposed.
- J. The cost estimates set forth in the CIP are reasonable cost estimates for constructing these facilities, and the development impact fees expected to be generated by new development will not exceed the total amount of these cost estimates.
- K. The development impact fees set forth and adopted herein are consistent with the City's General Plan and Local Coastal Plan.
- L. The City Council considered the effects of the development impact fees with respect to the City's housing needs, as established in the Housing Element of the General Plan, and regional housing needs.

SECTION 2. Development Impact Fees

The amounts of the various development impact fees created and imposed pursuant to Ordinance Nos. 500 and 557, as amended by Ordinance Nos. 597 and 718, are hereby established for each of the referenced categories of public improvements and facilities at the levels established in the aforesaid 2023 Development Impact Fee Nexus Study. A schedule of said development impact fees that the City Council hereby adopts is in aforesaid 2023 Development Impact Fee Nexus Study and incorporated herein by reference as though set forth in full. In the event that the proposed land use of the new development is not specified in aforesaid 2023 Development Impact Fee Nexus Study, the development impact fee for such use shall be determined by the City Manager, or his or her designee, who shall determine such fee by utilizing the Land Use category that is most similar in relation to impacts on public facilities to the proposed land use of the new development.

SECTION 3. Automatic Annual Adjustment

Certain development impact fees shall be automatically adjusted on July 1 pursuant to the provisions of Carpinteria Municipal Code Section 15.80.050.

SECTION 4. Exemptions to Development Impact Fees

No development impact fee shall be payable on any development project that is subject to an exemption pursuant to the provisions of Carpinteria Municipal Code Section 15.80.130.

SECTION 5. Credits

Credits against the amount of development impact fees imposed hereby shall be calculated pursuant to and in accordance with the provisions of Carpinteria Municipal Code Sections 15.80.140 and 15.80.150 and the Mitigation Fee Act.

SECTION 6. Adjustments, Reductions, Waivers, and Refunds

Adjustments, reductions, waivers, and refunds of development impact fees shall be made in accordance with the provisions of Carpinteria Municipal Code Sections 15.80.100 and 15.80.120.

SECTION 7. Resolution Subject to Underlying Ordinances

The provisions of this resolution are subject and subordinate to the provisions of Carpinteria Municipal Code Chapter 15.80 and shall at all times be construed and applied consistent therewith as the same presently exist or may from time-to-time hereafter be amended.

SECTION 8. Judicial Action to Challenge this Resolution

Any judicial action or proceeding to attach, review, set aside or annul this resolution shall be brought within 120 days of its adoption.

SECTION 9. Exemption from Environmental Review

Adoption of the development impact fees set forth herein is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines § 15273 relating to the establishment and modification of rates and other charges for the purpose of obtaining funds for capital projects or necessary to maintain services within existing service areas and § 15378(b)(4), which provides that the creation of government funding mechanisms or other government fiscal activities that do not involve any commitment to any specific project are not projects subject to CEQA review.

SECTION 10. Effective Date

Pursuant to California Government Code Section 66017(a), this resolution shall be in full force and effect sixty (60) days from and after its adoption. Upon the effective date, the fees stated in this resolution shall supersede previously-adopted resolutions setting development impact fees of the same class as set forth herein, except as provided in Section 11 hereof.

SECTION 11. Application of Fees to Pending Development Projects

Development projects that have received their final discretionary permit approval prior to the date of passage, approval and adoption of this resolution shall be subject to the development impact fees set forth in Resolution No. 5750, rather than the development impact fees reflected in aforesaid 2023 Development Impact Fee Nexus Study, provided said projects receive building permits within one (1) year of final discretionary approval.

SECTION 12. Severability

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

PASSED, APPROVED AND ADOPTED on December 11, 2023, by the following vote:

AYES: COUNCILMEMBER(S):

NOES: COUNCILMEMBER(S):

ABSENT: COUNCILMEMBER(S):

ABSTAIN: COUNCILMEMBER(S):

Mayor, City of Carpinteria

ATTEST:

Brian C. Barrett, CMC, CPMC
City Clerk, City of Carpinteria

I hereby certify that the foregoing resolution was adopted at a regular meeting of the City Council of the City of Carpinteria held on December 11, 2023.

Brian C. Barrett, CMC, CPMC
City Clerk, City of Carpinteria

APPROVED AS TO FORM:

Jena Shoaf Acos, on behalf of
Brownstein Hyatt Farber Schreck, LLP
Acting as City Attorney of the City of Carpinteria

ATTACHMENT C

Resolution No. 6279

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RESOLUTION NO. 6279

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
CARPINTERIA ESTABLISHING THE
DEVELOPMENT IMPACT FEE PROGRAM**

WHEREAS, the Mitigation Fee Act, as amended, allows for local agencies to collect fees from developers and apply the revenue to public improvement projects that are needed to serve new development projects; and

WHEREAS, in order to mitigate the impacts on public improvements and facilities due to new development or redevelopment, the City established a Development Impact Fee (DIF) Program through adoption of City Council Ordinance No. 500, codified in Carpinteria Municipal Code Chapter 15.80; and

WHEREAS, the City's DIF Program was established pursuant to the authority granted to cities through the Mitigation Fee Act; and

WHEREAS, public improvement projects, also known as capital projects, are described in the City's 2022 Capital Improvement Plan (CIP) as adopted by City Council Resolution No. 6153; and

WHEREAS, the public improvements projects of the 2022 CIP are entirely or partially necessary due to impacts on public improvements and facilities created by new development projects; and

WHEREAS, the amount of each DIF is based on a nexus study which determines the "fair share" of each public improvement project cost that is attributable to new development projects; and

WHEREAS, on December 11, 2023, the City Council adopted Resolution No. 6278, approving the 2023 Development Impact Fee Nexus Study as prepared by Willdan Financial Services dated November 22, 2023; and

WHEREAS, establishment of the City's DIF Program concurrent to the adoption of the 2023 Development Impact Fee Nexus Study continues the collection of development impact fees in accordance with the Mitigation Fee Act; and

WHEREAS, the Notice of Public Hearing appeared in the Coastal View Newspaper on November 2 and 9, 2023, and is consistent with Government Code Sections 65090, 65094, and 66002.

NOW, THEREFORE, BE IT RESOLVED as follows:

The City Council hereby finds as follows:

- A. All provisions set forth above are true and correct and are hereby incorporated herein by reference as findings.
- B. This resolution establishes the DIF Program concurrent to the adoption of the 2023 Development Impact Fee Nexus Study in order to continue collection of development impact fees.
- C. The City Council hereby approves and adopts the Development Impact Fee Program based on the recommendations in the 2023 Development Impact Fee Nexus Study and the 2023 Capital Improvement Plan.

PASSED, APPROVED AND ADOPTED on December 11, 2023, by the following vote:

AYES: COUNCILMEMBER(S):

NOES: COUNCILMEMBER(S):

ABSENT: COUNCILMEMBER(S):

ABSTAIN: COUNCILMEMBER(S):

Mayor, City of Carpinteria

ATTEST:

Brian C. Barrett, CMC, CPMC
City Clerk, City of Carpinteria

I hereby certify that the foregoing resolution was adopted at a regular meeting of the City Council of the City of Carpinteria held on December 11, 2023.

Brian C. Barrett, CMC, CPMC
City Clerk, City of Carpinteria

APPROVED AS TO FORM:

Jena Shoaf Acos, on behalf of
Brownstein Hyatt Farber Schreck, LLP
Acting as City Attorney of the City of Carpinteria

ATTACHMENT D

Resolution No. 6280

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RESOLUTION NO. 6280

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARPINTERIA APPROVING AND SETTING THE AMOUNT OF QUIMBY FEES PURSUANT TO CARPINTERIA MUNICIPAL CODE CHAPTER 16.24

WHEREAS, the Mitigation Fee Act, as amended, allows for local agencies to collect fees from developers and apply the revenue to public improvement projects that are needed to serve new development projects; and

WHEREAS, in order to mitigate the impacts on public improvements and facilities due to new development or redevelopment, the City established a Development Impact Fee (DIF) Program through adoption of City Council Ordinance No. 500, codified in Carpinteria Municipal Code Chapter 15.80; and

WHEREAS, the City's DIF Program was established pursuant to the authority granted to cities through the Mitigation Fee Act; and

WHEREAS, public improvement projects, also known as capital projects, are described in the City's 2022 Capital Improvement Plan (CIP) as adopted by City Council Resolution No. 6153; and

WHEREAS, the public improvements projects of the 2022 CIP are entirely or partially necessary due to impacts on public improvements and facilities created by new development projects; and

WHEREAS, the amount of each DIF is based on a nexus study which determines the "fair share" of each public improvement project cost that is attributable to new development projects; and

WHEREAS, on December 11, 2023, the City Council adopted Resolution No. 6278, approving the 2023 Development Impact Fee Nexus Study as prepared by Willdan Financial Services dated November 22, 2023; and

WHEREAS, on December 11, 2023, the City Council adopted Resolution No. 6279, establishing the City's DIF Program concurrent to the adoption of the 2023 Development Impact Fee Nexus Study through City Council Resolution No. 6278 for continuing the collection of development impact fees in accordance with the Mitigation Fee Act; and

WHEREAS, the 2023 Development Impact Fee Nexus Study determined the amount of Quimby fees; and

WHEREAS, the Notice of Public Hearing appeared in the Coastal View Newspaper on November 2 and 9, 2023, and is consistent with Government Code Sections 65090, 65094, and 66002.

NOW, THEREFORE, BE IT RESOLVED as follows:

SECTION 1. Findings

The City Council hereby finds as follows:

- A. All provisions set forth above are true and correct and are hereby incorporated herein by reference as findings.
- B. The purpose of the Quimby fees is to finance acquisition of parklands through non-commercial residential projects that include subdivisions.
- C. The City Council approved the aforesaid 2023 Development Impact Fee Nexus Study following a public hearing on the matter, and the same are incorporated herein, and the City Council further finds that continued increases in the development of dwelling units and mobile home spaces, combined with the resulting increase in population, creates a need for expansion of public parks, playgrounds, and recreation facilities in order to serve the population.
- D. The facts and evidence presented in the aforesaid 2023 Development Impact Fee Nexus Study establish that there is a reasonable relationship between the need for the acquisition of parklands described or identified in the CIP and the impacts of new development of non-commercial residential projects.
- E. The facts and evidence presented in the aforesaid 2023 Development Impact Fee Nexus Study establish that there is a reasonable relationship between the Quimby fees and the type of development project on which the Quimby fee is imposed.
- F. The facts and evidence presented in the aforesaid 2023 Development Impact Fee Nexus Study establish that there is a reasonable relationship between the need for the acquisition of parklands described or identified in the CIP and the type of development project on which Quimby fee is imposed.
- G. The facts and evidence presented in the aforesaid 2023 Development Impact Fee Nexus Study establish that there is a reasonable relationship between the amount of the Quimby fee and the cost of the acquisition of parklands attributable to a non-commercial residential project on which the Quimby fee is imposed.

- H. The cost estimates set forth in the CIP are reasonable cost estimates for the acquisition of parklands, and the Quimby fees expected to be generated by new non-commercial residential projects will not exceed the total amount of these cost estimates.
- I. The Quimby fees set forth and adopted herein are consistent with the City's General Plan and Local Coastal Plan.
- J. The City Council considered the effects of the Quimby fees with respect to the City's housing needs, as established in the Housing Element of the General Plan, and regional housing needs.

SECTION 2. Quimby Fees

The amounts of the Quimby fees created and imposed pursuant to Ordinance No. 558 are hereby established at the levels established in the aforesaid 2023 Development Impact Fee Nexus Study. A schedule of said Quimby fees that the City Council hereby adopts is in aforesaid 2023 Development Impact Fee Nexus Study and incorporated herein by reference as though set forth in full.

SECTION 3. Automatic Annual Adjustment

Quimby fees imposed shall be automatically adjusted on July 1 pursuant to the provisions of Carpinteria Municipal Code Section 16.24.080.

SECTION 4. Exemptions to Quimby Fees

No Quimby fees shall be payable on any development project for land dedication pursuant to the provisions of Carpinteria Municipal Code Section 16.24.080.

SECTION 5. Credits

Credits against the amount of Quimby fees imposed hereby shall be calculated pursuant to and in accordance with the provisions of Carpinteria Municipal Code Section 16.24.130 and the Mitigation Fee Act.

SECTION 6. Adjustments, Reductions, Waivers, and Refunds

Adjustments, reductions, waivers, and refunds of Quimby fees shall be made in accordance with the provisions of Carpinteria Municipal Code Section 16.24.100.

SECTION 7. Resolution Subject to Underlying Ordinances

The provisions of this resolution are subject and subordinate to the provisions of Carpinteria Municipal Code Chapter 16.24 and shall at all times be construed and applied consistent therewith as the same presently exist or may from time-to-time hereafter be amended.

SECTION 8. Judicial Action to Challenge this Resolution

Any judicial action or proceeding to attach, review, set aside or annul this resolution shall be brought within 120 days of its adoption.

SECTION 9. Exemption from Environmental Review

Adoption of the Quimby fees set forth herein is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines § 15273 relating to the establishment and modification of rates and other charges for the purpose of obtaining funds for capital projects or necessary to maintain services within existing service areas and § 15378(b)(4), which provides that the creation of government funding mechanisms or other government fiscal activities that do not involve any commitment to any specific project are not projects subject to CEQA review.

SECTION 10. Effective Date

Pursuant to California Government Code Section 66017(a), this resolution shall be in full force and effect sixty (60) days from and after its adoption. Upon the effective date, the fees stated in this resolution shall supersede previously-adopted resolutions setting Quimby fees of the same class as set forth herein, except as provided in Section 11 hereof.

SECTION 11. Application of Fees to Pending Development Projects

Development projects that have received their final discretionary permit approval prior to the date of passage, approval and adoption of this resolution shall be subject to the Quimby fees set forth in Resolution No. 5750, rather than the Quimby fees reflected in aforesaid 2023 Development Impact Fee Nexus Study, provided said projects receive building permits within one (1) year of final discretionary approval.

SECTION 12. Severability

If any section, subsection, sentence, clause, phrase or portion of this resolution is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this resolution. The City Council hereby declares that it would have adopted this resolution, and each section, subsection, sentence,

clause, phrase, or portion thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases or portions be declared invalid or unconstitutional.

PASSED, APPROVED AND ADOPTED on December 11, 2023, by the following vote:

AYES: COUNCILMEMBER(S):

NOES: COUNCILMEMBER(S):

ABSENT: COUNCILMEMBER(S):

ABSTAIN: COUNCILMEMBER(S):

Mayor, City of Carpinteria

ATTEST:

Brian C. Barrett, CMC, CPMC
City Clerk, City of Carpinteria

I hereby certify that the foregoing resolution was adopted at a regular meeting of the City Council of the City of Carpinteria held on December 11, 2023.

Brian C. Barrett, CMC, CPMC
City Clerk, City of Carpinteria

APPROVED AS TO FORM:

Jena Shoaf Acos, on behalf of
Brownstein Hyatt Farber Schreck, LLP
Acting as City Attorney of the City of Carpinteria



City of Carpinteria

COUNCIL AGENDA STAFF REPORT December 11, 2023

ITEM FOR COUNCIL CONSIDERATION

Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2023.

STAFF RECOMMENDATION

Receive and file the Annual Comprehensive Financial Report for the fiscal year ended June 30, 2023.

Sample Motion: I move to receive and file the Annual Comprehensive Financial Report and related information, provided with this staff report as Attachments A through D.

BACKGROUND

The purpose of the annual financial audit is to determine if the City's financial reporting has been presented fairly and whether the City has complied with applicable laws and regulations. The audit is a check that aims to inform decision-makers and the public that City financial statements can be relied upon as well as a tool to inform management and the Council where deficiencies in internal controls exist.

The City was awarded the Government Finance Officers Association's (GFOA) Certificate of Achievement for Excellence in Financial Reporting for its Annual Comprehensive Financial Report (ACFR) for the 2021-22 fiscal year. This was the 25th consecutive year that the City's ACFR has been awarded the GFOA Certificate of Achievement, its highest honor. We believe that the 2022-23 ACFR continues to meet the Certificate of Achievement Program's requirements and it has been submitted to the GFOA to determine its eligibility for recognition.

The various reports included in this staff report are listed below:

1. Annual Comprehensive Finance Report
2. Independent Auditors' 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

3. Independent Accountants' Report on Agreed-Upon Procedures Applied to Appropriation Limit Worksheets
4. Letter to Those Charged with Governance

The ACFR has been distributed to Councilmembers under separate cover. The ACFR can also be accessed via a link on the Home page of the City's website.

DISCUSSION

The auditors have issued an unmodified ("clean") opinion of the financial statements in the ACFR, meaning that, in their opinion, the statements present fairly, in all material respects, the financial position of the City in conformity with generally accepted accounting principles.

POLICY CONSISTENCY

Resolution No. 5786 adopted April 9, 2018 established a General Fund Reserve Policy. The following table shows the 2023 General Fund balance components allocated among various reserves and a comparison to prior year levels.

Fund Balance	FY 2023	FY 2022	Variance
Nonspendable	\$ 7,715	\$ -	\$ 7,715
Restricted for:			
Pension stabilization	1,172,172	1,116,923	55,249
Committed for:			
Capital asset replacement	1,067,448	458,737	608,711
Economic uncertainties	4,933,100	4,489,278	443,822
Special projects	797,739	1,010,658	(212,919)
Assigned:			
Improvements and services	4,813,735	4,153,242	660,493
Total Nonspendable/Restricted/Committed/Assigned	12,791,909	11,228,838	1,563,071
Unassigned Fund Balance	3,911,843	4,149,872	(238,029)
Total Fund Balance	<u>\$ 16,703,752</u>	<u>\$ 15,378,710</u>	<u>\$ 1,325,042</u>

Fund balance restricted through Council's creation of the Stabilization Trust Fund is available to help mitigate a portion of the City's pension cost referred to as the Unfunded Actuarial Liability.

Committed reserve fund balances include \$1.1 million for Capital Asset Replacement, \$4.9 million for Economic Uncertainties, and \$0.8 million for Special Projects. The \$4.9 million committed for Economic Uncertainties meets the City's reserve policy of at least 40% of operating expenditures

FINANCIAL AND RISK MANAGEMENT CONSIDERATIONS

The following table illustrates original and final budgets versus actual for the General Fund for Fiscal Year 2022-23.

	Budget Amounts			
	Original	Final	Actual	Variance
Revenues	\$ 17,499,550	\$ 17,749,800	\$ 17,942,042	\$ 192,242
Expenditures	(14,535,200)	(13,343,300)	(12,567,085)	776,215
Net Transfers	(5,386,650)	(4,746,900)	(4,067,553)	679,347
Changes in Fund Balance	(2,422,300)	(340,400)	1,307,404	1,647,804
Fund Balance - Beginning of Year	15,396,348	15,396,348	15,396,348	-
Fund Balance - End of Year	\$ 12,974,048	\$ 15,055,948	\$ 16,703,752	\$ 1,647,804

Final budget projected a change in fund balance of <\$0.3> million resulting in an ending fund balance of \$15.1 million. Actual activity resulted in a change in fund balance of \$1.3 million and an ending fund balance of \$16.7 million.

General Fund revenues were \$0.2 million higher than budgeted. This was primarily due to Property Tax receipts 0.1 million greater than adjusted budget.

General Fund expenditures were \$0.8 million lower than budget. This was primarily due to personnel costs \$0.1 million lower than budget due to vacancies throughout the year and professional service costs \$0.3 million lower than budget.

For additional detail of the General Fund's Budget to Actual, please refer to page 41 of the ACFR.

The following table summarizes the budgeted and actual ending fund balance for each of the City's funds.

Fund	Fund Balances		
	Budgeted	Actual	Variance
101 General Fund	\$ 3,130,088	\$ 3,911,843	\$ 781,755
101 General Reserve - Economic Uncertainties	4,933,100	4,933,100	-
101 General Fund (Nonspendable/Restricted)	1,116,923	1,179,887	62,964
102 General Reserve - Special Projects	784,158	797,739	13,581
103 Capital Asset Replacement General Fund	1,059,337	1,067,448	8,111
104 Measure X Fund	4,032,342	4,813,735	781,393
201 Traffic Safety Fund	26,894	44,676	17,782
202 Library Fund	(39)	-	39
203 Road Maintenance Rehabilitation Fund	286,855	297,077	10,222
204 Park Maintenance Fund	43	-	(43)
205 Gas Tax Fund	448,291	485,438	37,147
206 Local Transportation Fund	2,022	7,457	5,435
207 Tideland Trust Fund	523,901	524,689	788
208 Street Lighting District Fund	435,196	467,449	32,253
209 Right of Way Fund	36	-	(36)
210 Parking and Business Improvement Fund	12,176	18,615	6,439
211 AB 939 Solid Waste Fund	65,623	48,396	(17,227)
213 Recreation Fund	1,847	415	(1,432)
214 Housing Fund	529,804	535,765	5,961
215 Measure A Fund	875,585	1,488,375	612,790
216 Revolving Fund	-	-	-
217 PEG Fee Fund	57,541	72,673	15,132
301 Capital Improvements Fund	1,834,053	1,930,974	96,921
Total All Funds	<u>\$20,155,776</u>	<u>\$22,625,751</u>	<u>\$ 2,469,975</u>

Overall, the City's combined ending fund balance was \$22.6 million, an increase of \$2.5 million over the budgeted fund balance of \$20.2 million. All City Funds had a zero or positive fund balance.

PRINCIPAL PARTIES EXPECTED AT MEETING

There are no principal parties expected at the meeting.

ATTACHMENTS

Attachment A: Annual Comprehensive Financial Report
Attachment B: Auditor's report on internal controls
Attachment C: Auditor's report on appropriations limit calculation (GANN Limit)
Attachment D: Auditor's required Letter to Those Charged with Governance

Staff contact:

Gilbert Punsalan, Finance Manager
gilbertp@carpinteriaca.gov; (805) 880-3406



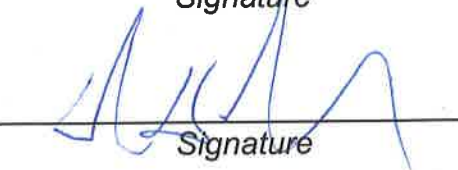
Signature

Licette Maldonado, Administrative Finance Director
licettem@carpinteriaca.gov; (805) 755-4448



Signature

Reviewed by: Dave Durflinger, City Manager
daved@carpinteriaca.gov; (805) 755-4400



Signature

ATTACHMENT A

Annual Comprehensive Financial Report – (distributed under separate cover)



CITY OF CARPINTERIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2023

AL CLARK,
MAYOR

NATALIA ALARCON,
VICE MAYOR

ROY LEE,

COUNCILMEMBER

WADE NOMURA,

COUNCILMEMBER

MÓNICA SOLÓRZANO,

COUNCILMEMBER

DAVE DURFLINGER,

CITY MANAGER

LICETTE MALDONADO,

ADMINISTRATIVE
SERVICES DIRECTOR



***City of Carpinteria,
California***

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

**Prepared by the Administrative Services Department
Licette Maldonado, Administrative Services Director**

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City of Carpinteria

Administrative Services Department

5775 Carpinteria Avenue
Carpinteria, California 93013
805-684-5405

December 7, 2023

Honorable Mayor, Members of the City Council, and Citizens of the City of Carpinteria, California:

The City of Carpinteria (City) is pleased to present the Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2023. State law requires all general-purpose local governments, within seven months of the close of each fiscal year, to publish a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants.

Responsibility for the accuracy of the data and the fairness of presentation, including all notes and disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. All material statements and disclosures necessary for the reader to obtain a reasonable understanding of the City's financial activities are included. City management has an established comprehensive internal control framework designed both to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh the anticipated benefits, the City's comprehensive framework of internal controls is designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatements.

Rogers, Anderson, Malody & Scott, LLP, a Certified Public Accountant Firm selected by the City Council to perform the audit of the financial statements for the fiscal year ended June 30, 2023, has audited the City's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City are free of material misstatement. The independent 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 auditor concluded, based upon the audit, that there is a reasonable basis for rendering an unmodified opinion that the City of Carpinteria's financial statements for the fiscal year ended June 30, 2023, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statement in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

City of Carpinteria
Letter of Transmittal
For the Fiscal Year Ended June 30, 2023

CITY OF CARPINTERIA PROFILE

Carpinteria was incorporated on September 28, 1965, as a general law city. Located in Santa Barbara County, Carpinteria is about 16 miles north of the City of San Buenaventura and 10 miles south of the City of Santa Barbara. The City is a part of the greater Carpinteria Valley with its vital agricultural economy and a coastal region visited annually by substantial numbers of tourists seeking to enjoy the area's moderate climate, beaches, active recreational opportunities, fine restaurants, and relaxing atmosphere unique to coastal communities.

The City currently has an estimated population of 12,711 individuals, served by a quaint downtown and with an array of businesses from those positioned to take advantage of nearby universities to those supporting agriculture and tourism. New development occurs primarily through small infill projects as major commercial and industrial development is constrained by available land and policies and regulations intended to preserve and protect coastal resources.

The City operates under the Council-Manager form of government. The City Council, which is elected by the citizens of Carpinteria and consist of five members elected by district to four-year staggered terms. The Council is responsible, among other matters, for adopting policies, sets goals and objectives for the operation of the City government, passes ordinances, adopts budgets, appoints committees, and hiring the City Manager and City Attorney. The City Council also conducts the affairs of the City on behalf of the citizens, in accordance with the State Constitution and the General Laws of the State of California. The City Manager is responsible for carrying out the policies and regulations of the City, appointing other employees, and otherwise managing the daily operations of the City.

The City provides a range of municipal services that include municipal administration, law enforcement, solid waste disposal and recycling, planning and building, business licensing, code compliance and animal control, public works engineering and street maintenance, parks & recreation, public facilities maintenance and operations, and public library services.

The City Council is required to adopt an annual balanced budget no later than June 30 of each year per State legislation and City Council policy. Budgets are adopted annually by the Council by resolution and are prepared for each fund in accordance with its applicable basis of accounting. The annual budget serves as the foundation for the City to maintain sound and conservative financial practices to ensure the fiscal sustainability of the City. The City Council and staff hold various budget workshops to provide an opportunity for the public input. The proposed balanced budget is presented to the City Council for adoption prior to June 30th fiscal year end.

The City maintains budgetary controls to ensure compliance with provisions embodied in the annual budget approved by the City Council. The City Council approves operating and capital appropriations at the fund and program levels.

The City Manager has the authority to transfer between expenditure accounts and between funds of the City as long as no funding source incompatibility exists, provided those changes do not increase the overall appropriation.

City of Carpinteria
Letter of Transmittal
For the Fiscal Year Ended June 30, 2023

LOCAL ECONOMY

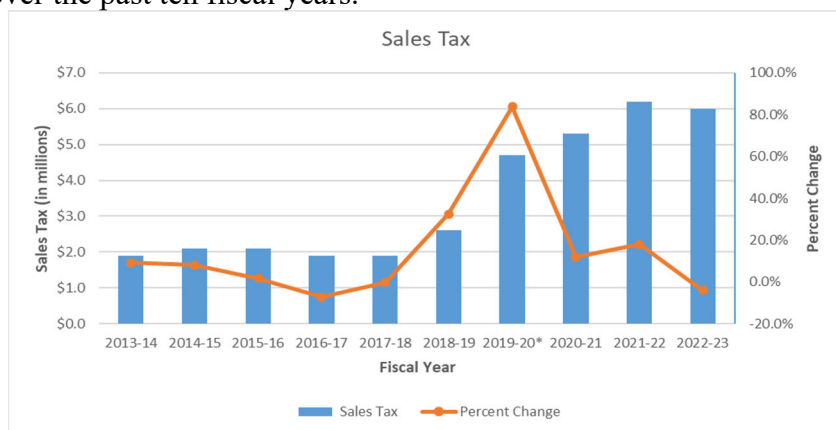
The City is located in a beautiful area of the Central Coast, and the City limits encompass beaches on the Pacific Ocean. Lodging establishments, fine restaurants, and downtown with shops reflecting an attractive and enjoyable small-town environment are all within walking distance of the City's beaches. The City attracts a large volume of visitors to its beaches including the State and City beaches, the Carpinteria Bluffs for hiking, the Salt Marsh Preserve for bird watching, and the annual Avocado Festival. The presence of visitors and their spending represents a significant contribution to the Carpinteria economy, contributing to the top three General Fund revenues. Sales tax was the largest revenue in FY 2022-23 along with property tax and bed tax.

Despite rising employment in the office sector, remote work-from-home and hybrid work schedules have reduced the need for office space. The 2023 Carpinteria Valley Economic Profile¹ states commercial real estate includes 1.57 million square feet in the Carpinteria Valley. The office market has approximately 467,000 square feet of space with a vacancy of 3.0 percent and industrial has approximately 1,100,000 square feet of space with a vacancy of 30.0 percent. With no significant industrial projects in the pipeline, vacancy rates will continue to remain tight along the South Coast for the indefinite future.

Residential real estate value in Santa Barbara County and Carpinteria is some of the highest in the state. Over the past three years, home sales and selling values soared throughout the state and local areas. The median selling value of a single-family home in Carpinteria during 2023 was \$2.3 million, an increase of 19 percent over the median selling value of all homes sold during 2022 calendar year.

The construction of new homes has been sparse over the last decade. The relative lack of new housing units has helped to ensure that the City remains small. The project pipeline has been expanding rapidly and includes 101 residential units, a 50-unit assisted living facility, 3 hotels, a skate park and a 60,000 square foot warehouse conversion per the Economic Profile Report.

Since the passing of Measure X sales tax measure in April 2018, it continues to be the largest General Fund revenue. In FY 2022-23, Sales tax decreased by 3.9% over prior year, primarily due to economic corrections of the pandemic and inflationary pressure. The following graph shows the historical growth in Sales Tax revenue over the past ten fiscal years.



Note: Fiscal Year 2019-20 was the first year of the Measure X Sales Tax accounting for the larger than normal increase year-over-year.

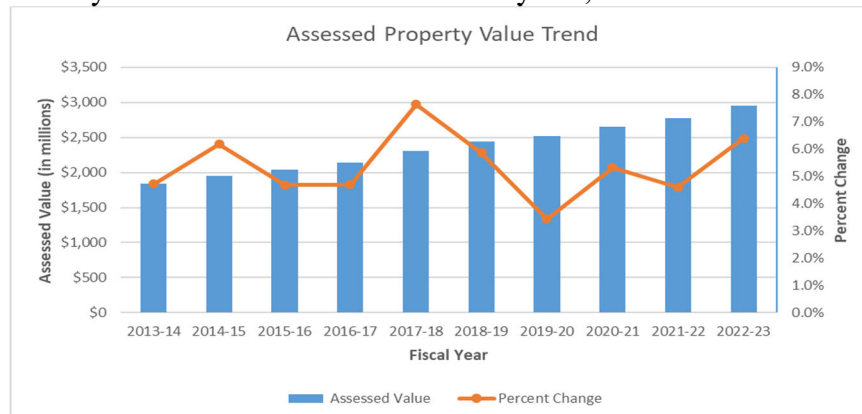
¹ The 2023 Carpinteria Valley Economic Profile, September 2023, <https://carpinteriaca.gov/business/economic-profile/>

City of Carpinteria

Letter of Transmittal

For the Fiscal Year Ended June 30, 2023

Property Tax was the second largest General Fund revenue in FY 2022-23. The City experienced an increase in net taxable assessed property value of \$177.6 million, or 6.4 percent over previous year. This increase is primarily due to growth in valuation for the residential category. The City has seen its net taxable assessed property value consistently increase over the last ten fiscal years, as shown in the following graph.



MAJOR INITIATIVES

General and Measure X Funds – Projected General and Measure X Funds budgeted expenditures and transfers out of \$19.6 million exceed budgeted revenues and transfers in of \$18.5 million for FY 2023-24 primarily due to one-time facility improvement projects as well as transfers out to the Capital Improvement Project fund for various City projects. Additionally, the General and Measure X Funds are expected to continue to provide subsidies to the Park Maintenance, Recreation Services, Right of Way Assessment District, and AB 939 to support on-going operations. Staff continues to pursue opportunities to minimize General and Measure X Fund subsidies and departments have worked conscientiously to identify cost reductions while maintaining service levels.

Cash Management Policies and Practices – When monies are deemed investable, they are placed in the State of California Local Agency Investment Fund (LAIF), U.S. Treasury, Money Market accounts, and Federal Agency securities that mature in five years or less. The City’s investment portfolio at June 30, 2023, included \$11.7 million invested in U.S. Treasury, \$6.6 million invested in Money Market, and \$3.5 invested in LAIF. Funds with LAIF and Money Market accounts can be withdrawn with the same-day notice, providing the City with daily liquidity, while investments in the U.S. Government securities provide portfolio diversification. All investment vehicles offer the City outstanding security and are in compliance with the City’s Investment Policy.

The City has a Budget/Finance Committee (Committee) consisting of two City Councilmembers. The Administrative Services Director/City Treasurer, City Manager, Assistant City Manager, and Finance Manager provide staff support. The Committee meets monthly to review the financial statements and cash and investment position of the City. The Investment Policy is reviewed annually by the Committee and City Council. Investment-related policy changes are recommended as necessary.

Long-term Financial Planning – The City’s Five-Year General Fund Fiscal Forecast is utilized in long-range budgeting and cash flow projection to ensure that funding for the City’s future needs are being met through prudent investments, conservative expenditures, and efficient operations. This multi-year strategy towards fiscal sustainability for the General Fund focuses on maintain a healthy fund balance. The adopted

City of Carpinteria
Letter of Transmittal
For the Fiscal Year Ended June 30, 2023

Five-Year Financial Plan (Plan) covers fiscal years 2022-23 through 2026-27. The Plan identified gaps between revenues and costs associated with meeting long-term capital maintenance, capital projects, and other critical service needs of the community. The Plan recommended two revenue options, updating the City's cost recovery and updating the City's Business License tax.

The City's Cost Recovery / Fee Study was last updated in 2017 and several of the City's fees do not represent a full cost recovery of performing the service. On January 2023, the City entered into an agreement with Revenue Cost Specialist, LLC to conduct the study and assist the City in updating the Master Fee Schedule and to be completed in fiscal year 2023-24.

Anyone doing business in the City is required to pay a business license tax, which is levied solely for general revenue purposes. While there are over 40 different business categories, the maximum business license tax is \$100, regardless of gross receipts or number of employees. The City is looking to update the business license tax in fiscal year 2023-24 to provide an additional ongoing income stream to help support the costs of services within the City.

In addition to prudent fiscal management and forward-looking budget projections, the City follows a fund reserve policy set by the Council that is in compliance with Government Accounting Standards Board (GASB) Statement No. 54. As of June 30, 2023, \$4.49 million of the General Fund total fund balance of \$16.70 million was committed as a financial and economic uncertainties reserve. This reserve balance meets the Council's reserve policy of 50% of the operating budget in the General Fund.

SIGNIFICANT ACCOMPLISHMENTS AND RECOGNITION

Awards - The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Carpinteria for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2022. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized ACF. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. Staff is confident that this ACFR continues to meet the Certificate of Achievement Program's requirement and it will be submitted to GFOA to determine its eligibility for another certificate. A copy of the certificate for the fiscal year ended June 30, 2022, is included in the Introductory Section of this ACFR.

The California Society of Municipal Finance Officers (CSMFO) awarded the Certificate of Excellence in Budgeting to the City for its Operating Budget for fiscal year 2022-23 and anticipates receiving the award for fiscal year 2023-24. In order to be awarded a Certificate of Excellence, a government unit must receive a minimum of seventy points out of an eighty-point maximum based on guidelines established by CSMFO. The CSMFO Certificate of Excellence is valid for the budget's life cycle.

Acknowledgments – I wish to acknowledge the excellent participation and professional contributions of the finance staff in the preparation of this document, in particular Finance Manager Gilbert Punsalan, Accounting Technician Alexiss Martinez, and Accounting Specialist Brenda Robinson who are to be commended for their continue high level of performance. I would also like to express my appreciation to all department within the City who provided assistance and support.

City of Carpinteria
Letter of Transmittal
For the Fiscal Year Ended June 30, 2023

Sincere appreciation is also expressed to City Manager Dave Durflinger, Assistant City Manager Michael P. Ramirez, and members of the City Council, for their leadership and support in planning and conducting the financial operations of the City in a responsible and forward-looking manner.

Sincerely,

Licette Maldonado

Licette Maldonado
Administrative Services Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Carpinteria
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

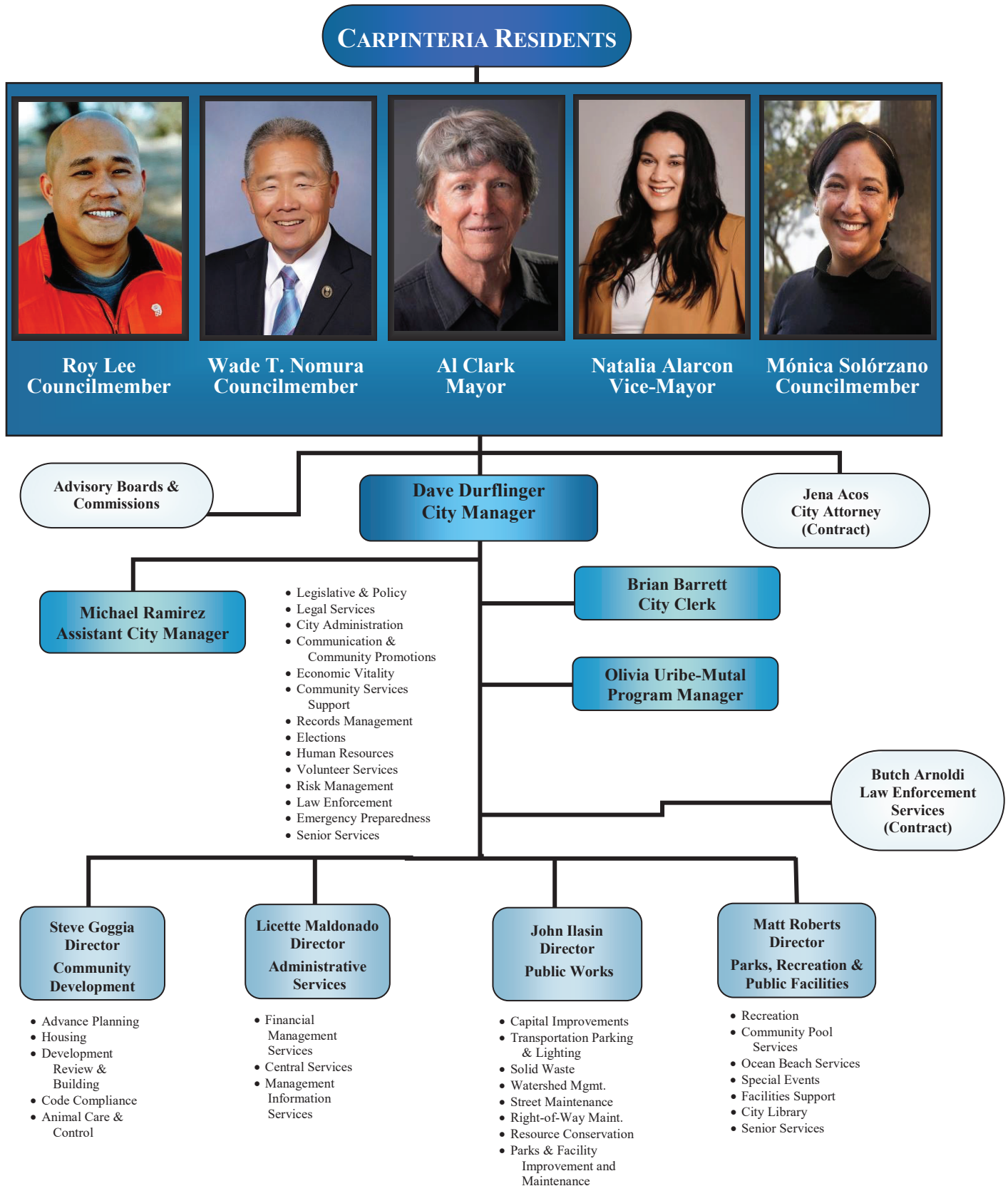
June 30, 2022

Christopher P. Morrell

Executive Director/CEO

CITY OF CARPINTERIA

ORGANIZATIONAL STRUCTURE AND DIRECTORY OF CITY OFFICIALS





ROGERS, ANDERSON, MALODY & SCOTT, LLP
CERTIFIED PUBLIC ACCOUNTANTS, SINCE 1948

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Independent Auditor's Report

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*Governmental Audit
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California Society of
Certified Public Accountants

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

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Carpinteria, California (the 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, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental 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 thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) 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 requirements 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.



Responsibilities of Management for the Financial Statements

The City's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of 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 GAAS 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 GAAS 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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the 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 and, 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 supplementary information, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining schedules and budgetary comparison 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. Such 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 Included in the Annual Report

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the financial statements and our auditor's report thereon. Our opinions on the 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 financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the 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 exists, 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 December 7, 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 solely 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 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.

Rogers, Anderson, Malody & Scott, LLP.

San Bernardino, California
December 7, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS



City of Carpinteria

Management's Discussion and Analysis Fiscal Year Ended June 30, 2023

As management of the City of Carpinteria (City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2023. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our Letter of Transmittal, which can be found on pages i-vi of this report. Comparative data on the government-wide financial statements are only presented in Management's Discussion and Analysis.

A. FINANCIAL HIGHLIGHTS

Government-Wide

- At June 30, 2023, the City's net position (assets and deferred outflows over liabilities and deferred inflows) was \$53.3 million. Of this amount, \$7.2 million (unrestricted net position) may be used to meet ongoing service demands of the City.
- City total net position increased \$6.4 million during the fiscal year. An increase of \$0.7 million, or 12.3 percent, over prior fiscal year's increase of \$5.7 million. This increase is primarily due to an increase in property tax of \$0.3 million, use of money and property of \$1.2 million, other general revenues \$0.3 million, offset by a decrease in Sales and Use Tax of \$0.2 million.

Fund Based

- At June 30, 2023, governmental funds reported a combined ending fund balance of \$22.6 million, an increase of \$1.1 million. The ending fund balance primarily consists of \$7.1 million restricted fund balance, \$6.8 million committed fund balance, and \$4.8 million assigned fund balance.
- At June 30, 2023, the City's General Fund reported a combined ending fund balance of \$16.7 million, an increase of \$1.3 million over the prior fiscal year's ending fund balance.
- General Fund revenues for fiscal year 2022-23 were \$17.9 million, an increase of \$0.4 million, or 2.3 percent, over prior fiscal year's General Fund revenues of \$17.5 million.
- General Fund expenditures and transfers out for fiscal year 2022-23 were \$16.6 million, an increase of \$2.2 million, or 15.3 percent, over the prior fiscal year's expenditures and transfers out uses of \$14.4 million.

B. OVERVIEW OF FINANCIAL STATEMENTS

Management's discussion and analysis are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to basic financial statements. This report also contains other required supplementary information in addition to the basic financial statements.

Management's Discussion and Analysis **Fiscal Year Ended June 30, 2023**

The basic financial statements include the City (primary government) and all legally separate entities (component units) for which the government is financially accountable. The City's component unit consists of the following: Carpinteria Public Improvement Corporation. This component unit has been included in the basic financial statements as an integral part of the primary government using the blended method.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all of the City's assets (including infrastructure) and deferred outflows, as well as all liabilities (including long-term debt) and deferred inflows, with the difference reported as net position. Over time, increases 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 showing how the City's net position change during the current fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of timing of related cash flows. Thus all the current fiscal year's revenues and expenses are considered regardless of when cash is received or paid (e.g., earned but unused vacation leave or uncollected taxes).

Government-wide financial statements distinguish City governmental activities that are principally supported by taxes and intergovernmental revenues from other business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include public safety, general administration, public works, and parks and recreation. Property, business license, transient occupancy and sales taxes, charges for services, interest income, franchise fees, and state and federal grants finance these activities. The government-wide financial statements can be found on pages 17-18 of this report.

Fund Financial Statements

Fund financial statements are designed to report information about groupings of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The City currently utilizes governmental funds. The government activities are prepared using the current financial resources measurement focus and the modified accrual basis of accounting.

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 funds financial statements focus on near-term inflows and outflows of spendable resources, as well as 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.

Management's Discussion and Analysis
Fiscal Year Ended June 30, 2023

Because the focus of governmental funds is narrower than that of the government-wide financial statements, 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 government's near-term financing decisions. Both the governmental funds balance sheet and the statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains several individual governmental funds organized by their type (i.e., general, special revenue, and capital projects funds). Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balance for the General Fund, Capital Improvements Fund, Revolving Fund, Tidelands Trust Fund and Measure A Fund, which are considered to be major funds. Data from the remaining governmental funds are combined into a single, aggregated presentation as other non-major governmental funds. Individual fund data for each of the non-major governmental funds is provided in the form of combining statements show on pages 61-64. The General Fund includes monies reserved for general reserves and money received from the Measure X sales tax.

The City adopts an annual appropriated budget for all of its funds. Major funds include the General Fund, Measure A Fund, Capital Improvements Fund, Tidelands Trust Fund and Revolving Fund. Budgetary comparison statements for the City's major funds and special revenue funds are provided to demonstrate compliance with this budget on pages 51-54, 58 and 65-77.

The basic governmental fund financial statements can be found on pages 20-23 of this report.

Notes to Basic Financial Statements

The notes provide additional information essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to basic financial statements can be found on pages 24-49 of this report.

Required Supplementary Information

In addition to the basic financial statements, this report also presents certain Required Supplementary Information (RSI), including the City's budgetary comparison schedules for the General Fund, Tidelands Trust, and Measure A, schedule of proportionate share of net pension liability, schedule of plan contributions, and schedule of changes in the City's total Other Post-Employment Benefits (OPEB) liability and related ratios. RSI can be found on pages 50-57 of this report.

Supplementary Information

Combining statements and budgetary comparison schedules for non-major governmental funds, are presented immediately following the RSI. Supplementary information can be found on pages 58-77 of this report.

Management's Discussion and Analysis
Fiscal Year Ended June 30, 2023

Statistical Section

Statistical tables regarding financial trends, revenue capacity, debt capacity, demographic and economic information, and operating information can be found on pages 78-100 of this report.

C. GOVERNMENT WIDE FINANCIAL ANALYSIS
STATEMENT OF NET POSITION

Net position is a useful indicator of the City's financial position over time. For the fiscal year ended June 30, 2023, assets and deferred outflows of resources exceed liabilities and deferred inflows of resources by \$53.3 million. The following is a condensed Statement of Net Position for the fiscal years ended June 30, 2023 and 2022.

	Governmental Activities	
	2023	2022
Assets:		
Current and noncurrent assets	\$ 29,016,040	\$ 28,348,776
Capital assets (net of depreciation)	39,099,744	35,884,728
Total assets	<u>68,115,784</u>	<u>64,233,504</u>
Deferred outflows of resources:		
Deferred pension items	4,022,295	1,772,437
Deferred OPEB items	261,867	334,209
Total deferred outflows of resources	<u>4,284,162</u>	<u>2,106,646</u>
Liabilities:		
Current liabilities	4,229,906	4,542,288
Noncurrent liabilities	11,388,931	7,519,837
Total Liabilities	<u>15,618,837</u>	<u>12,062,125</u>
Deferred inflows of resources:		
Deferred pension items	648,088	4,725,265
Deferred OPEB items	1,132,213	731,685
Deferred lease related items	1,656,468	2,096,926
Total deferred inflows of resources	<u>3,436,769</u>	<u>7,553,876</u>
Net Position:		
Net investment in capital assets	39,085,569	34,749,467
Restricted	7,102,592	6,806,924
Unrestricted	7,156,179	5,167,758
Total net position	<u>\$ 53,344,340</u>	<u>\$ 46,724,149</u>

The largest portion (73.3 percent) of the City's net position reflects its investment of \$39.1 million in capital assets (land, building and improvements, equipment, City pool and infrastructure, right-to-use assets and construction in progress, net of accumulated depreciation/amortization), less any related outstanding debt used to acquire those assets. The City uses these capital assets to provide services to the community; consequently, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

City of Carpinteria

Management's Discussion and Analysis **Fiscal Year Ended June 30, 2023**

Another portion of the City's net position, \$7.1 million (13.3 percent), represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, \$7.2 million (13.4 percent), may be used at the City's discretion to meet the government's ongoing operations and imposed designations (e.g., reserves, endowments, pending litigation, contingencies, and capital projects).

Statement of Activities

The statement of activities show how the City's net position changed during fiscal year 2022-23. Overall, the City's net position increased by \$6.4 million during the fiscal year. These increases are explained in the governmental activities on the following pages. Provided below is a summary of changes in net position:

	<u>Governmental Activities</u>	
	<u>2023</u>	<u>2022</u>
Revenues:		
Program revenues:		
Charges for services	\$ 1,788,490	\$ 2,117,763
Operating grants and contributions	3,565,750	3,718,249
Capital grants and contributions	1,164,612	970,771
General revenues:		
Property taxes	5,512,042	5,188,273
Sales and use taxes	5,971,207	6,215,507
Transient occupancy taxes	3,485,465	3,487,613
Franchises	717,135	685,283
Business license taxes	62,076	63,574
Other general revenues	579,491	260,275
Use of money and property	639,453	(533,847)
Fines and forfeits	112,800	109,601
Total revenues	<u>23,598,521</u>	<u>22,283,062</u>
Expenses:		
General government	6,113,371	7,277,140
Public safety	4,421,423	4,848,534
Public works administration	2,314,271	718,114
Streets	1,491,099	1,504,012
Parks and recreation	2,826,648	2,228,902
Total expenses	<u>17,166,812</u>	<u>16,576,702</u>
Change in net position	6,431,709	5,706,360
Net position, beginning, as restated	46,912,631	41,017,789
Net position, ending	<u>\$ 53,344,340</u>	<u>\$ 46,724,149</u>

Management's Discussion and Analysis
Fiscal Year Ended June 30, 2023

Governmental Activities increased the City's net position \$6.4 million compared to the prior fiscal year's increase of \$5.7 million. Key elements of the increase in net position are as follows:

Program revenues decreased \$0.3 million due to a decrease in operating grants and contributions of \$0.2 million, charges for services of \$0.3 million, and an increase in capital grants and contributions of \$0.2 million.

- Operating grants and contributions decreased \$0.2 million primarily due to the decrease of \$0.2 million from the COPS grants.
- Charges for services decreased \$0.3 million primarily due to a decrease of \$0.2 million in building plan checks and \$0.3 million in Development Impact Fees, offset by an increase in Park and Recreation fees of \$0.1 million.
- Capital grants and contributions increased \$0.2 million primarily due to increase in grant revenue recognition for capital projects.

General revenues increased \$1.6 million primarily due to decreases in transient occupancy taxes of \$2 thousand and sales and use taxes of \$0.2 million, offset by increases in property taxes of \$0.3 million, use of money and property of \$1.2 million and other general revenues of \$0.3 million. The major changes are highlighted below:

- Sales and use taxes decreased \$0.2 million primarily due to an overpayment in the prior fiscal year and various economic adjustment corrections in fiscal year 2022-23.
- Property taxes increased \$0.3 million, or 6.2 percent, in line with the City's increase in assessed valuation over the prior fiscal year.
- Use of money and property increased \$1.2 million reflecting increases in interest received in the City's investments.
- Other general revenues increased \$0.3 million primarily due to a reimbursement of \$0.2 million related to the 2021 Pavement Rehabilitation Project.

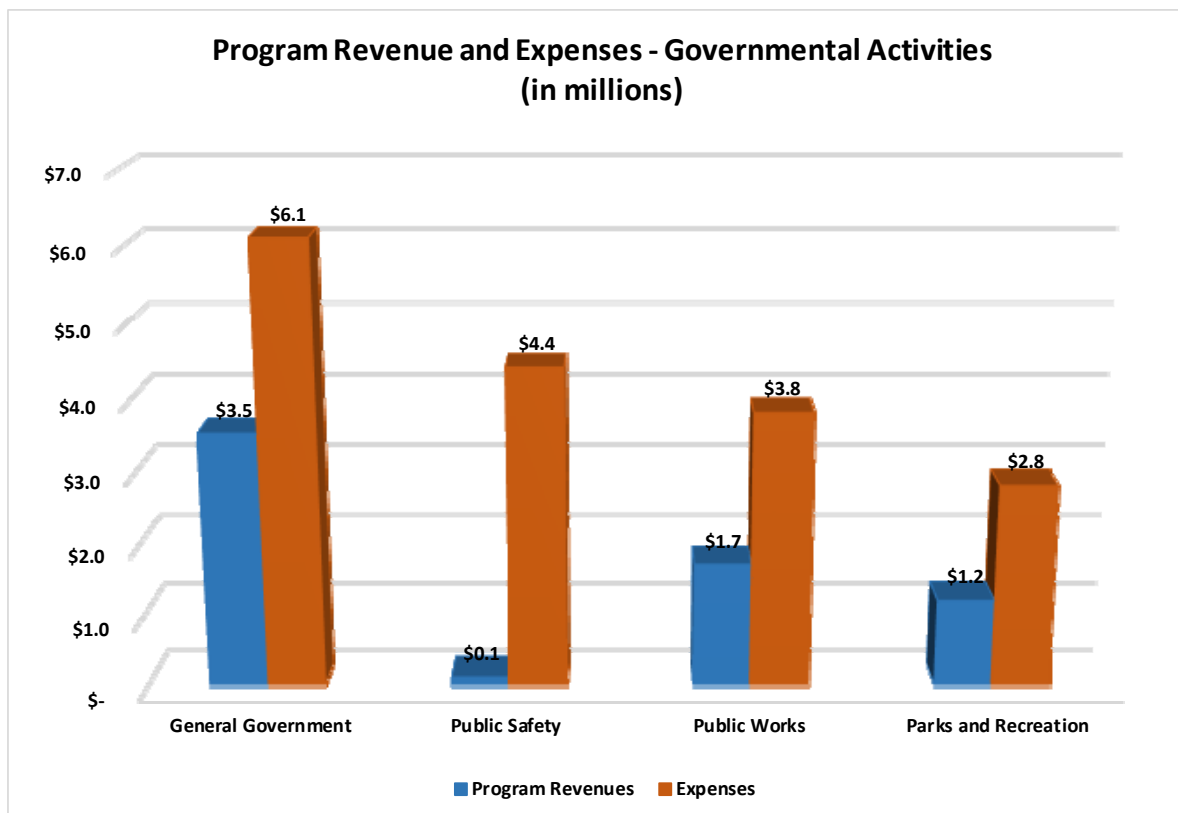
Expenses increased \$0.6 million primarily due to decreases in general government expenses of \$1.2 million, public safety expenses of \$0.4 million, offset by an increase in parks and recreation expenses of \$0.6 million and in public works expenses of \$1.6 million.

- General government expenses decreased \$1.2 million primarily due to a \$1.6 million decrease in pension and OPEB costs offset by an increase in personnel costs of \$0.2 million due to filling of vacant positions and \$0.2 million in housing loans.
- Public safety expenses decreased \$0.4 million primarily due to a \$1.0 million decrease in pension and OPEB costs offset by a \$0.6 million increase in costs for the County of Santa Barbara law enforcement services contract.
- Park and recreation expenses increased \$0.6 million primarily due to \$0.4 million in Library costs associated with the City operating the Carpinteria Library for the full fiscal year and \$0.2 million in recreation services primarily related to the operation of the Community Pool.
- Public works expenses increased \$1.6 million primarily due to increased street related expenses.

City of Carpinteria

Management's Discussion and Analysis Fiscal Year Ended June 30, 2023

As shown in the following charts, general government is the largest program expense (\$6.1 million), followed by public safety (\$4.4 million), parks and recreation (\$2.8 million) and public works (\$3.8 million). General revenues, such as property and sales tax, are not shown by program, but are effectively used to support governmental activities citywide.



D. FUND FINANCIAL STATEMENT ANALYSIS

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-regulated legal requirements.

Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of fiscal year 2022-23, the City's governmental funds reported a combined fund balance of \$22.6 million, an increase of \$1.1 million in comparison with the prior fiscal year's fund balance of \$21.6 million. The increase in fund balance is primarily due to the increase of \$1.3 million in the General Fund. The ending fund balance consists of \$7.1 million in restricted fund balance, \$6.8 million in committed fund balance, \$4.8 million in assigned fund balance, \$3.9 million in unassigned fund balance, and \$35.5 thousand in nonspendable fund balance.

City of Carpinteria

Management's Discussion and Analysis Fiscal Year Ended June 30, 2023

General Fund – Fund Balance Analysis

The General Fund is the chief operating fund of the City. As of June 30, 2023, ending fund balance increased \$1.3 million to \$16.7 million.

General Fund's fund balance consist of \$1.2 million restricted for Pension Stabilization; \$6.8 million committed to capital projects, special projects, and economic uncertainties; and \$4.8 million assigned for improvements and services. The remaining \$3.9 million fund balance is unassigned. Refer to page 20 for more detail of the fund balance.

Below is a five-year trend on the General Fund:

Changes to General Fund - Fund Balance by Fiscal Year

	2022-23	2021-22	2020-21	2019-20	2018-19
Revenue	\$ 17,942,042	\$ 17,517,158	\$ 13,711,990	\$ 13,814,008	\$ 11,270,950
Expenditures	(12,567,085)	(11,418,816)	(10,333,320)	(11,117,608)	(10,411,737)
Other financing sources (uses)	(4,067,553)	(2,994,597)	(2,148,297)	(1,031,666)	(702,637)
Operating surplus/(deficit)	1,307,404	3,103,745	1,230,373	1,664,734	156,576
Fund balance - beginning	15,396,348	12,274,965	11,044,592 *	9,122,590	8,966,014
Fund balance - ending	<u>\$ 16,703,752</u>	<u>\$ 15,378,710</u>	<u>\$ 12,274,965</u>	<u>\$ 10,787,324</u>	<u>\$ 9,122,590</u>
Fund balance categories:					
Nonspendable	\$ 7,715	\$ -	\$ 350	\$ -	\$ -
Restricted	1,172,172	1,116,923	1,438,613	4,168,410	1,721,343
Committed	6,798,287	5,958,673	5,757,473	6,074,608	6,132,441
Assigned	4,813,735	4,153,242	3,645,131	-	-
Unassigned	3,911,843	4,149,872	1,433,398	544,306	1,268,806
Fund balance	<u>\$ 16,703,752</u>	<u>\$ 15,378,710</u>	<u>\$ 12,274,965</u>	<u>\$ 10,787,324</u>	<u>\$ 9,122,590</u>

*FY 2022-23, 2021-22 and FY 2019-20 beginning fund balances restated

General Fund – Revenue and Expenditure Analysis

General Fund Revenues for fiscal year 2022-23 were \$17.9 million, an increase of \$0.4 million, or 2.4 percent, compared to prior fiscal year. The chart on the following page compares General Fund revenues for current and prior fiscal years followed by key information:

City of Carpinteria

Management's Discussion and Analysis Fiscal Year Ended June 30, 2023

Comparison of General Fund Revenues

	Fiscal Year 2022-23	Fiscal Year 2021-22	Variance Over/(Under) Prior Fiscal Year	% of Increase/ (Decrease) Over Prior Fiscal Year	% of Total
Property tax	\$ 4,932,538	\$ 4,620,765	\$ 311,773	6.7%	27.5%
Sales tax	5,971,207	6,215,507	(244,300)	-3.9%	33.3%
Transient occupancy tax	3,485,465	3,487,613	(2,148)	-0.1%	19.4%
Franchise tax	717,135	685,283	31,852	4.6%	4.0%
Business license	62,076	63,574	(1,498)	-2.4%	0.3%
Licenses and permits	289,804	278,926	10,878	3.9%	1.6%
Fines and forfeits	66,961	86,057	(19,096)	-22.2%	0.4%
Intergovernmental	1,826,490	1,981,045	(154,555)	-7.8%	10.2%
Interest	318,104	(438,154)	756,258	-172.6%	1.8%
Charges for service	251,908	448,798	(196,890)	-43.9%	1.4%
Miscellaneous	20,354	87,744	(67,390)	-76.8%	0.1%
Total revenues	<u>\$ 17,942,042</u>	<u>\$ 17,517,158</u>	<u>\$ 424,884</u>	2.4%	<u>100%</u>

- Intergovernmental revenue decreased \$0.2 million primarily due to the decrease of \$0.2 million from the COPS grants.
- Property tax increased \$0.3 million, which is in line with the City's increase in assessed valuation. Sales tax decreased \$0.2 million primarily due to an overpayment in the prior fiscal year and various economic adjustment corrections in fiscal year 2022-23.
- Interest increased \$0.7 million primarily due to a combination of an unrealized loss on the City's investments in the prior year and an unrealized gain on the City's investment in the current year.

General Fund Expenditures, including transfers out, for fiscal year 2022-23 increased \$2.2 million, or 15.4 percent compared to prior fiscal year. The chart below compares General Fund expenditures for the last two fiscal years followed by key information:

Comparison of General Fund Expenditures

	Fiscal Year 2022-23	Fiscal Year 2021-22	Variance Over/(Under) Prior Fiscal Year	% of Increase/ (Decrease) Over Prior Fiscal Year	% of Total
General government	\$ 5,704,640	\$ 5,514,472	\$ 190,168	3.4%	34.3%
Public safety	5,413,143	4,831,638	581,505	12.0%	32.5%
Public works and streets	879,098	557,423	321,675	57.7%	5.3%
Parks and recreation	507,606	469,676	37,930	8.1%	3.1%
Capital outlay	62,598	45,607	16,991	37.3%	0.4%
Other financing uses	4,067,553	2,994,597	1,072,956	35.8%	24.5%
Total expenditures	<u>\$ 16,634,638</u>	<u>\$ 14,413,413</u>	<u>\$ 2,221,225</u>	15.4%	<u>100.0%</u>

- Other financing sources increased \$1.1 million primarily due to increased funding of capital projects of \$0.3 million and supporting the City's library fund which the City started the transition to operating the Library full time in fiscal year 2022-23.
- Public safety expenditures increased \$0.6 million primarily due to increased cost for the County of Santa Barbara contract for law enforcement services.
- General government expenditures increased \$0.2 million primarily due to increased personnel costs.

**Management's Discussion and Analysis
Fiscal Year Ended June 30, 2023**

Other Major Governmental Funds

Capital Improvements Fund

The Capital Improvement Fund accounts for development impact fee and grant revenues, which are used to finance various capital improvement projects within the City.

The Capital Improvement Fund balance decreased \$0.1 million, compared to prior year's decrease of \$0.3 million primarily due to increased capital outlay expenditures of \$0.5 million, offset by reimbursements of \$0.3 million.

Revolving Fund

The Revolving Fund accounts for most of the City's grants from public or private sources that have been award to the City for specific operating purposes.

The Revolving Fund carries a \$0 fund balance.

Measure A Fund

The Measure A Fund is used to account for Measure "A" funds, the county-wide sales tax on motor vehicle fuel. Funds must be used for local transit, street, and right-of-way maintenance and improvements, and street related capital improvements.

The Measure A Fund balance decreased \$0.2 million, compared to prior fiscal year's decrease of \$25 thousand. This decrease is primarily due to \$0.1 million increase in street maintenance cost and a \$0.1 million increase in funding of street projects.

Tidelands Trust Fund

The Tidelands Trust Fund is used to account for revenues received from the City's offshore tidelands which were granted in trust to the City by the State.

The Tidelands Trust Fund balance increased by \$0.1 million, comparable to prior fiscal year's increase of \$0.1 million.

E. GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the City Council revised the City budget several times. The budget amendments fall into two categories: changes made during budget review for unanticipated revenues and costs and increases in appropriations to prevent budget overruns.

General Fund revenues were \$0.2 million higher than budget. This was primarily due to Property Tax receipts \$0.1 million greater than adjusted budget offset by miscellaneous revenue \$0.1 million lower than budget.

General Fund expenditures were \$0.8 million lower than budget. This was primarily due to personnel costs \$0.1 million less than budget due to vacancies throughout the year and professional service costs being \$0.3 million less than budget.

Management's Discussion and Analysis
Fiscal Year Ended June 30, 2023

F. CAPITAL ASSETS AND DEBT ADMINISTRATION**Capital Assets**

Investments in capital assets as of June 30, 2023, totaled \$39.1 million (net of accumulated depreciation/amortization). This investment in capital assets includes land, building and improvements, equipment, infrastructure, right-to-use-assets and construction in progress. The total increase in capital assets for fiscal year 2022-23 is \$3.2 million. Additional information on the City's capital assets can be found on page 33 in the notes to basic financial statements. Capital assets are summarized below:

Capital Assets
(net of accumulated depreciation/amortization)

	Governmental Activities	
	2023	2022
Land	\$ 10,492,125	\$ 10,176,390
Improvements	2,133,835	1,642,893
Buildings	6,280,725	6,480,809
Machinery and equipment	770,571	867,031
Vehicles	421,753	256,023
Infrastructure	10,603,458	7,920,334
City pool and facilities	92,822	96,748
Construction in progress	8,290,486	8,444,500
Right-to-use SBITA	13,969	-
Total capital assets, net	<u>\$ 39,099,744</u>	<u>\$ 35,884,728</u>

Major capital asset events during fiscal year 2022-23 included the following:

- The \$2.7 million increase in infrastructure is primarily due to the completion of the street rehabilitation project.
- The \$0.5 million increase in improvements is primarily due to the \$0.3 million completion of the Monte Vista Park Playground Renovations and the \$0.1 million completion of the El Carro Field Turf Renovations projects.
- The \$0.3 million increase in land was due to the Creekside Parcel Acquisition.

Long-Term Debt

The City had no long-term debt at June 30, 2023. The City's last outstanding debt issuance, the 1993 Certificate of Participation, was retired in fiscal year 2017-18.

G. ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

On June 23, 2023, the City Council adopted a \$28.6 million annual budget for fiscal year 2023-24, which provides for services and projects essential to City of Carpinteria residents. In establishing annual goals and objectives, the City Council affirmed the City's commitment to maintain sound and conservative financial practices, with the objective of ensuring the City's ability to provide efficient, cost-effective services to the public, a safe and enriched environment, enhanced public communication, and a positive environment for new business and business retention.

Total budgeted revenues for fiscal year 2023-24 are \$22.3 million, a decrease of \$4.6 million, or 17.1 percent, over fiscal year 2022-23 budgeted revenues. Total budgeted expenses are \$28.6 million, a decrease of \$3.2 million, or 10.1 percent, from fiscal year 2022-23 budgeted expenditures. The City is projecting revenues to remain flat. Sales tax, representing 36 percent of all discretionary revenue, is projected to total \$6.0 million, in line with fiscal year 2022-23 actuals. Property tax is projected at \$5.2 million. Transient occupancy taxes, the third largest discretionary revenue source for the City, is projected to remain flat at \$3.5 million.

The City's budget for personnel services, which comprises 36.1 percent of all City operational spending, is projected to increase 18.1 percent to \$7.4 million due to new positions and salary adjustments in response to the recent Total Compensation study. The City's contract for law enforcement services with the Santa Barbara County Sheriff's Office is projected to increase \$0.9 million, or 15.0 percent, to \$6.0 million. Other expenditures are projected at \$15.2 million, which includes \$8.0 million for major capital projects including \$4.5 million for pavement maintenance and rehabilitation.

In summary, the City's financial position remains in good condition and the City reaffirms its commitment to sound and conservative financial practices to ensure the City's fiscal sustainability.

H. REQUEST FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the City of Carpinteria's Administrative Services Director at 5775 Carpinteria Avenue, Carpinteria, California 93013 or (805) 684-5405. This report is also available online at the City's website at www.carpinteriaca.gov.

BASIC FINANCIAL STATEMENTS



GOVERNMENT-WIDE FINANCIAL STATEMENTS



City of Carpinteria

Statement of Net Position June 30, 2023

	Governmental Activities
ASSETS	
Current assets:	
Cash and investments	\$ 22,389,496
Net receivables	4,247,004
Lease receivable-short term	264,822
Inventories	27,781
Prepaid expenses	7,715
Total current assets	<u>26,936,818</u>
Noncurrent assets:	
Notes receivable	541,828
Lease receivable	1,537,394
Capital assets not being depreciated	20,916,446
Net capital assets being depreciated	18,183,298
Total noncurrent assets	<u>41,178,966</u>
Total assets	<u>68,115,784</u>
DEFERRED OUTFLOWS OF RESOURCES:	
Deferred pension	4,022,295
Deferred OPEB	261,867
Total deferred outflows of resources	<u>4,284,162</u>
LIABILITIES	
Current liabilities:	
Accounts payable	2,152,379
Accrued liabilities	103,727
Compensated absences	15,435
Deposits	965,299
Unearned revenue	978,891
SBITA liability	14,175
Total current liabilities	<u>4,229,906</u>
Noncurrent liabilities:	
Compensated absences	138,917
Total other postemployment benefit liability	1,160,821
Net pension liability	10,089,193
Total noncurrent liabilities	<u>11,388,931</u>
Total liabilities	<u>15,618,837</u>
DEFERRED INFLOWS OF RESOURCES:	
Deferred pension	648,088
Deferred OPEB	1,132,213
Deferred lease revenue	1,656,468
Total deferred inflows of resources	<u>3,436,769</u>
NET POSITION	
Net investment in capital assets	39,085,569
Restricted for:	
Development	1,930,974
Recycling	48,396
Cable television access	72,673
Streets	2,809,087
Housing	1,069,290
Pension stabilization	1,172,172
Unrestricted	7,156,179
Total net position	<u>\$ 53,344,340</u>

The accompanying notes are an integral part of these financial statements.

City of Carpinteria

Statement of Activities For the Fiscal Year Ended June 30, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
City government:					
Governmental activities:					
General government	\$ 6,113,371	\$ 523,136	\$ 1,811,991	\$ 1,164,612	\$ (2,613,632)
Public safety	4,421,423	-	100,000	-	(4,321,423)
Public works:					
Public works administration	2,314,271	42,173	-	-	(2,272,098)
Streets	1,491,099	-	1,653,759	-	162,660
Parks and recreation	2,826,648	1,223,181	-	-	(1,603,467)
Total governmental activities	17,166,812	1,788,490	3,565,750	1,164,612	(10,647,960)
Total City government	\$ 17,166,812	\$ 1,788,490	\$ 3,565,750	\$ 1,164,612	(10,647,960)
General revenues:					
Taxes:					
Property taxes					5,512,042
Sales and use taxes					5,971,207
Transient occupancy taxes					3,485,465
Franchises					717,135
Business license taxes					62,076
Other general revenues					579,491
Use of money and property					639,453
Fines and forfeits					112,800
Total general revenues					17,079,669
Change in net position					6,431,709
Net position, beginning of fiscal year, as restated					46,912,631
Net position, end of fiscal year					\$ 53,344,340

The accompanying notes are an integral part of these financial statements.

FUND FINANCIAL STATEMENTS

Governmental Funds Financial Statements



GOVERNMENTAL FUNDS FINANCIAL STATEMENTS

General Fund - This fund is used to account for resources which are not required legally or by sound financial management to be accounted for in another fund.

Capital Improvements Fund - This fund is used to account for capital assets acquisition, construction and improvements of capital facilities, including infrastructure, from general government resources, designated developer fees (such as traffic mitigation fees, bridge fees, etc.), and intergovernmental grants. Funds collected under this program may be used only for the purpose collected.

Revolving Fund - The Revolving Fund is used to account for most grants from public or private sources which have been awarded to the City for specific purposes.

Measure A Fund - The Measure A Fund is used to account for Measure "A" funds, the county wide sales tax on motor vehicle fuel which was approved by the voters of the County. The program is administered by the Santa Barbara County Association of Governments. Funds under this program must be used for local transit, street and right-of-way maintenance and improvements and street related capital improvements pursuant to the City adopted Five Year Program of Projects which is updated and reviewed annually.

Tidelands Trust Fund - The Tidelands Trust Fund is used to account for revenues received from the City's offshore tidelands which were granted in trust to the City by the State. In addition to interest earnings, revenues are also derived from annual lease payments from oil company off-shore pipelines and the pier as well as a share of state royalty payments which are authorized to public agencies maintaining public recreational beaches fronting a producing oil field. These monies may only be used for beach related purposes.

Other Governmental Funds - This is the aggregate of all the non-major governmental funds.

City of Carpinteria
Governmental Funds
Balance Sheet
June 30, 2023

	General Fund	Capital Improvements Fund	Revolving Fund	Measure A Fund	Tidelands Trust	Other Governmental Funds	Total Governmental Funds
ASSETS:							
Cash and investments	\$ 15,227,387	\$ 3,080,255	\$ 434,256	\$ 1,314,521	\$ 385,588	\$ 1,947,489	\$ 22,389,496
Accounts receivable	2,408,620	1,374,545	24,057	261,556	1,432	176,794	4,247,004
Lease receivable	-	-	-	-	1,802,216	-	1,802,216
Notes receivable	-	8,303	-	-	-	533,525	541,828
Inventory	-	-	-	-	-	27,781	27,781
Prepaid expenses	7,715	-	-	-	-	-	7,715
Total assets	<u>\$ 17,643,722</u>	<u>\$ 4,463,103</u>	<u>\$ 458,313</u>	<u>\$ 1,576,077</u>	<u>\$ 2,189,236</u>	<u>\$ 2,685,589</u>	<u>\$ 29,016,040</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES:							
LIABILITIES							
Accounts payable	\$ 268,137	\$ 1,666,752	\$ 12,066	\$ 86,726	\$ 1,121	\$ 117,577	\$ 2,152,379
Accrued liabilities	54,106	-	-	976	6,958	41,687	103,727
Deposits	542,773	422,526	-	-	-	-	965,299
Unearned revenue	74,954	442,851	446,247	-	-	14,839	978,891
Total liabilities	<u>939,970</u>	<u>2,532,129</u>	<u>458,313</u>	<u>87,702</u>	<u>8,079</u>	<u>174,103</u>	<u>4,200,296</u>
DEFERRED INFLOWS OF RESOURCES:							
Deferred lease revenue	-	-	-	-	1,656,468	-	1,656,468
Unavailable revenue	-	-	-	-	-	533,525	533,525
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,656,468</u>	<u>533,525</u>	<u>2,189,993</u>
FUND BALANCES:							
Nonspendable	7,715	-	-	-	-	27,781	35,496
Restricted for:							
Development	-	1,930,974	-	-	-	-	1,930,974
Recycling	-	-	-	-	-	48,396	48,396
Cable television access	-	-	-	-	-	72,673	72,673
Recreation services	-	-	-	-	524,689	-	524,689
Streets	-	-	-	1,488,375	-	1,320,712	2,809,087
Housing	-	-	-	-	-	535,765	535,765
Pension stabilization	1,172,172	-	-	-	-	-	1,172,172
Committed for:							
Capital asset replacement	1,067,448	-	-	-	-	-	1,067,448
Economic uncertainties	4,933,100	-	-	-	-	-	4,933,100
Special projects	797,739	-	-	-	-	-	797,739
Assigned							
Improvements and services	4,813,735	-	-	-	-	-	4,813,735
Unassigned	3,911,843	-	-	-	-	(27,366)	3,884,477
Total fund balances	<u>16,703,752</u>	<u>1,930,974</u>	<u>-</u>	<u>1,488,375</u>	<u>524,689</u>	<u>1,977,961</u>	<u>22,625,751</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 17,643,722</u>	<u>\$ 4,463,103</u>	<u>\$ 458,313</u>	<u>\$ 1,576,077</u>	<u>\$ 2,189,236</u>	<u>\$ 2,685,589</u>	<u>\$ 29,016,040</u>

The accompanying notes are an integral part of these financial statements.

City of Carpinteria

Reconciliation of the Governmental Funds – Balance Sheet to the Statement of Net Position June 30, 2023

Total fund balances - governmental funds \$ 22,625,751

In governmental funds, only current assets are reported. In the statement of position, all assets are reported, including capital assets and accumulated depreciation.

Capital assets at historical cost	\$ 46,447,316	
Accumulated depreciation	<u>(7,347,572)</u>	
Net		39,099,744

Long-term liabilities: In governmental funds, only current liabilities are reported. In the statement of net position, all liabilities, including long-term liabilities, are reported.

Long-term liabilities relating to governmental activities consist of:

Compensated absences payable	(154,352)	
SBITA liability	(14,175)	
Total OPEB liability	(1,160,821)	
Net pension liability	<u>(10,089,193)</u>	
Total		(11,418,541)

Some assets such as long-term notes receivable are not available for use and reported as deferred inflows of resources until collected in cash. 533,525

In governmental funds, deferred outflows and inflows of resources relating to pensions and OPEB are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows of resources relating to pensions and OPEB are reported.

Deferred outflows of resources:

Pension related	4,022,295	
OPEB related	261,867	

Deferred inflows of resources:

Pension related	(648,088)	
OPEB related	<u>(1,132,213)</u>	
Total		<u>2,503,861</u>

Total net position - governmental activities \$ 53,344,340

The accompanying notes are an integral part of these financial statements.

City of Carpinteria

Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance For the Fiscal Year Ended June 30, 2023

	General Fund	Capital Improvements Fund	Revolving Fund	Measure A Fund	Tidelands Trust	Other Governmental Funds	Total Governmental Funds
REVENUES:							
Property taxes	\$ 4,932,538	\$ -	\$ -	\$ -	\$ -	\$ 383,999	\$ 5,316,537
Sales taxes	5,971,207	-	-	-	-	-	5,971,207
Transient occupancy taxes	3,485,465	-	-	-	-	-	3,485,465
Franchises	717,135	-	-	-	-	-	717,135
Business license taxes	62,076	-	-	-	-	-	62,076
Special assessments	-	-	-	-	-	259,706	259,706
Licenses and permits	289,804	-	-	-	-	-	289,804
Fines and forfeits	66,961	-	-	-	-	45,840	112,801
Intergovernmental	1,826,490	1,164,612	61,916	1,025,975	-	647,579	4,726,572
Use of money and property	318,104	37,963	-	31,019	27,262	38,559	452,907
Charges for services	251,908	42,173	-	-	280,807	942,373	1,517,261
Miscellaneous	20,354	317,408	122,490	2,369	74	63,390	526,085
Total revenues	17,942,042	1,562,156	184,406	1,059,363	308,143	2,381,446	23,437,556
EXPENDITURES:							
Current:							
General government	5,704,640	-	12,678	-	-	345,851	6,063,169
Public safety	5,413,143	-	-	-	-	-	5,413,143
Public works and streets	879,098	-	16,472	707,204	-	1,267,539	2,870,313
Parks and recreation	507,606	-	92,233	-	245,732	2,128,598	2,974,169
Capital outlay	62,598	4,596,278	39,703	200,880	-	182,965	5,082,424
Total expenditures	12,567,085	4,596,278	161,086	908,084	245,732	3,924,953	22,403,218
Excess (deficiency) of revenues over (under) expenditures	5,374,957	(3,034,122)	23,320	151,279	62,411	(1,543,507)	1,034,338
OTHER FINANCE SOURCES (USES):							
Subscription acquisition	5,734	-	-	-	-	22,203	27,937
Transfers in	-	2,939,443	-	38,000	24,000	1,602,627	4,604,070
Transfers out	(4,073,287)	-	(23,320)	(437,739)	(20,223)	(49,501)	(4,604,070)
Total other financing sources (uses)	(4,067,553)	2,939,443	(23,320)	(399,739)	3,777	1,575,329	27,937
Net change in fund balances	1,307,404	(94,679)	-	(248,460)	66,188	31,822	1,062,275
Fund balances, beginning of fiscal year, as restated	15,396,348	2,025,653	-	1,736,835	458,501	1,946,139	21,563,476
Fund balances, end of fiscal year	\$ 16,703,752	\$ 1,930,974	\$ -	\$ 1,488,375	\$ 524,689	\$ 1,977,961	\$ 22,625,751

The accompanying notes are an integral part of these financial statements.

City of Carpinteria

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities For the Fiscal Year Ended June 30, 2023

Total net change in fund balances - governmental funds \$ 1,062,275

Capital assets are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which additions to capital assets exceeded depreciation expense. 3,215,016

In the statement of activities, compensated absences and long-term debt are measured by the amounts earned during the fiscal year. In governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially the amounts paid). Proceeds from debt issuances are reported as a revenue in the governmental funds, but the issuance increases long-term liabilities in the statement of net position.

Change in compensated absences payable	\$ (31,036)	
Subscription payments	13,762	
Subscription issuances	<u>(27,937)</u>	
		(45,211)

In governmental funds, OPEB costs are recognized when employer contributions are made. In the statement of activities, OPEB costs are recognized on the accrual basis. This fiscal year, the difference between accrual-basis OPEB costs and actual employer contribution was: 159,171

Expenditures for long-term notes receivable are an outflow of resources in the funds but are reported as assets in the statement of net position 186,625

In governmental funds, pension costs are recognized when employer contributions are made. In the statement of activities, pension costs are recognized on the accrual basis. This year, the difference between accrual-basis pension costs and actual employer contributions was: 1,853,833

Changes in net position - governmental activities \$ 6,431,709

The accompanying notes are an integral part of these financial statements.



NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the City of Carpinteria conform to U.S. Generally Accepted Accounting Principles as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

A) Reporting Entity

The City of Carpinteria is a municipal corporation governed by an elected five-member City Council. The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable.

The Carpinteria Public Improvement Corporation is a legally separate Corporate Entity for which the City is financially accountable, and it is governed by the elected City Council. The Corporation was formed to provide a method of financing public improvements. The financial activities of the Corporation are blended with those of the City and are reported in the City's governmental funds, and as capital assets of the City and debt obligations of the City. The Carpinteria Public Improvement Corporation last debt was paid off in fiscal year 2018.

B) Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all activities of the City. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The City has no functions which are reported as business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues. Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C) Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Assets in governmental funds that do not meet the availability criterion for recognition as revenue in the governmental funds are classified as a deferred inflow of resources as those resources are not available for spending in the current period.

Property taxes, sales taxes, transient occupancy taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period.

All other revenue items are considered to be measurable and available only when cash is received by the government. The City reports the following major governmental funds:

The General Fund is the government's primary operating fund. It accounts for all financial resources of the City, except those required to be accounted for in another fund.

The Capital Improvements Fund accounts for development impact fees collected by the City and restricted by City regulation for use only for capital related improvements, primarily infrastructure type assets.

The Measure A fund is used to account for allocations made to the City by the County for use in street related projects.

The Revolving Fund is used to account for grants and allocations made to the City by Federal, State, and County governments for special projects.

The Tidelands Trust Fund is used to account for revenues received from the City's offshore tidelands which were granted in trust to the City by the State.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C) Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

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

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

D) Assets, Liabilities, and Net Position

Deposits and Investments

The City is authorized by its most recent investment policy to invest in the State of California Local Agency Investment Fund; FDIC insured interest-bearing checking accounts; investments permitted by California Law including U.S. Treasury securities. The City's investment policy specifically prohibits any investment resulting in zero interest accrual if held to maturity. Investments in the debt service fund are permitted to be invested in other investments in accordance with the trust agreement. Investments of the City are reported at fair value. The State Treasurer's Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds".

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable government funds to indicate that they are not available for appropriation and are not expendable available financial resources. All trade and property tax receivables are not shown net of an allowance for un-collectibles.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D) Assets, Liabilities, and Net Position (continued)

Receivables and Payables (continued)

Property taxes are levied as of March 1 on property values assessed as of the same date. State statutes provide that the property tax rate be limited generally to one percent of market value, be levied by only the County, and be shared by applicable jurisdictions. The County of Santa Barbara collects the taxes and distributes them to taxing jurisdictions on the basis of assessed valuations subject to voter- approved debt. Property taxes are due on November 1 and March 1 and become delinquent on December 10 and April 10. The City recognizes property tax revenues in the fiscal year in which they are due to the City.

Inventories and Prepaid Items

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when used or consumed. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements using the consumption method.

Capital and Intangible Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$ 3,000 (\$50,000 for infrastructure type assets) and an estimated useful life in excess of one year. Such assets are recorded at historical cost, or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant, and equipment of the City are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and improvements	15-40
Public domain infrastructure	50
System infrastructure	50
Vehicles and equipment	5-10

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D) Assets, Liabilities, and Net Position (continued)

Compensated Absences

It is the government's policy to permit employees to accumulate earned but unused paid time off. All paid time off is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Pensions and Other Postemployment Benefits

For purposes of measuring the net pension liability (NPL), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the State of California Public Employees Retirement System (PERS) and additions to or deductions from the PERS fiduciary net position have been determined on the same basis as they are reported by the PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. The general fund is used to liquidate the net pension liability.

For purposes of measuring the other postemployment benefit total liability (OPEB), deferred outflows of resources and deferred inflows of resources, and expense associated with the City's requirement to contribute to its OPEB Plan, the City obtains an actuarial valuation of its OPEB plan. The City recognizes benefit payments when due and payable in accordance with the Plan. The general fund is used to liquidate the OPEB liability.

Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position.

Leases

The City's lease receivable is measured at the present value of lease payments expected to be received during the lease term. Under the lease agreement, the City may receive variable lease payments that are dependent upon the lessee's revenue. The variable payments are recorded as an inflow of resources in the period the payment is received. A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D) Assets, Liabilities, and Net Position (continued)

Fund Balances – Governmental Funds

Fund balances for governmental funds are reported in classifications based primarily on the extent to which the City is bound to honor constraints about the specific purposes for which amounts in these funds can be spent. These classifications include (1) non-spendable, (2) restricted, (3) committed, (4) assigned and (5) unassigned amounts. Non-spendable amounts generally are items not expected to be converted into cash such as inventories, prepaid items, and certain long-term receivables. Restricted amounts include those amounts where constraints placed on the use of the resources are externally imposed by grantors, contributors, other governments or by laws and regulations. Committed amounts are those that can only be used for a specific purpose as determined by the City Council. Such committed amounts may be redeployed for other uses only by direction of the City Council. Assigned amounts are fund balance amounts constrained by the City's intent to be used for a specific purpose as determined by the Administrative Services Director or City Manager. Unassigned amounts are the residual amounts reported in the general fund. The City Council by resolution established a policy that delegates to the City Manager or Administrative Services Director the authority to establish, rescind or modify assigned amounts. Committed amounts may be established, modified, or rescinded by the adoption of a resolution of the City Council.

When expenditures are incurred for which both restricted and unrestricted (committed, assigned or unassigned) amounts are available, the City considers that restricted amounts would be spent first. When expenditures are incurred for which any class of unrestricted fund balance could be used, the City considers committed amounts would be reduced first, followed by assigned, and then unassigned amounts.

E) New Accounting Pronouncements

Governmental Accounting Standards Board Statement No. 96

For the fiscal year ended June 30, 2023, the City implemented Governmental Accounting Standards Board (GASB) Statement, *Subscription Based IT Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). The requirements of this Statement are effective for reporting periods beginning after June 15, 2022.

City of Carpinteria

Notes to the Basic Financial Statements June 30, 2023

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A) Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds except debt service funds. Appropriations lapse at fiscal year-end. The appropriated budget is prepared by fund, function, and department. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level. Transfers of appropriations require approval of the City Manager. The Council made several supplemental budgetary appropriations throughout the year. The supplemental budgetary appropriations made in the General Fund were material. Encumbrance accounting is not employed in governmental funds. Expenditures (excluding transfers out) exceeded the final budget in the following funds:

	<u>Final Balance</u>	<u>Final Budget</u>	<u>Excess</u>
Major Funds:			
Revolving Fund	\$ 161,086	\$ 148,450	\$ (12,636)
Non-major Governmental Funds:			
Right-of-Way	353,663	347,600	(6,063)
AB 939 Solid Waste	515,169	473,000	(42,169)
PEG Fee	118,527	110,050	(8,477)

NOTE 3 - DETAIL NOTES ON ALL FUNDS

A) Deposits and Investments

Deposits and investments on June 30, 2023 consisted of the following:

Cash on hand	\$ 1,000
Deposits with financial institutions	2,907,626
Investments	19,480,870
Total cash and investments	<u>\$ 22,389,496</u>

Interest Rate Risk - As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy limits the City's investment portfolio to the State of California Local Agency Investment Fund and to U.S. Treasury bills and notes with a maturity of five years or less at the time of purchase.

Investment Type	Carrying Amount	Remaining Maturity (in Months)		
		12 Months or Less	13-24 Months	25-60 Months
LAIF	\$ 3,423,653	\$ 3,423,653	\$ -	\$ -
Money Market Funds	3,783,790	3,783,790	-	-
Pension Stabilization	1,172,172	1,172,172	-	-
U.S. Agency Securities	11,101,255	3,154,655	2,850,586	5,096,014
Total	<u>\$ 19,480,870</u>	<u>\$ 11,534,270</u>	<u>\$ 2,850,586</u>	<u>\$ 5,096,014</u>

City of Carpinteria

Notes to the Basic Financial Statements June 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS (continued)

A) Deposits and Investments (continued)

Credit Risk - The City's policy is to limit investments to those that are rated in the top two credit ratings by nationally recognized rating organizations. The City's investment in LAIF and mutual funds were unrated.

Investment Type		Minimum Legal Rating	Unrated
LAIF	\$ 3,423,653	N/A	\$ 3,423,653
Money Market Funds	3,783,790		3,783,790
Pension Stabilization	1,172,172		1,172,172
U.S. Agency Securities	11,101,255		11,101,255
Total	<u>\$ 19,480,870</u>		<u>\$ 19,480,870</u>

Custodial Credit Risk - For an investment, custodial credit risk is the risk that, in the event of the failure of a counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment policy specifies that securities are to be held by a third party, other than the counterparty, in the City's name, whenever possible. Investments in the LAIF and mutual fund are not subject to custodial credit risk as they are not evidenced by specific securities. The U.S. Treasury Notes are held in a separate account in the name of the City.

Fair Value Measurements – Investments – The City categorizes its fair value measurements within the hierarchy established by generally accepted account principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted market prices in active markets for identical assets; Level 2 inputs are significant other observable inputs, and level 3 inputs are significant unobservable inputs. The City has the following fair value measurements at June 30, 2023:

Investments by Fair Value Level	Total	Level 1	Level 2	Level 3
U.S. Agency Securities	\$ 11,101,255	<u>\$ 11,101,255</u>	<u>\$ -</u>	<u>\$ -</u>
Investments Measured at Amortized Cost				
Local Agency Investment Fund	3,423,653			
Money Market Funds	3,783,790			
Pension Stabilization	1,172,172			
Total	<u>\$ 19,480,870</u>			

City of Carpinteria

Notes to the Basic Financial Statements June 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS (continued)

B) Receivables

Receivables as of year-end for the government's individual major and nonmajor funds in the aggregate, net of the applicable allowances for uncollectible accounts, are as follows:

Receivables	General Fund	Capital Improvements Fund	Revolving Fund	Measure A Fund	Tidelands Trust Fund	Nonmajor Funds	Total
Accounts	\$ 2,408,620	\$ 1,374,545	\$ 24,057	\$ 261,556	\$ 1,432	\$ 176,794	\$ 4,247,004
Long-term note	-	8,303	-	-	-	533,525	541,828
	<u>\$ 2,408,620</u>	<u>\$ 1,382,848</u>	<u>\$ 24,057</u>	<u>\$ 261,556</u>	<u>\$ 1,432</u>	<u>\$ 710,319</u>	<u>\$ 4,788,832</u>

C) Lease Receivable

On May 10, 1982, the City entered into a lease agreement with DCOR for the use of the Platform Habitat. This lease was extended on April 13, 2022 for an additional five years through 2027. Under the lease, DCOR will pay the City \$35,671 yearly.

On September 4, 2018, the City entered into a lease agreement with Chevron for the use of the Casitas Pier. The current lease expired in September 2023, and an expected extension would go through October 31, 2030. Under the lease, Chevron will pay the City \$247,173 yearly.

On June 7, 2016, the City entered into a lease agreement with the Friends of the Library for the use of the Library. The contract is extended annually for 1 year. The most current extension runs through June 30, 2023. Under the lease, Friends of the Library will pay the City \$1,217.83 per month.

The following is a schedule of future payments of principal and interest of the lease receivable as of June 30, 2023:

Year Ending June 30,	Principal	Interest
2024	\$ 264,822	\$ 18,022
2025	267,470	15,374
2026	270,145	12,699
2027	272,846	9,998
2028	239,904	7,269
Thereafter	487,029	7,318
	<u>\$ 1,802,216</u>	<u>\$ 70,680</u>

In the fiscal year ended June 30, 2023, the City recognized \$21,628 in interest revenue and \$251,976 in lease revenue.

Notes to the Basic Financial Statements
June 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS (continued)

D) Interfund Transfers

The composition of interfund transfers as of June 30, 2023, is as follows:

Transfer Out	Transfer In				Total
	Capital Improvements	Measure A	Tidelands Trust	Non-major Funds	
General Fund	\$ 2,431,980	\$ 38,000	\$ 24,000	\$ 1,579,307	\$4,073,287
Measure A	437,739	-	-	-	437,739
Revolving Fund	-	-	-	23,320	23,320
Tidelands Trust	20,223	-	-	-	20,223
Non-major Funds	49,501	-	-	-	49,501
	<u>\$ 2,939,443</u>	<u>\$ 38,000</u>	<u>\$ 24,000</u>	<u>\$ 1,602,627</u>	<u>\$4,604,070</u>

The transfers were made from the General Fund to the non-major funds for a total of \$1,382,307 for subsidies, the remaining transfers were related to ARPA grant funding for \$197,000. Transfers from the General Fund to Measure A were related the ARPA grant funding. Transfers from the General Fund, Measure A and the non-major funds to the Capital Improvements Fund were for several capital project expenditures. Transfer from the Revolving Fund to the Non-major Funds were for the repayment of a Garden Coordinator.

E) Capital Assets

Capital asset activity for the fiscal year ended June 30, 2023 was as follows:

	Balance at June 30, 2022	Additions	Deletions	Balance at June 30, 2023
Governmental Activities				
Nondepreciable capital assets:				
Land	\$ 10,176,390	\$ 315,735	\$ -	\$ 10,492,125
Park land site improvements	1,642,893	490,942	-	2,133,835
Construction in progress	8,444,500	3,963,886	4,117,900	8,290,486
Total nondepreciable capital assets	<u>20,263,783</u>	<u>4,770,563</u>	<u>4,117,900</u>	<u>20,916,446</u>
Depreciable capital assets:				
Buildings	7,959,963	44,795	-	8,004,758
Machinery and equipment	2,019,465	113,780	443,190	1,690,055
Vehicles	639,088	236,213	91,134	784,167
Infrastructure	10,508,061	3,045,274	-	13,553,335
City pool and facilities	1,500,303	-	29,685	1,470,618
Right-to-use subscription asset	-	27,937	-	27,937
Total depreciable capital assets	<u>22,626,880</u>	<u>3,467,999</u>	<u>564,009</u>	<u>25,530,870</u>
Less accumulated depreciation/amortization				
Buildings	1,479,154	244,879	-	1,724,033
Machinery and equipment	1,152,434	201,322	434,272	919,484
Vehicles	383,065	53,741	74,392	362,414
Infrastructure	2,587,727	362,150	-	2,949,877
City pool and facilities	1,403,555	3,926	29,685	1,377,796
Right-to-use subscription asset	-	13,968	-	13,968
Total accumulated depreciation/amortization	<u>7,005,935</u>	<u>879,986</u>	<u>538,349</u>	<u>7,347,572</u>
Net depreciable/amortizable capital assets	<u>15,620,945</u>	<u>2,588,013</u>	<u>25,660</u>	<u>18,183,298</u>
Governmental Activities Capital Assets, Net	<u>\$ 35,884,728</u>	<u>\$ 7,358,576</u>	<u>\$ 4,143,560</u>	<u>\$ 39,099,744</u>

Notes to the Basic Financial Statements
June 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS (continued)**E) Capital Assets (continued)**

Depreciation expense was charged to functions/programs of the City as follows:

Governmental Activities

General government	\$ 589,629
Parks and recreation programs	133,033
Public works and streets	157,324
Total depreciation/amortization expense	<u><u>\$ 879,986</u></u>

F) Long-Term LiabilitiesChanges in Long-term Liabilities

Long-term liability activity for the 2023 fiscal year was as follows:

	Balance at June 30, 2022	Additions	Deletions	Balance at June 30, 2023	Due Within One Year
Compensated absences	\$ 123,316	\$ 349,131	\$ (318,095)	\$ 154,352	\$ 15,435
SBITA liabilities	-	27,937	(13,762)	14,175	14,175
	<u>\$ 123,316</u>	<u>\$ 377,068</u>	<u>\$ (331,857)</u>	<u>\$ 168,527</u>	<u>\$ 29,610</u>

The City's General Fund is normally used to liquidate the liability for compensated absences.

During fiscal year 2023, the City entered into various subscription based IT arrangements (SBITA) for \$27,937. The arrangements are for 12-60 months with interest rates at 3%. The City is required to make payments ranging between \$2,800-\$11,266. As of June 30, 2023, the City had \$14,175 outstanding for the SBITA liability. The City recognized a right-to-use asset for the SBITA of \$27,937, which will be amortized over the lives of the respective agreements.

G) Restricted Net Position and Non-spendable Fund Balances

The \$7,102,592 restricted amount in the governmental activities statement of net position represents amounts to be used only for specific purposes which restrictions are imposed by laws, formal agreements, or other governments. The restricted amounts consist of \$1,930,974 restricted for streets, \$2,809,087 in the Capital Projects Fund, \$1,172,172 for pension stabilization, \$1,069,290 restricted for housing, \$48,396 for solid waste recycling program and \$72,673 for cable television access. The pension stabilization arrangement was established by the City Council formally adopting an enabling resolution and entering into a third-party agreement for the pooled investment of the stabilization funds (an IRS section 115 irrevocable trust). The stabilization funds can only be spent for any pension related purpose. The City may, but is not required to do so, make addition deposits to the stabilization fund.

Non-spendable fund balances consisted of \$35,496 for inventory and prepaid expense balances.

NOTE 4 - OTHER INFORMATION

A) Risk Management

Description of Self-Insurance Pool Pursuant to Joint Powers Agreement

The City of Carpinteria is a member of the CALIFORNIA JOINT POWERS INSURANCE AUTHORITY (Authority). The Authority is composed of 124 California public entities and is organized under a joint powers agreement pursuant to California Government Code §6500 et seq. The purpose of the Authority is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group purchased insurance for property and other lines of coverage. The California JPIA began covering claims of its members in 1978. Each member government has an elected official as its representative on the Board of Directors. The Board operates through a nine-member Executive Committee.

Primary Self-Insurance Programs of the Authority

Each member pays an annual contribution at the beginning of the coverage period. A retrospective adjustment is then conducted annually thereafter, for coverage years 2012-13 and prior. Coverage years 2013-14 and forward are not subject to routine annual retrospective adjustment. The total funding requirement for primary self-insurance programs is based on an actuarial analysis. Costs are allocated to individual agencies based on payroll and claims history, relative to other members of the risk-sharing pool.

Primary Liability Program

Claims are pooled separately between police and general government exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$100,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$100,000 to \$500,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from \$500,000 to \$50 million, are distributed based on the outcome of cost allocation within the first and second loss layers.

The overall coverage limit for each member, including all layers of coverage, is \$50 million per occurrence. Subsidence losses also have a \$50 million per occurrence limit. The coverage structure is composed of a combination of pooled self-insurance, reinsurance, and excess insurance. Additional information concerning the coverage structure is available on the Authority's website: <https://cjpia.org/coverage/risk-sharing-pools/>.

NOTE 4 - OTHER INFORMATION (continued)

A) Risk Management (continued)

Primary Workers' Compensation Program

Claims are pooled separately between public safety (police and fire) and general government exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$75,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$75,000 to \$200,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from \$200,000 to statutory limits are distributed based on the outcome of cost allocation within the first and second loss layers.

For 2022-23 the Authority's pooled retention is \$1 million per occurrence, with reinsurance to statutory limits under California Workers' Compensation Law. Employer's Liability losses are pooled among members to \$1 million. Coverage from \$1 million to \$5 million is purchased through reinsurance policies, and Employer's Liability losses from \$5 million to \$10 million are pooled among members.

Purchased Insurance

Pollution Legal Liability Insurance

The City of Carpinteria participates in the pollution legal liability insurance program which is available through the Authority. The policy covers sudden and gradual pollution of scheduled property, streets, and storm drains owned by the City of Carpinteria. Coverage is on a claims-made basis. There is a \$250,000 deductible. The Authority has an aggregate limit of \$20 million.

Property Insurance

The City of Carpinteria participates in the all-risk property protection program of the Authority. This insurance protection is underwritten by several insurance companies. City of Carpinteria property is currently insured according to a schedule of covered property submitted by the City of Carpinteria to the Authority. City of Carpinteria property currently has all-risk property insurance protection in the amount of \$24,156,084. There is a \$10,000 deductible per occurrence except for non-emergency vehicle insurance which has a \$2,500 deductible.

NOTE 4 - OTHER INFORMATION (continued)

A) Risk Management (continued)

Earthquake and Flood Insurance

The City of Carpinteria purchases earthquake and flood insurance on a portion of its property. The earthquake insurance is part of the property protection insurance program of the Authority. City of Carpinteria property currently has earthquake protection in the amount of \$9,842,366. There is a deductible of 5% per unit of value with a minimum deductible of \$100,000.

Crime Insurance

The City of Carpinteria purchases crime insurance coverage in the amount of \$1,000,000 with a \$2,500 deductible. The fidelity coverage is provided through the Authority.

Special Event Tenant User Liability Insurance

The City of Carpinteria further protects against liability damages by requiring tenant users of certain property to purchase low-cost tenant user liability insurance for certain activities on agency property. The insurance premium is paid by the tenant user and is paid to the City of Carpinteria according to a schedule. The City of Carpinteria then pays for the insurance. The insurance is facilitated by the Authority.

Adequacy of Protection

During the past three fiscal years, none of the above programs of protection experienced settlements or judgments that exceeded pooled or insured coverage. There were also no significant reductions in pooled or insured liability coverage in 2022-23.

B) Contingencies and Commitments

Litigation. The City is involved in litigation incurred in the normal course of conducting City business. City management believes that, based upon consultation with its counsel, these cases, in the aggregate, are not expected to result in a material adverse financial impact on the City.

Shoreline Study. The City has entered into a multi-year contract with the U.S. Corp of Engineers to sponsor a study of shoreline storm damage, beach erosion, and similar issues. The study is estimated to cost \$ 2.6 million and the City is required to fund 50 percent of the cost. The City's share may be funded with matching state grants and by the City providing in-kind staff services.

NOTE 4 - OTHER INFORMATION (continued)

C) Law Enforcement Agreement

The City, since 1992, has maintained an agreement with the Santa Barbara County Sheriff's Department to provide law enforcement services to the City of Carpinteria. These services are accounted for in the City's general fund and related expenditures are charged to public safety. The City's Public Employees Retirement Plan (PERS) for police employees pertains only to safety employees employed by the City prior to 1992, and the City made separate current contributions to that Plan based upon the PERS funding arrangements.

D) Public Employee Pension Plans

Plan Description – All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan or PERF C) administered by the California Public Employees' Retirement System (CalPERS.) The Plan 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. Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under generally accepted accounting principles. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. The City participates in three rate plans (two miscellaneous and one safety). 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, at www.calpers.ca.gov.

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 5 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 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 operates under the provisions of the California Public Employees' Retirement Law (PERL), the California Public Employees' Pension Reform Act of 2013 (PEPRA), and the regulations, procedures and policies adopted by the CalPERS Board of Administration. The Plan's authority to establish and amend the benefit terms are set by the PERL and PEPRA and may be amended by the California state legislature and in some cases require approval by the CalPERS Board.

Notes to the Basic Financial Statements
June 30, 2023

NOTE 4 - OTHER INFORMATION (continued)

D) Public Employee Pension Plans, (continued)

The Plan's provisions and benefits in effect at June 30, 2023 are summarized as follows:

	Miscellaneous	
	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Benefit formula	2% @ 55	2.0% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50-55	52-67
Monthly benefits, as a % of eligible compensation	2.0% to 2.7%	1.0% to 2.5%
Required employer contribution rates	11.65%	7.65%

	Safety
	Prior to January 1, 2013
Hire date	
Benefit formula	2.0% @ 50
Benefit vesting schedule	5 years service
Benefit payments	monthly for life
Retirement age	50
Monthly benefits, as a % of eligible compensation	3.0%
Required employer contribution rates	0.00%

Contributions: Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. 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 employer 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. Employer Contributions to the Plan for the fiscal year ended June 30, 2023 were \$995,935. The actual employer payments of \$892,662 made to CalPERS by the City during the measurement period ended June 30, 2022 differed from the City's proportionate share of the employer's contributions of \$1,252,909 by \$360,247, which is being amortized over the expected average remaining service lifetime in the Public Agency Cost-Sharing Multiple Employer Plan.

Notes to the Basic Financial Statements
June 30, 2023

NOTE 4 - OTHER INFORMATION (continued)

D) Public Employee Pension Plans, (continued)

Net Pension Liability: The City's net pension liability for the Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of the Plan is measured as of June 30, 2022, using an annual actuarial valuation as of June 30, 2021 rolled forward to June 30, 2022 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is as follows.

Actuarial Methods and Assumptions Used to Determine Total Pension Liability: The collective total pension liability for the June 30, 2022 measurement period was determined by an actuarial valuation as of June 30, 2021, with update procedures used to roll forward the total pension liability to June 30, 2022. The collective total pension liability was based on the following assumptions:

Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Actuarial Cost Method	Entry-Age Normal Cost Method
Asset Valuation Method	Fair Value of Assets
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Salary Increases	Varies by Entry Age and Service
Mortality Rate Table ⁽¹⁾	Derived using CalPERS' membership data for all funds
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.

Long-term Expected Rate of Return: 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 of the funds' asset classes, expected compound (geometric) 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.

Notes to the Basic Financial Statements
June 30, 2023

NOTE 4 - OTHER INFORMATION (continued)

D) Public Employee Pension Plans, (continued)

The expected real rates of return by asset class are as follows:

Asset Class	Assumed Asset	
	Allocation	Real Return ^{1,2}
Global equity - cap-weighted	30.00%	4.54%
Global equity - non-cap-weighted	12.00%	3.84%
Private equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-backed securities	5.00%	0.50%
Investment grade corporates	10.00%	1.56%
High yield	5.00%	2.27%
Emerging market debt	5.00%	2.48%
Private debt	5.00%	3.57%
Real assets	15.00%	3.21%
Leverage	-5.00%	-0.59%
Total	100.00%	

¹ An expected inflation of 2.30% used for this period.

² Figures are based on the 2021 Asset Liability Management study.

Change 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.

Discount Rate: The discount rate used to measure the total pension liability for PERF C was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members 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.

Notes to the Basic Financial Statements
June 30, 2023

NOTE 4 - OTHER INFORMATION (continued)

D) Public Employee Pension Plans, (continued)

Subsequent Events: 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 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 board. These new assumptions will be reflected in the GASB 68 accounting valuation reports for the June 30, 2022, measurement date.

Pension Plan Fiduciary Net Position: Information about the pension plan's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fiduciary net position are presented in CalPERS' audited financial statements, which are publicly available reports that can be obtained at CalPERS' website, at www.calpers.ca.gov. The plan's fiduciary net position and additions to/deductions from the plan's fiduciary net position have been determined on the same basis used by the pension plan, which is the economic resources measurement focus and the accrual basis of accounting. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value.

Proportionate Share of Net Pension Liability: The following table shows the City's proportionate share of the Plan's net pension liability over the measurement period.

		Increase (Decrease)	
	Proportionate Share of Total Pension Liability	Proportionate Share of Fiduciary Net Position	Proportionate Share of Net Pension Liability
Balance at: 6/30/2021 (VD)	\$ 31,683,063	\$ 26,067,072	\$ 5,615,991
Balance at: 6/30/2022 (MD)	32,569,312	22,480,119	10,089,193
Net changes during 2021-22	<u>\$ 886,249</u>	<u>\$ (3,586,953)</u>	<u>\$ 4,473,202</u>

VD: valuation date, MD: measurement date

Notes to the Basic Financial Statements
June 30, 2023

NOTE 4 - OTHER INFORMATION (continued)

D) Public Employee Pension Plans, (continued)

The City's proportion of the net pension liability was determined by CalPERS using the output from the Actuarial Valuation System and the fiduciary net position, as provided in the CalPERS Public Agency Cost-Sharing Allocation Methodology Report, which is a publicly available report that can be obtained at CalPERS' website, at www.calpers.ca.gov. The City's proportionate share of the net pension liability for the total Plan as of the June 30, 2021 and 2022 measurement dates was as follows:

Proportionate share - June 30, 2021	0.10384%
Proportionate share - June 30, 2022	0.08735%
Change - Increase (Decrease)	-0.01649%

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 of the Plan as of the measurement date, calculated using the discount rate of 6.9 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (5.9 percent) or 1 percentage-point higher (7.9 percent) than the current rate:

	1% Decrease 5.90%	Current Discount Rate 6.90%	1% Increase 7.90%
City's proportionate share of net pension plan liability	\$ 14,546,193	\$ 10,089,193	\$ 6,429,503

Amortization of Deferred Outflows and Deferred Inflows of Resources: Under GASB 68, gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time.

The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense.

The amortization period differs depending on the source of the gain or loss:

Net difference between projected and actual earnings on pension plan investments	5-year straight-line amortization
All other amounts	Straight-line amortization over the expected average remaining service lives (EARSL) of all members that are provided with benefits (active, inactive and retired) as of the beginning of the measurement period

Notes to the Basic Financial Statements
June 30, 2023

NOTE 4 - OTHER INFORMATION (continued)

D) Public Employee Pension Plans, (continued)

The expected average remaining service lifetime (EARSL) is calculated by dividing the total future service years by the total number of plan participants (active, inactive, and retired) in the Public Agency Cost-Sharing Multiple-Employer Plan (PERF C).

The EARSL for PERF C for the measurement period ending June 30, 2022 is 3.7 years, which was obtained by dividing the total service years of 574,665 (the sum of remaining service lifetimes of the active employees) by 153,587 (the total number of participants: active, inactive, and retired) in PERF C. Inactive employees and retirees have remaining service lifetimes equal to 0. Total future service is based on the members' probability of decrementing due to an event other than receiving a cash refund.

Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions: As of the start of the measurement period (July 1, 2021), the City's net pension liability was \$5,615,991. For the measurement period ending June 30, 2022 (the measurement date), the Local Government incurred a pension (income) of \$(857,897).

As of June 30, 2023, the City has deferred outflows and deferred inflows of resources related to pensions as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change of assumptions	\$ 1,027,583	\$ -
Differences between expected and actual experience	158,169	-
Net difference between projected and annual earnings on retirement plan investments	1,751,604	-
Changes in proportion and differences between City contributions and proportionate share of contributions	-	488,603
Changes in employer's proportion	89,004	159,485
City contributions subsequent to the measurement date	995,935	-
	<u>\$ 4,022,295</u>	<u>\$ 648,088</u>

The amounts above are net of outflows and inflows recognized in the 2021-22 measurement period expense. Contributions subsequent to the measurement date of \$995,935 reported with deferred outflows of resources will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in future pension expense as follows:

Fiscal Year Ending June 30,	Amount
2024	\$ 541,491
2025	479,513
2026	286,905
2027	1,070,363

NOTE 4 - OTHER INFORMATION (continued)

D) Public Employee Pension Plans, (continued)

Payable to the Pension Plan: At June 30, 2023, the Local Government reported a payable of \$-0- for the outstanding amount of contributions to the pension plan required for the year then ended.

E) Other Post-Employment Benefits

Plan Description: The City administers the City's retired employee's healthcare plan, a single employer defined benefit health care plan. The plan provides medical benefits to eligible retired employees and their beneficiaries. The City's plan is affiliated with the State of California PERS in so much as the City's Health insurance premium payments are paid to the PERS. The PERS through an aggregation of single employer plans pools administrative functions in regard to purchases of commercial health insurance policies and coverage. City resolutions and regulations assign the authority to establish and amend benefit provisions to the City. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement Number 75.

The City participates in this State Health Insurance Pool (City resolutions 1839, 1840, 1841, May 22, 1989) administered by the California Public Employees Retirement System (CalPERS). Member agencies participating in the State Pool are subject to regulations of the Public Employees Medical and Hospital Care Act (PEMHCA) which requires that member agencies provide lifetime health benefits for retirees. California Government Code

Section 22892 of the PEMHCA establishes the contracting agencies minimum health premium contribution for their participating active membership and requires that the employer contribution be an equal amount for retirees. The minimum employer contribution is currently \$151 monthly. Further, the City extends additional health insurance benefits to retirees (Resolutions numbers 1496 and 3063) that were employed on June 30, 1988 and who retire from the City after 20 years of qualified service. This benefit provides retirees with single-coverage HMO insurance through the City's insurance program at City expense.

Benefits Provided: The City's OPEB plan provides healthcare benefits to eligible retirees and their dependents. Benefits are provided through third party insurers, and the full cost of the benefits is provided by the Plan.

City of Carpinteria

Notes to the Basic Financial Statements June 30, 2023

NOTE 4 - OTHER INFORMATION (continued)

E) Other Post-Employment Benefits (continued)

Employees Covered by the Benefit Terms: At June 30, 2023, the following employees were covered by the benefit terms:

Active plan members	39
Inactive plan members or beneficiaries currently receiving benefits	11
Inactive plan members entitled to but not yet receiving benefits	10
Total	<u>60</u>

The City's OPEB Plan is closed to new entrants.

Contributions: City regulations grant authority to the City Council to establish and amend contribution requirements. Employees are not required to contribute to the plan. For the fiscal year ending June 30, 2023, the City's average contribution rate was 2.5 percent of covered employee payroll. The amount contributed for fiscal year 2023 was \$50,156.

Total OPEB Liability: The City's Total OPEB liability was measured as of June 30, 2022 and the total OPEB liability used to calculate the OPEB liability was determined by an actuarial valuation as of June 30, 2022, rolled forward to June 30, 2023.

Actuarial Assumptions: The total OPEB liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement unless otherwise specified:

Actuarial Assumptions	June 30, 2022 Measurement Date
Valuation date	June 30, 2022
Inflation	2.5% annually
Salary increases	Aggregate - 2.75% annually Merit - CalPERS 2000-2019 Experience Study
Discount rate	3.54% at June 30, 2022 (Bond Buyer 20-Bond Index) 2.16% at June 30, 2021 (Bond Buyer 20-Bond Index)
Healthcare cost trend rate	Non-Medicare - 8.50% for 2024, decreasing to an ultimate rate of 3.45% in 2076 Medicare (Kaiser) - 6.25% for 2024, decreasing to an ultimate rate of 3.45% in 2076 Medicare (Non-Kaiser) - 7.50% for 2024, decreasing to an ultimate rate of 3.45% in 2076
Mortality improvements	Mortality projected fully generational with Scale MP-2021

Mortality rates were based on the MP-2021 Health Annuitant Mortality Table for Males and Females, as appropriate, with adjustments for mortality improvements based on Scale AA. The actuarial assumptions used in the June 30, 2021 valuation were based on the results of CalPERS experience study for the period 1997-2015.

City of Carpinteria

Notes to the Basic Financial Statements June 30, 2023

NOTE 4 - OTHER INFORMATION (continued)

E) Other Post-Employment Benefits (continued)

Change of Assumptions: The discount increased from 2.16% to 3.54% in 2023 based on municipal bond rate as of the measurement date. PEMHCA minimum trend decreased from 4% to 3.5% annually. New medical trends were adopted along with active spouse participation changing from 100% to 50% participation. Demographic assumptions were updated to CalPERS 2000-2019 Experience Study and mortality improvement scale was updated to Scale MP-2021.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at June 30, 2022 (Valuation Date June 30, 2021)	<u>\$ 1,792,862</u>
Changes recognized for the measurement period:	
Service cost	109,790
Interest	40,400
Actual vs. expected experience	(370,463)
Assumption changes	(347,214)
Benefit payments	<u>(64,554)</u>
Net Changes	<u>(632,041)</u>
Balance at June 30, 2023 (Measurement Date June 30, 2022)	<u><u>\$ 1,160,821</u></u>

Sensitivity of the Total OPEB Liability to changes in the discount rate and health-care cost trend rates: The following presents the Total OPEB liability of the City, as well as what the City's Total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.54 percent) or 1 percentage point higher (4.54 percent) than the current discount rate:

	1% Decrease 2.54%	Current Discount Rate 3.54%	1% Increase 4.54%
OPEB liability	<u>\$ 1,316,537</u>	<u>\$ 1,160,821</u>	<u>\$ 1,031,770</u>

Sensitivity of the Total OPEB liability to changes in healthcare cost trend rates:

	1% Decrease	Healthcare Trend Rate	1% Increase
OPEB liability	<u>\$ 1,029,000</u>	<u>\$ 1,160,821</u>	<u>\$ 1,322,225</u>

City of Carpinteria

Notes to the Basic Financial Statements June 30, 2023

NOTE 4 - OTHER INFORMATION (continued)

E) Other Post-Employment Benefits (continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB: For the fiscal year ended June 30, 2023, the City recognized OPEB (income) of \$(109,015). At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to the total OPEB liability from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 652,694
Changes in assumptions	211,711	479,519
Employer contributions subsequent to the measurement date	50,156	-
	<u>\$ 261,867</u>	<u>\$ 1,132,213</u>

The \$50,156 reported as deferred outflows of resources related to OPEB from City contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the plan measurement period ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending June 30,	Amount
2024	\$ (247,666)
2025	(220,260)
2026	(130,844)
2027	(97,542)
2028	(96,562)
Thereafter	(127,628)

Payable to the OPEB Plan: None

City of Carpinteria

Notes to the Basic Financial Statements June 30, 2023

NOTE 4 - OTHER INFORMATION (continued)

F) Prior Period Adjustments

Due to the implementation of GASB 87, the following prior period adjustments were necessary due to the original lease receivables being recorded in the incorrect funds.

Changes to the governmental fund balances were as follows:

	<u>General Fund</u>	<u>Tidelands Trust</u>	<u>Recreation Services</u>
Fund balance, as previously stated	\$ 15,378,710	\$ 289,551	\$ 27,453
Prior period adjustment	17,638	168,950	1,894
Fund balance, as restated	<u>\$ 15,396,348</u>	<u>\$ 458,501</u>	<u>\$ 29,347</u>

Changes to the governmental net position was as follows:

Net position, as previously stated	\$ 46,724,149
Prior period adjustment	188,482
Net position, as restated	<u>\$ 46,912,631</u>

REQUIRED SUPPLEMENTARY INFORMATION



(1) Budgetary Data

On or before June 30 of each year, the City Council adopts a budget for the ensuing fiscal year. The City Manager is responsible for the preparation and administration of the annual budget.

Budgets are reported on the same basis as the fund types and are adopted on a basis consistent with generally accepted accounting principles. The legal level of control or the level at which expenditures may not legally exceed appropriations is at the program level. The program level includes general government, public safety, public works, community services, public health and capital outlay. Unexpended budgetary appropriations lapse at year-end.

Management may amend budgets within the program level. Budgetary revisions that alter the total appropriations of a program must be approved by City Council.

City of Carpinteria

General Fund Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Property taxes	\$ 4,769,600	\$ 4,800,700	\$ 4,932,538	\$ 131,838
Sales taxes	6,135,800	5,992,400	5,971,207	(21,193)
Transient occupancy taxes	3,062,200	3,400,000	3,485,465	85,465
Franchises	685,100	695,000	717,135	22,135
Business license taxes	62,000	62,000	62,076	76
Licenses and permits	235,700	253,100	289,804	36,704
Intergovernmental	60,650	59,500	66,961	7,461
Fines and forfeits	2,139,000	1,919,000	1,826,490	(92,510)
Charges for services	27,500	190,000	318,104	128,104
Interest	280,800	249,500	251,908	2,408
Miscellaneous	41,200	128,600	20,354	(108,246)
Total revenues	17,499,550	17,749,800	17,942,042	192,242
EXPENDITURES				
Current:				
General government	6,988,150	6,371,800	5,704,640	667,160
Public safety	5,646,900	5,425,900	5,413,143	12,757
Public works	1,067,800	867,300	879,098	(11,798)
Parks and recreation	603,400	521,500	507,606	13,894
Capital outlay	228,950	156,800	62,598	94,202
Total expenditures	14,535,200	13,343,300	12,567,085	776,215
Excess (deficiency) of revenues over (under) expenditures	2,964,350	4,406,500	5,374,957	968,457
OTHER FINANCING SOURCES (USES)				
Subscription acquisition	-	5,734	5,734	-
Transfers out	(5,386,650)	(4,401,400)	(4,073,287)	328,113
Total other financing sources (uses)	(5,386,650)	(4,395,666)	(4,067,553)	328,113
Net change in fund balance	(2,422,300)	10,834	1,307,404	1,296,570
Fund balance, beginning of fiscal year, as restated	15,396,348	15,396,348	15,396,348	-
Fund balance, end of fiscal year	\$ 12,974,048	\$ 15,407,182	\$ 16,703,752	\$ 1,296,570

City of Carpinteria

Measure A Special Revenue Fund Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Fines and forfeits	\$ 964,800	\$ 1,000,000	\$ 1,025,975	\$ 25,975
Charges for services	3,500	20,000	31,019	11,019
Miscellaneous	-	2,400	2,369	(31)
Total revenues	968,300	1,022,400	1,059,363	36,963
EXPENDITURES				
Current:				
Public works	1,118,350	1,009,200	707,204	301,996
Capital outlay	233,850	201,000	200,880	120
Total expenditures	1,352,200	1,210,200	908,084	302,116
Excess (deficiency) of revenues over (under) expenditures	(383,900)	(187,800)	151,279	339,079
OTHER FINANCING SOURCES (USES)				
Transfers in	38,000	38,000	38,000	-
Transfers out	(1,005,250)	(711,450)	(437,739)	273,711
Total other financing sources (uses)	(967,250)	(673,450)	(399,739)	273,711
Net change in fund balance	(1,351,150)	(861,250)	(248,460)	612,790
Fund balance, beginning of fiscal year	1,736,835	1,736,835	1,736,835	-
Fund balance, end of fiscal year	\$ 385,685	\$ 875,585	\$ 1,488,375	\$ 612,790

City of Carpinteria

Tidelands Trust Special Revenue Fund Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Charges for services	\$ 500	\$ 5,000	\$ 27,262	\$ 22,262
Interest	325,000	325,000	280,807	(44,193)
Miscellaneous	-	-	74	74
Total revenues	325,500	330,000	308,143	(21,857)
EXPENDITURES				
Current:				
Parks and recreation	274,500	276,400	245,732	30,668
Total expenditures	274,500	276,400	245,732	30,668
Excess (deficiency) of revenues over (under) expenditures	51,000	53,600	62,411	8,811
OTHER FINANCING SOURCES (USES)				
Transfers in	24,000	24,000	24,000	-
Transfers out	(101,350)	(12,200)	(20,223)	(8,023)
Total other financing sources (uses)	(77,350)	11,800	3,777	(8,023)
Net change in fund balance	(26,350)	65,400	66,188	788
Fund balance, beginning of fiscal year	458,501	458,501	458,501	-
Fund balance, end of fiscal year	\$ 432,151	\$ 523,901	\$ 524,689	\$ 788

City of Carpinteria

Revolving Fund Special Revenue Fund Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Fines and forfeits	\$ 105,400	\$ 61,750	\$ 61,916	\$ 166
Miscellaneous	100,800	112,800	122,490	9,690
Total revenues	206,200	174,550	184,406	9,856
EXPENDITURES				
Current:				
General government	20,000	11,000	12,678	(1,678)
Public works	21,300	23,350	16,472	6,878
Parks and recreation	15,800	47,100	92,233	(45,133)
Capital outlay	85,000	67,000	39,703	27,297
Total expenditures	142,100	148,450	161,086	(12,636)
Excess (deficiency) of revenues over (under) expenditures	64,100	26,100	23,320	(2,780)
OTHER FINANCING SOURCES (USES)				
Transfers out	(64,100)	(26,100)	(23,320)	2,780
Total other financing sources (uses)	(64,100)	(26,100)	(23,320)	2,780
Net change in fund balance	-	-	-	-
Fund balance, beginning of fiscal year	-	-	-	-
Fund balance, end of fiscal year	\$ -	\$ -	\$ -	\$ -

City of Carpinteria

Schedule of Proportionate Share of Net Pension Liability and Related Ratios Last 10 Years* As of June 30, 2023

Measurement Date	Proportion of net pension liability	Proportionate share of the net pension liability	Covered payroll	Proportionate share of the net pension liability as percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
June 30, 2014	0.07490%	\$ 4,660,841	\$ 2,306,493	202.07%	79.82%
June 30, 2015	0.07480%	5,134,179	2,435,091	210.84%	78.40%
June 30, 2016	0.07647%	6,617,331	2,472,058	267.69%	74.06%
June 30, 2017	0.07659%	7,595,683	2,669,641	284.52%	73.31%
June 30, 2018	0.07794%	7,510,128	2,495,201	300.98%	75.26%
June 30, 2019	0.07906%	8,100,834	2,586,349	313.22%	75.26%
June 30, 2020	0.08041%	8,749,282	2,703,377	323.64%	75.10%
June 30, 2021	0.10384%	5,615,991	2,800,679	200.52%	88.29%
June 30, 2022	0.08735%	10,089,193	3,009,791	335.21%	69.02%

* Measurement date 6/30/2014 (fiscal year 2015) was the first year of implementation. Additional years will be presented as information becomes available.

¹ Proportion of the net pension liability represents the plan's proportion of PERF C, which includes both the Miscellaneous and Safety Risk Pools excluding the 1959 Survivors Risk Pool.

City of Carpinteria

Schedule of Pension Contributions Last 10 Years* As of June 30, 2023

The following table provides required supplementary information regarding the City's Pension Plan.

Fiscal year	Contractually required contribution (actuarially determined)	Contribution in relation to the actuarially determined contributions	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll
June 30, 2015	\$ 328,288	\$ (328,288)	\$ -	\$ 2,435,091	13.48%
June 30, 2016	685,896	(685,896)	-	2,472,058	27.75%
June 30, 2017	447,362	(447,362)	-	2,669,641	16.76%
June 30, 2018	510,893	(510,893)	-	2,495,201	20.48%
June 30, 2019	554,356	(554,356)	-	2,586,349	21.43%
June 30, 2020	695,301	(695,301)	-	2,703,377	25.72%
June 30, 2021	783,279	(783,279)	-	2,800,679	27.97%
June 30, 2022	892,662	(892,662)	-	3,009,791	29.66%
June 30, 2023	995,935	(995,935)	-	3,174,874	31.37%

* Measurement date 6/30/2014 (fiscal year 2015) was the first year of implementation. Additional years will be presented as information becomes available.

Notes to Schedule

Changes in Benefit Terms: There were no changes to benefit terms that applied to all members of the Public Agency Pool. Additionally, the figures above do not include any liability impact that may have resulted from Golden Handshakes that occurred after the June 30, 2021 valuation date, unless the liability impact is deemed to be material to the Public Agency Pool.

Changes in 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. There were no assumption changes for 2021. For 2020, the Plan adopted a new amortization policy effective with the 2019 actuarial valuation. The new amortization policy shortens the period over which actuarial gains and losses are amortized from 30 years to 20 years with the payments computed as a level dollar amount. In addition, the new policy does not utilize a five-year ramp-up and ramp-down on UAL bases attributable to assumption changes and non-investment gains/losses. The new policy also does not utilize a five-year ramp-down on investment gains/losses. These changes apply only to new UAL bases established on or after June 30, 2019. There were no changes in assumptions in 2019. In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate in 2019. In 2017, the accounting discount rate was reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes in the discount rate. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense). In 2014, amounts reported were based on the 7.5 percent discount rate.

City of Carpinteria

Schedule of Changes in OPEB Liability and Related Ratios Last 10 Years* As of June 30, 2023

Measurement Period	2023	2022	2021	2020	2019	2018
Total OPEB Liability						
Service cost	\$ 109,790	\$ 105,667	\$ 74,852	\$ 66,976	\$ 193,627	\$ 217,554
Interest on the total OPEB liability	40,400	39,206	58,908	59,388	87,075	71,293
Difference between expected and actual experience	(370,463)	-	-	-	(498,532)	-
Changes in assumptions	(347,214)	12,427	(7,514)	79,004	(483,898)	(262,330)
Changes in benefit terms	-	-	-	-	-	-
Benefit payments	(64,554)	(65,667)	(66,500)	(62,984)	(75,620)	(68,028)
Net change in total OPEB Liability	(632,041)	91,633	59,746	142,384	(777,348)	(41,511)
Total OPEB liability, beginning	1,792,862	1,701,229	1,641,483	1,499,099	2,276,447	2,317,958
Total OPEB liability, ending (a)	\$ 1,160,821	\$ 1,792,862	\$ 1,701,229	\$ 1,641,483	\$ 1,499,099	\$ 2,276,447
Covered employee payroll	\$ 2,937,987	\$ 2,708,835	\$ 2,660,837	\$ 2,638,133	\$ 2,733,208	\$ 2,763,313
Total OPEB liability as a percentage of covered payroll	39.51%	66.19%	63.94%	62.22%	54.85%	82.38%

* Fiscal year 2018 was the 1st year of implementation, therefore only six years are shown.

Contributions are fixed and not based on a measure of pay, therefore, covered employee payroll is used.
There are no assets accumulated in a trust to pay related benefits that qualify for GASB 75.

SUPPLEMENTARY INFORMATION



City of Carpinteria

Capital Improvements Fund Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Fines and forfeits	\$ 5,582,850	\$ 1,753,900	\$ 1,164,612	\$ (589,288)
Charges for services	250	20,000	37,963	17,963
Interest	67,000	44,700	42,173	(2,527)
Miscellaneous	-	43,000	317,408	274,408
Total revenues	5,650,100	1,861,600	1,562,156	(299,444)
EXPENDITURES				
Capital outlay	11,589,400	5,853,900	4,596,278	1,257,622
Total expenditures	11,589,400	5,853,900	4,596,278	1,257,622
Excess (deficiency) of revenues over (under) expenditures	(5,939,300)	(3,992,300)	(3,034,122)	958,178
OTHER FINANCING SOURCES (USES)				
Transfers in	4,941,250	3,800,700	2,939,443	(861,257)
Total other financing sources (uses)	4,941,250	3,800,700	2,939,443	(861,257)
Net change in fund balance	(998,050)	(191,600)	(94,679)	96,921
Fund balance, beginning of fiscal year	2,025,653	2,025,653	2,025,653	-
Fund balance, end of fiscal year	\$ 1,027,603	\$ 1,834,053	\$ 1,930,974	\$ 96,921

Non-major Governmental Funds

The City has established the following governmental funds in order to account for the proceeds from revenue sources that are restricted to expenditures for specified purposes, debt service, and capital projects. Budgets are prepared using the modified accrual basis of accounting consistent with U.S. generally accepted accounting principles.

Special Revenue Funds:

Traffic Safety Fund - The Traffic Safety Fund is used to account for the receipt of fines assessed to violators of the California Vehicle Code within the City limits. Monies from this fund must be used for traffic safety purposes such as traffic signs and markings and related traffic safety enforcement activities.

Road Maintenance Rehab Fund - The Road Maintenance Fund is used to account for road maintenance and rehabilitation, safety projects, railroad grade separations, traffic control devices, and complete street components, including active transportation purposes, pedestrian and bicycle safety projects, transit facilities, and drainage and storm water capture projects in conjunction with any other allowable project. Funds made available by the program may also be used to satisfy a match requirement in order to obtain State or Federal funds for projects authorized by this subdivision.

Park Maintenance Fund - The Park Maintenance Fund is used to account for the receipt of special tax to be levied. The revenue from this fund are collected based upon authority of a public vote held on June 3, 1997 whereby over two-thirds of the voters approved. Expenditures from this fund are for parks maintenance needs including equipment replacement, water, grounds keeping and other enhancements.

Gas Tax Fund - The Gas Tax Fund is used to account for State Gas Tax Funds received as the City's share of the state-wide tax on gasoline and other motor vehicle fuels. Gas Tax Funds may only be used for construction, reconstruction and maintenance of public streets, drains and other right of way expenses, including labor costs.

Local Transportation Fund - The Local Transportation Fund is used to account for the City's share of the State Sales Tax on motor vehicle fuels. Revenues from this source must be used for maintenance of bikeways and are administered by the Santa Barbara County Association of Governments.

Street Lighting Fund - The Street Lighting Fund is used to account for the Street Lighting District #1 that is officially an independent special district governed by the City Council and is included within the City's overall budget for convenience. District revenues are derived from the district's share of the advalorem tax pursuant to Proposition 13 in addition to interest earnings and state assistance. Monies from this fund may be expended on street lighting, parking lot lighting and other public lighting operations, maintenance and capital improvements.

Non- Major Governmental Funds

Special Revenue Funds, (continued):

Right-of-Way Assessment District Fund - The R-O-W Assessment District Fund is used to account for the special right-of-way assessment placed on all eligible properties throughout the City. Revenues for this fund are the individual assessments plus interest earned. Expenditures from this fund must be used only for repairs and improvements to curves, gutters, sidewalks and other right-of-way improvements plus operation and maintenance of the City's street tree program.

Parking and Business Improvement Area Fund - The Parking and Business Improvement Area Fund is used to account funds collected and expended pursuant to the California Parking and Business Improvement Area Law of 1989. Businesses are assessed for business improvement and promotion activities. Certain businesses are assessed an additional amount to assist in payment of annual obligations to finance the construction of these parking lots.

AB 939 Fund - The AB 939 Fund is used to account for fees paid by the solid waste collection franchisee for implementation of the City's integrated solid waste management program. The authority for the collection of such fees is the Integrated Waste Management Act of 1989 (State Assembly Bill 939). In addition to the general administration of the City's solid waste program, funds are also used to finance special hazardous waste collection day.

Recreation Services Fund - The Recreation Services Fund is used to account for the Community Pool, The City's recreational programming, and the revenues and expenses of the Veteran's Memorial Building. Revenues into this fund include user fees from the various programming as well as a general fund subsidy. Expenses are all associated with facilities and programming incorporated in this fund.

Housing Fund - The Housing Fund is used to account for the Workforce Homebuyers Down Payment Loan Program to expand homeownership opportunities in the City.

PEG Fee Fund - The Public, Education, Government (PEG) Fund is used to account for fees to be used for cable television programming.

Library Fund - The Library Fund is used to account for the operations of the City of Carpinteria Library.

City of Carpinteria

Non-major Governmental Funds Combining Balance Sheet June 30, 2023

	Special Revenue Funds						
	Traffic Safety	Road Maintenance Rehabilitation	Park Maintenance	Gas Tax	Local Transportation	Street Lighting	Right of Way
ASSETS:							
Cash and investments	\$ 40,624	\$ 244,723	\$ 20,494	\$ 461,445	\$ 4,475	\$ 477,429	\$ 13,148
Accounts receivable	4,052	52,354	-	30,500	3,146	1,774	-
Notes receivable	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-
Total assets	<u>\$ 44,676</u>	<u>\$ 297,077</u>	<u>\$ 20,494</u>	<u>\$ 491,945</u>	<u>\$ 7,621</u>	<u>\$ 479,203</u>	<u>\$ 13,148</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES:							
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ 18,143	\$ 3,124	\$ -	\$ 10,910	\$ 10,665
Accrued liabilities	-	-	2,351	3,383	164	844	2,483
Unearned revenue	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>20,494</u>	<u>6,507</u>	<u>164</u>	<u>11,754</u>	<u>13,148</u>
DEFERRED INFLOWS OF RESOURCES:							
Unavailable revenue	-	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES							
Nonspendable	-	-	-	-	-	-	-
Restricted for recycling	-	-	-	-	-	-	-
Restricted for cable television access	-	-	-	-	-	-	-
Restricted for streets	44,676	297,077	-	485,438	7,457	467,449	-
Restricted for housing	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
Total fund balances	<u>44,676</u>	<u>297,077</u>	<u>-</u>	<u>485,438</u>	<u>7,457</u>	<u>467,449</u>	<u>-</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 44,676</u>	<u>\$ 297,077</u>	<u>\$ 20,494</u>	<u>\$ 491,945</u>	<u>\$ 7,621</u>	<u>\$ 479,203</u>	<u>\$ 13,148</u>

City of Carpinteria

Non-major Governmental Funds Combining Balance Sheet (concluded) June 30, 2023

Special Revenue Funds						
Parking and Business Improvement	AB 939 Solid Waste	Recreation Services	Housing	PEG Fee	Library	Totals
\$ 33,338	\$ 21,057	\$ 14,254	\$ 535,070	\$ 64,288	\$ 17,144	\$ 1,947,489
124	70,521	-	4,988	9,335	-	176,794
-	-	-	533,525	-	-	533,525
-	-	27,781	-	-	-	27,781
<u>\$ 33,462</u>	<u>\$ 91,578</u>	<u>\$ 42,035</u>	<u>\$ 1,073,583</u>	<u>\$ 73,623</u>	<u>\$ 17,144</u>	<u>\$ 2,685,589</u>
\$ 8	\$ 40,273	\$ 20,365	\$ 4,293	\$ 890	\$ 8,906	\$ 117,577
-	2,909	21,255	-	60	8,238	41,687
14,839	-	-	-	-	-	14,839
<u>14,847</u>	<u>43,182</u>	<u>41,620</u>	<u>4,293</u>	<u>950</u>	<u>17,144</u>	<u>174,103</u>
-	-	-	533,525	-	-	533,525
-	-	-	533,525	-	-	533,525
-	-	27,781	-	-	-	27,781
-	48,396	-	-	-	-	48,396
-	-	-	-	72,673	-	72,673
18,615	-	-	-	-	-	1,320,712
-	-	-	535,765	-	-	535,765
-	-	(27,366)	-	-	-	(27,366)
<u>18,615</u>	<u>48,396</u>	<u>415</u>	<u>535,765</u>	<u>72,673</u>	<u>-</u>	<u>1,977,961</u>
<u>\$ 33,462</u>	<u>\$ 91,578</u>	<u>\$ 42,035</u>	<u>\$ 1,073,583</u>	<u>\$ 73,623</u>	<u>\$ 17,144</u>	<u>\$ 2,685,589</u>

City of Carpinteria

Non-major Governmental Funds Combining Statement of Revenues, Expenditures and Changes in Fund Balance For the Fiscal Year Ended June 30, 2023

	Special Revenue Funds						
	Traffic Safety	Road Maintenance Rehabilitation	Park Maintenance	Gas Tax	Local Transportation	Street Lighting	Right of Way
REVENUES:							
Property taxes	\$ -	\$ -	\$ 151,325	\$ -	\$ -	\$ 232,470	\$ 204
Special assessments	-	-	49,318	-	-	-	195,505
Fines and forfeits	45,840	-	-	-	-	-	-
Intergovernmental	-	293,587	-	330,407	14,835	-	-
Use of money and property	563	3,636	129	7,380	155	7,328	136
Charges for services	-	-	14,852	-	-	-	-
Miscellaneous	2,414	-	4,273	1,421	474	474	2,421
Total revenues	48,817	297,223	219,897	339,208	15,464	240,272	198,266
EXPENDITURES:							
Current:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Public works and streets	-	-	-	189,143	33,829	171,069	353,663
Parks and recreation	19,085	-	459,227	-	-	-	-
Capital outlay	-	-	80,385	19,518	-	-	-
Total expenditures	19,085	-	539,612	208,661	33,829	171,069	353,663
Excess (deficiency) of revenues over (under) expenditures	29,732	297,223	(319,715)	130,547	(18,365)	69,203	(155,397)
OTHER FINANCING SOURCES (USES)							
Subscription acquisition	-	-	-	-	-	-	-
Transfers in	2,000	-	330,022	27,000	7,000	2,500	155,811
Transfers out	-	(49,501)	-	-	-	-	-
Total other financing sources (uses)	2,000	(49,501)	330,022	27,000	7,000	2,500	155,811
Net change in fund balances	31,732	247,722	10,307	157,547	(11,365)	71,703	414
Fund balance, beginning of fiscal year, as restated	12,944	49,355	(10,307)	327,891	18,822	395,746	(414)
Fund balance, end of fiscal year	\$ 44,676	\$ 297,077	\$ -	\$ 485,438	\$ 7,457	\$ 467,449	\$ -

City of Carpinteria

Non-major Governmental Funds Combining Statement of Revenues, Expenditures and Changes in Fund Balance (concluded) For the Fiscal Year Ended June 30, 2023

Special Revenue Funds						
Parking and Business Improvement	AB 939 Solid Waste	Recreation Services	Housing	PEG Fee	Library	Totals
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 383,999
14,883	-	-	-	-	-	259,706
-	-	-	-	-	-	45,840
-	-	8,750	-	-	-	647,579
494	1,368	956	15,248	1,166	-	38,559
-	265,890	474,203	-	38,035	149,393	942,373
-	12,684	20,542	30	3,105	15,552	63,390
<u>15,377</u>	<u>279,942</u>	<u>504,451</u>	<u>15,278</u>	<u>42,306</u>	<u>164,945</u>	<u>2,381,446</u>
8,222	-	-	205,717	96,324	35,588	345,851
-	-	-	-	-	-	-
4,666	515,169	-	-	-	-	1,267,539
-	-	1,065,270	-	-	585,016	2,128,598
-	-	60,859	-	22,203	-	182,965
<u>12,888</u>	<u>515,169</u>	<u>1,126,129</u>	<u>205,717</u>	<u>118,527</u>	<u>620,604</u>	<u>3,924,953</u>
<u>2,489</u>	<u>(235,227)</u>	<u>(621,678)</u>	<u>(190,439)</u>	<u>(76,221)</u>	<u>(455,659)</u>	<u>(1,543,507)</u>
-	-	-	-	22,203	-	22,203
2,000	23,000	592,746	-	5,500	455,048	1,602,627
-	-	-	-	-	-	(49,501)
<u>2,000</u>	<u>23,000</u>	<u>592,746</u>	<u>-</u>	<u>27,703</u>	<u>455,048</u>	<u>1,575,329</u>
4,489	(212,227)	(28,932)	(190,439)	(48,518)	(611)	31,822
<u>14,126</u>	<u>260,623</u>	<u>29,347</u>	<u>726,204</u>	<u>121,191</u>	<u>611</u>	<u>1,946,139</u>
<u>\$ 18,615</u>	<u>\$ 48,396</u>	<u>\$ 415</u>	<u>\$ 535,765</u>	<u>\$ 72,673</u>	<u>\$ -</u>	<u>\$ 1,977,961</u>

City of Carpinteria

Schedule of Revenues, Expenditures and Changes in Fund Balance Non-major Governmental Funds Traffic Safety Fund – Special Revenue Fund Budget and Actual For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Intergovernmental	\$ 15,000	\$ 30,000	\$ 45,840	\$ 15,840
Charges for services	50	300	563	263
Miscellaneous	2,500	2,500	2,414	(86)
Total revenues	17,550	32,800	48,817	16,017
EXPENDITURES				
Current:				
Parks and recreation	20,850	20,850	19,085	1,765
Total expenditures	20,850	20,850	19,085	1,765
Excess (deficiency) of revenues over (under) expenditures	(3,300)	11,950	29,732	17,782
OTHER FINANCING SOURCES (USES)				
Transfers in	2,000	2,000	2,000	-
Total other financing sources (uses)	2,000	2,000	2,000	-
Net change in fund balance	(1,300)	13,950	31,732	17,782
Fund balance, beginning of fiscal year	12,944	12,944	12,944	-
Fund balance, end of fiscal year	\$ 11,644	\$ 26,894	\$ 44,676	\$ 17,782

City of Carpinteria

Schedule of Revenues, Expenditures and Changes in Fund Balance Non-major Governmental Funds Road Maintenance Rehabilitation Fund – Special Revenue Fund Budget and Actual For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Fines and forfeits	\$ 292,200	\$ 285,000	\$ 293,587	\$ 8,587
Charges for services	500	2,500	3,636	1,136
Total revenues	292,700	287,500	297,223	9,723
EXPENDITURES				
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	292,700	287,500	297,223	9,723
OTHER FINANCING SOURCES (USES)				
Transfers out	(290,000)	(50,000)	(49,501)	499
Total other financing sources (uses)	(290,000)	(50,000)	(49,501)	499
Net change in fund balance	2,700	237,500	247,722	10,222
Fund balance, beginning of fiscal year	49,355	49,355	49,355	-
Fund balance, end of fiscal year	\$ 52,055	\$ 286,855	\$ 297,077	\$ 10,222

City of Carpinteria

Schedule of Revenues, Expenditures and Changes in Fund Balance Non-major Governmental Funds Park Maintenance Fund – Special Revenue Fund Budget and Actual For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Property taxes	\$ 148,000	\$ 148,000	\$ 151,325	\$ 3,325
Special assessments	70,500	49,900	49,318	(582)
Charges for services	-	150	129	(21)
Interest	2,000	15,000	14,852	(148)
Miscellaneous	-	4,400	4,273	(127)
Total revenues	220,500	217,450	219,897	2,447
EXPENDITURES				
Current:				
Parks and recreation	479,600	487,200	459,227	27,973
Capital outlay	100,000	100,000	80,385	19,615
Total expenditures	579,600	587,200	539,612	47,588
Excess (deficiency) of revenues over (under) expenditures	(359,100)	(369,750)	(319,715)	50,035
OTHER FINANCING SOURCES (USES)				
Transfers in	359,100	380,100	330,022	(50,078)
Total other financing sources (uses)	359,100	380,100	330,022	(50,078)
Net change in fund balance	-	10,350	10,307	(43)
Fund balance, beginning of fiscal year	(10,307)	(10,307)	(10,307)	-
Fund balance, end of fiscal year	\$ (10,307)	\$ 43	\$ -	\$ (43)

City of Carpinteria

Schedule of Revenues, Expenditures and Changes in Fund Balance Non-major Governmental Funds Gas Tax Fund – Special Revenue Fund Budget and Actual For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Fines and forfeits	\$ 361,800	\$ 335,300	\$ 330,407	\$ (4,893)
Charges for services	500	5,000	7,380	2,380
Miscellaneous	-	1,500	1,421	(79)
Total revenues	362,300	341,800	339,208	(2,592)
EXPENDITURES				
Current:				
Public works and streets	249,750	228,400	189,143	39,257
Capital outlay	20,000	20,000	19,518	482
Total expenditures	269,750	248,400	208,661	39,739
Excess (deficiency) of revenues over (under) expenditures	92,550	93,400	130,547	37,147
OTHER FINANCING SOURCES (USES)				
Transfers in	27,000	27,000	27,000	-
Total other financing sources (uses)	27,000	27,000	27,000	-
Net change in fund balance	119,550	120,400	157,547	37,147
Fund balance, beginning of fiscal year	327,891	327,891	327,891	-
Fund balance, end of fiscal year	\$ 447,441	\$ 448,291	\$ 485,438	\$ 37,147

City of Carpinteria

Schedule of Revenues, Expenditures and Changes in Fund Balance Non-major Governmental Funds Local Transportation Fund – Special Revenue Fund Budget and Actual For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Fines and forfeits	\$ 14,000	\$ 14,000	\$ 14,835	\$ 835
Charges for services	100	100	155	55
Miscellaneous	-	500	474	(26)
Total revenues	14,100	14,600	15,464	864
EXPENDITURES				
Current:				
Public works and streets	42,500	38,400	33,829	4,571
Total expenditures	42,500	38,400	33,829	4,571
Excess (deficiency) of revenues over (under) expenditures	(28,400)	(23,800)	(18,365)	5,435
OTHER FINANCING SOURCES (USES)				
Transfers in	7,000	7,000	7,000	-
Total other financing sources (uses)	7,000	7,000	7,000	-
Net change in fund balance	(21,400)	(16,800)	(11,365)	5,435
Fund balance, beginning of fiscal year	18,822	18,822	18,822	-
Fund balance, end of fiscal year	\$ (2,578)	\$ 2,022	\$ 7,457	\$ 5,435

City of Carpinteria

Schedule of Revenues, Expenditures and Changes in Fund Balance Non-major Governmental Funds Street Lighting District Fund – Special Revenue Fund Budget and Actual For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Property taxes	\$ 226,250	\$ 217,750	\$ 232,470	\$ 14,720
Charges for services	1,000	3,000	7,328	4,328
Miscellaneous	-	500	474	(26)
Total revenues	227,250	221,250	240,272	19,022
EXPENDITURES				
Current:				
Public works and streets	173,000	184,300	171,069	13,231
Total expenditures	173,000	184,300	171,069	13,231
Excess (deficiency) of revenues over (under) expenditures	54,250	36,950	69,203	32,253
OTHER FINANCING SOURCES (USES)				
Transfers in	2,500	2,500	2,500	-
Total other financing sources (uses)	2,500	2,500	2,500	-
Net change in fund balance	56,750	39,450	71,703	32,253
Fund balance, beginning of fiscal year	395,746	395,746	395,746	-
Fund balance, end of fiscal year	\$ 452,496	\$ 435,196	\$ 467,449	\$ 32,253

City of Carpinteria

Schedule of Revenues, Expenditures and Changes in Fund Balance Non-major Governmental Funds Right-of-Way Fund – Special Revenue Fund Budget and Actual For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Property taxes	\$ 50	\$ 50	\$ 204	\$ 154
Special assessments	196,900	196,900	195,505	-
Charges for services	-	150	136	(14)
Miscellaneous	-	2,500	2,421	(79)
Total revenues	196,950	199,600	198,266	61
EXPENDITURES				
Current:				
Public works and streets	289,500	347,600	353,663	(6,063)
Total expenditures	289,500	347,600	353,663	(6,063)
Excess (deficiency) of revenues over (under) expenditures	(92,550)	(148,000)	(155,397)	(7,397)
OTHER FINANCING SOURCES (USES)				
Transfers in	92,700	148,450	155,811	7,361
Total other financing sources (uses)	92,700	148,450	155,811	7,361
Net change in fund balance	150	450	414	(36)
Fund balance, beginning of fiscal year	(414)	(414)	(414)	-
Fund balance, end of fiscal year	\$ (264)	\$ 36	\$ -	\$ (36)

City of Carpinteria

Schedule of Revenues, Expenditures and Changes in Fund Balance Non-major Governmental Funds Parking and Business Improvement Fund – Special Revenue Fund Budget and Actual For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Special assessments	\$ 15,000	\$ 15,000	\$ 14,883	(117)
Charges for services	50	200	494	294
Total revenues	15,050	15,200	15,377	177
EXPENDITURES				
Current:				
General government	13,500	13,450	8,222	5,228
Public works and streets	5,700	5,700	4,666	1,034
Total expenditures	19,200	19,150	12,888	6,262
Excess (deficiency) of revenues over (under) expenditures	(4,150)	(3,950)	2,489	6,439
OTHER FINANCING SOURCES (USES)				
Transfers in	2,000	2,000	2,000	-
Total other financing sources (uses)	2,000	2,000	2,000	-
Net change in fund balance	(2,150)	(1,950)	4,489	6,439
Fund balance, beginning of fiscal year	14,126	14,126	14,126	-
Fund balance, end of fiscal year	\$ 11,976	\$ 12,176	\$ 18,615	\$ 6,439

City of Carpinteria

Schedule of Revenues, Expenditures and Changes in Fund Balance Non-major Governmental Funds AB 939 Solid Waste Fund – Special Revenue Fund Budget and Actual For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Charges for services	\$ 500	\$ 1,500	\$ 1,368	\$ (132)
Interest	245,000	245,000	265,890	20,890
Miscellaneous	-	8,500	12,684	4,184
Total revenues	245,500	255,000	279,942	24,942
EXPENDITURES				
Current:				
Public works and streets	512,950	473,000	515,169	(42,169)
Total expenditures	512,950	473,000	515,169	(42,169)
Excess (deficiency) of revenues over (under) expenditures	(267,450)	(218,000)	(235,227)	(17,227)
OTHER FINANCING SOURCES (USES)				
Transfers in	23,000	23,000	23,000	-
Total other financing sources (uses)	23,000	23,000	23,000	-
Net change in fund balance	(244,450)	(195,000)	(212,227)	(17,227)
Fund balance, beginning of fiscal year	260,623	260,623	260,623	-
Fund balance, end of fiscal year	\$ 16,173	\$ 65,623	\$ 48,396	\$ (17,227)

City of Carpinteria

Schedule of Revenues, Expenditures and Changes in Fund Balance Non-major Governmental Funds Recreation Services Fund – Special Revenue Fund Budget and Actual For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Fines and forfeits	\$ 5,500	\$ 8,750	\$ 8,750	\$ -
Charges for services	-	-	956	956
Interest	375,000	449,000	474,203	25,203
Miscellaneous	-	20,550	20,542	(8)
Total revenues	380,500	478,300	504,451	26,151
EXPENDITURES				
Current:				
Parks and recreation	976,050	1,047,400	1,065,270	(17,870)
Capital outlay	67,000	80,500	60,859	19,641
Total expenditures	1,043,050	1,127,900	1,126,129	1,771
Excess (deficiency) of revenues over (under) expenditures	(662,550)	(649,600)	(621,678)	27,922
OTHER FINANCING SOURCES (USES)				
Transfers in	662,550	622,100	592,746	(29,354)
Total other financing sources (uses)	662,550	622,100	592,746	(29,354)
Net change in fund balance	-	(27,500)	(28,932)	(1,432)
Fund balance, beginning of fiscal year, as restated	29,347	29,347	29,347	-
Fund balance, end of fiscal year	\$ 29,347	\$ 1,847	\$ 415	\$ (1,432)

City of Carpinteria

Schedule of Revenues, Expenditures and Changes in Fund Balance
Non-major Governmental Funds
Housing Fund – Special Revenue Fund
Budget and Actual
For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Charges for services	\$ 1,500	\$ 10,000	\$ 15,248	\$ 5,248
Miscellaneous	-	-	30	30
Total revenues	1,500	10,000	15,278	5,278
EXPENDITURES				
Current:				
General government	19,400	206,400	205,717	683
Total expenditures	19,400	206,400	205,717	683
Net change in fund balance	(17,900)	(196,400)	(190,439)	5,961
Fund balance, beginning of fiscal year	726,204	726,204	726,204	-
Fund balance, end of fiscal year	\$ 708,304	\$ 529,804	\$ 535,765	\$ 5,961

City of Carpinteria

Schedule of Revenues, Expenditures and Changes in Fund Balance Non-major Governmental Funds PEG Fee Fund – Special Revenue Fund Budget and Actual For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Charges for services	\$ 250	\$ 500	\$ 1,166	\$ 666
Interest	42,000	38,000	38,035	35
Miscellaneous	2,000	2,400	3,105	705
Total revenues	44,250	40,900	42,306	1,406
EXPENDITURES				
Current:				
General government	110,400	110,050	96,324	13,726
Capital outlay	-	-	22,203	(22,203)
Total expenditures	110,400	110,050	118,527	(8,477)
Excess (deficiency) of revenues over (under) expenditures	(66,150)	(69,150)	(76,221)	(7,071)
OTHER FINANCING SOURCES (USES)				
Subscription acquisition	-	22,203	22,203	-
Transfers in	5,500	5,500	5,500	-
Total other financing sources (uses)	5,500	27,703	27,703	-
Net change in fund balance	(60,650)	(41,447)	(48,518)	(7,071)
Fund balance, beginning of fiscal year	121,191	121,191	121,191	-
Fund balance, end of fiscal year	\$ 60,541	\$ 79,744	\$ 72,673	\$ (7,071)

City of Carpinteria

Schedule of Revenues, Expenditures and Changes in Fund Balance Non-major Governmental Funds Library Fund – Special Revenue Fund Budget and Actual For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Interest	\$ 147,100	\$ 149,100	\$ 149,393	\$ 293
Miscellaneous	50,000	33,000	15,552	(17,448)
Total revenues	197,100	182,100	164,945	(17,155)
EXPENDITURES				
Current:				
General government	38,500	54,500	35,588	18,912
Parks and recreation	786,350	592,550	585,016	7,534
Capital outlay	33,000	-	-	-
Total expenditures	857,850	647,050	620,604	26,446
Excess (deficiency) of revenues over (under) expenditures	(660,750)	(464,950)	(455,659)	9,291
OTHER FINANCING SOURCES (USES)				
Transfers in	660,750	464,300	455,048	(9,252)
Total other financing sources (uses)	660,750	464,300	455,048	(9,252)
Net change in fund balance	-	(650)	(611)	39
Fund balance, beginning of fiscal year	611	611	611	-
Fund balance, end of fiscal year	\$ 611	\$ (39)	\$ -	\$ 39

STATISTICAL SECTION



City of Carpinteria

Statistical Section For the Fiscal Year Ending June30, 2023

This part of the City of Carpinteria's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information reveals about the City's overall financial health.

CONTENTS		Page
Financial Trends	These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	79
Revenue Capacity	These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property and sales taxes.	86
Debt Capacity	These schedules present information to help assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	91
Demographic and Economic Information	These schedules offer demographic and economic indicators to help understand the environment within which the City's financial activities take place.	96
Operating Information	These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.	98



City of Carpinteria

Schedule of Changes Net Position By Component Last Ten Fiscal Years (accrual basis of accounting)

	2019	2020	2021	2022	2023
Governmental activities					
Net investment in capital assets	\$ 22,878,404	\$ 28,594,754	\$ 32,095,926	\$ 34,749,467	\$ 39,085,569
Restricted	5,949,116	6,421,673	7,425,708	6,806,924	7,102,592
Unrestricted	657,539	1,553,460	1,496,155	5,167,758	7,156,179
Total governmental activities net position	<u>\$ 29,485,059</u>	<u>\$ 36,569,887</u>	<u>\$ 41,017,789</u>	<u>\$ 46,724,149</u>	<u>\$ 53,344,340</u>
Primary government (City wide totals)					
Net investment in capital assets	\$ 22,878,404	\$ 28,594,754	\$ 32,095,926	\$ 34,749,467	\$ 39,085,569
Restricted	5,949,116	6,421,673	7,425,708	6,806,924	7,102,592
Unrestricted	657,539	15,534,660	1,496,155	5,167,758	7,156,179
Total primary government net position	<u>\$ 29,485,059</u>	<u>\$ 50,551,087</u>	<u>\$ 41,017,789</u>	<u>\$ 46,724,149</u>	<u>\$ 53,344,340</u>
	2014	2015	2016	2017	2018
Governmental activities					
Net investment in capital assets	\$ 10,403,137	\$ 18,752,543	\$ 19,256,641	\$ 19,923,896	\$ 21,201,117
Restricted	6,498,990	6,635,977	5,949,721	7,159,751	6,673,049
Unrestricted	9,333,445	826,607	1,373,207	(260,945)	(623,857)
Total governmental activities net position	<u>\$ 26,235,572</u>	<u>\$ 26,215,127</u>	<u>\$ 26,579,569</u>	<u>\$ 26,822,702</u>	<u>\$ 27,250,309</u>
Primary government (City wide totals)					
Net investment in capital assets	\$ 10,403,137	\$ 18,752,543	\$ 19,256,641	\$ 19,923,896	\$ 21,201,117
Restricted	6,498,990	6,635,977	5,949,721	7,159,751	6,673,049
Unrestricted	9,333,445	826,607	1,373,207	(260,945)	(623,857)
Total primary government net position	<u>\$ 26,235,572</u>	<u>\$ 26,215,127</u>	<u>\$ 26,579,569</u>	<u>\$ 26,822,702</u>	<u>\$ 27,250,309</u>

Source: City of Carpinteria

City of Carpinteria

Schedule of Changes Net Position Last Ten Fiscal Years (accrual basis of accounting)

	2014	2015	2016	2017	2018
Expenses					
Governmental Activities:					
General government	\$ 3,643,689	\$ 3,392,625	\$ 3,945,980	\$ 4,089,430	\$ 4,992,268
Public safety	2,863,491	3,805,193	3,623,748	3,847,015	4,015,026
Public works and streets	2,571,301	2,516,574	3,173,896	3,316,121	3,798,587
Parks and recreation	1,691,338	1,556,728	1,618,317	1,713,791	1,734,987
Interest on long-term debt	42,115	28,842	21,665	-	6,453
Total governmental activities expenses	<u>\$ 10,811,934</u>	<u>\$ 11,299,962</u>	<u>\$ 12,383,606</u>	<u>\$ 12,966,357</u>	<u>\$ 14,547,321</u>
Total primary government expenses	<u>\$ 10,811,934</u>	<u>\$ 11,299,962</u>	<u>\$ 12,383,606</u>	<u>\$ 12,966,357</u>	<u>\$ 14,547,321</u>
Program Revenues					
Governmental activities					
Charges for services					
General government	\$ 407,630	\$ 373,398	\$ 473,436	\$ 376,726	\$ 460,427
Public safety	116,927	88,528	118,930	102,104	173,263
Public works	615,098	780,293	596,135	611,045	504,692
Parks and recreation	1,188,270	987,432	848,388	922,434	792,892
Operating grants and contributions	1,858,200	2,006,552	1,255,382	1,050,751	2,146,260
Capital grants and contributions	-	-	333,563	1,169,000	1,172,594
Total governmental activities program revenues	<u>\$ 4,186,125</u>	<u>\$ 4,236,203</u>	<u>\$ 3,625,834</u>	<u>\$ 4,232,060</u>	<u>\$ 5,250,128</u>
Total primary government program revenues	<u>\$ 4,186,125</u>	<u>\$ 4,236,203</u>	<u>\$ 3,625,834</u>	<u>\$ 4,232,060</u>	<u>\$ 5,250,128</u>
Net (Expense)/ Revenue					
Governmental activities	<u>\$ (7,082,316)</u>	<u>\$ (7,063,759)</u>	<u>\$ (8,757,772)</u>	<u>\$ (8,748,130)</u>	<u>\$ (9,297,193)</u>
Total City government	<u>\$ (7,082,316)</u>	<u>\$ (7,063,759)</u>	<u>\$ (8,757,772)</u>	<u>\$ (8,748,130)</u>	<u>\$ (9,297,193)</u>
General Revenues and Other Changes in Net Position					
Governmental activities					
Taxes					
Property taxes	\$ 2,875,344	\$ 2,962,918	\$ 3,142,567	\$ 3,291,947	\$ 3,580,012
Sales and use taxes	1,739,414	2,054,033	2,090,019	1,939,686	1,935,212
Other taxes	2,742,122	3,593,823	3,681,124	3,742,734	3,897,842
Miscellaneous motor vehicle in lieu fees not restricted to a specific program	33,299	-	-	-	-
Other general revenues	7,907	53,208	25,242	16,896	69,230
Investment earnings	57,164	(88,082)	183,262	-	-
Total governmental activities	<u>7,455,250</u>	<u>8,575,900</u>	<u>9,122,214</u>	<u>8,991,263</u>	<u>9,482,296</u>
Total City government	<u>\$ 7,455,250</u>	<u>\$ 8,575,900</u>	<u>\$ 9,122,214</u>	<u>\$ 8,991,263</u>	<u>\$ 9,482,296</u>
Change in net position					
Governmental activities	<u>\$ 372,934</u>	<u>\$ 1,512,141</u>	<u>\$ 364,442</u>	<u>\$ 243,133</u>	<u>\$ 185,103</u>
Total City government	<u>\$ 372,934</u>	<u>\$ 1,512,141</u>	<u>\$ 364,442</u>	<u>\$ 243,133</u>	<u>\$ 185,103</u>

Source: City of Carpinteria

City of Carpinteria

Schedule of Changes Net Position Last Ten Fiscal Years (accrual basis of accounting)

	2019	2020	2021	2022	2023
Expenses					
Governmental Activities:					
General government	\$ 6,402,259	\$ 6,962,506	\$ 5,420,633	\$ 7,277,140	\$ 6,113,371
Public safety	3,839,003	4,205,759	4,222,540	4,848,534	4,421,423
Public works and streets	2,527,811	2,335,610	3,118,807	2,222,126	3,805,370
Parks and recreation	1,536,832	1,627,747	1,749,597	2,228,902	2,826,648
Interest on long-term debt	-	-	-	-	-
Total governmental activities expenses	<u>\$ 14,305,905</u>	<u>\$ 15,131,622</u>	<u>\$ 14,511,577</u>	<u>\$ 16,576,702</u>	<u>\$ 17,166,812</u>
Total primary government expenses	<u>\$ 14,305,905</u>	<u>\$ 15,131,622</u>	<u>\$ 14,511,577</u>	<u>\$ 16,576,702</u>	<u>\$ 17,166,812</u>
Program Revenues					
Governmental activities					
Charges for services					
General government	\$ 262,758	\$ 301,979	\$ 566,239	\$ 727,724	\$ 523,136
Public safety	-	-	-	-	-
Public works	729,320	559,981	480,318	305,300	42,173
Parks and recreation	440,442	354,161	808,010	1,084,739	1,223,181
Operating grants and contributions	2,073,316	2,028,774	1,874,733	3,718,249	3,565,750
Capital grants and contributions	560,627	1,395,580	813,619	970,771	1,164,612
Total governmental activities program revenues	<u>\$ 4,066,463</u>	<u>\$ 4,640,475</u>	<u>\$ 4,542,919</u>	<u>\$ 6,806,783</u>	<u>\$ 6,518,852</u>
Total primary government program revenues	<u>\$ 4,066,463</u>	<u>\$ 4,640,475</u>	<u>\$ 4,542,919</u>	<u>\$ 6,806,783</u>	<u>\$ 6,518,852</u>
Net (Expense)/ Revenue					
Governmental activities	<u>\$ (10,239,442)</u>	<u>\$ (10,491,147)</u>	<u>\$ (9,968,658)</u>	<u>\$ (9,769,919)</u>	<u>\$ (10,647,960)</u>
Total City government	<u>\$ (10,239,442)</u>	<u>\$ (10,491,147)</u>	<u>\$ (9,968,658)</u>	<u>\$ (9,769,919)</u>	<u>\$ (10,647,960)</u>
General Revenues and Other Changes in Net Position					
Governmental activities					
Taxes					
Property taxes	\$ 4,298,673	\$ 4,686,335	\$ 4,939,368	\$ 5,188,273	\$ 5,512,042
Sales and use taxes	2,564,179	4,714,243	5,271,570	6,215,507	5,971,207
Other taxes	3,247,767	2,780,435	2,939,406	4,236,470	4,264,676
Miscellaneous motor vehicle in lieu fees not restricted to a specific program	-	-	-	-	-
Other general revenues	1,897,634	4,518,029	538,381	369,876	692,291
Investment earnings	296,110	627,348	141,208	(533,847)	639,453
Total governmental activities	<u>12,304,363</u>	<u>17,326,390</u>	<u>13,829,933</u>	<u>15,476,279</u>	<u>17,079,669</u>
Total City government	<u>\$ 12,304,363</u>	<u>\$ 17,326,390</u>	<u>\$ 13,829,933</u>	<u>\$ 15,476,279</u>	<u>\$ 17,079,669</u>
Change in net position					
Governmental activities	<u>\$ 2,064,921</u>	<u>\$ 6,835,243</u>	<u>\$ 3,861,275</u>	<u>\$ 5,706,360</u>	<u>\$ 6,431,709</u>
Total City government	<u>\$ 2,064,921</u>	<u>\$ 6,835,243</u>	<u>\$ 3,861,275</u>	<u>\$ 5,706,360</u>	<u>\$ 6,431,709</u>

Source: City of Carpinteria

City of Carpinteria

Schedule of Fund Balances of Governmental Funds Last Ten Fiscal Years (modified accrual basis of accounting)

	2014	2015	2016	2017	2018
General fund					
Nonspendable	\$ 4,167	\$ 4,167	\$ 216,537	\$ 16,478	\$ 556
Restricted	324,734	217,091	191,981	179,242	1,141,465
Committed	6,091,164	6,233,213	6,528,226	6,592,489	5,639,967
Assigned	-	-	-	-	-
Unassigned	1,538,606	1,972,371	1,734,662	1,421,593.00	2,181,761
Total general fund	<u>\$ 7,958,671</u>	<u>\$ 8,426,842</u>	<u>\$ 8,671,406</u>	<u>\$ 8,209,802</u>	<u>\$ 8,963,749</u>
All other governmental funds					
Nonspendable	\$ 15,887	\$ 26,439	\$ 26,439	\$ 19,326	\$ 32,441
Restricted	7,198,891	6,418,886	6,757,800	7,150,509	5,531,584
Committed	-	-	34,151	34,151	34,151
Unassigned	42,915	42,912	-	-	-
Total all other governmental fund	<u>\$ 7,257,693</u>	<u>\$ 6,488,237</u>	<u>\$ 6,818,390</u>	<u>\$ 7,203,986</u>	<u>\$ 5,598,176</u>

Source: City of Carpinteria

City of Carpinteria

Schedule of Fund Balances of Governmental Funds Last Ten Fiscal Years (modified accrual basis of accounting)

	2019	2020	2021	2022	2023
General fund					
Nonspendable	\$ -	\$ -	\$ 350	\$ -	\$ 7,715
Restricted	1,721,343	4,168,410	1,438,613	1,116,923	1,172,172
Committed	6,132,441	6,074,608	5,757,473	5,958,673	6,798,287
Assigned	-	-	3,645,131	4,153,242	4,813,735
Unassigned	1,268,806	544,306.00	1,433,398	4,149,872	3,911,843
Total general fund	<u>\$ 9,122,590</u>	<u>\$ 10,787,324</u>	<u>\$ 12,274,965</u>	<u>\$ 15,378,710</u>	<u>\$ 16,703,752</u>
All other governmental funds					
Nonspendable	\$ 29,633	\$ 30,630	\$ 34,960	\$ 33,590	\$ 27,781
Restricted	5,951,166	6,321,701	6,180,379	5,979,552	5,921,584
Committed	10,914	-	-	-	-
Unassigned	(30,818)	(31,405)	(75,554)	(16,858)	(27,366)
Total all other governmental funds	<u>\$ 5,960,895</u>	<u>\$ 6,320,926</u>	<u>\$ 6,139,785</u>	<u>\$ 5,996,284</u>	<u>\$ 5,921,999</u>

City of Carpinteria

Schedule of Revenues, Expenditures and Changes in Fund Balance of Governmental Funds and Debt Service Ratio Last Ten Fiscal Years (modified accrual basis of accounting)

	2014	2015	2016	2017	2018
Revenues					
Taxes	\$ 7,862,769	\$ 8,610,774	\$ 8,913,710	\$ 8,974,367	\$ 9,353,024
Licenses and permits	109,909	106,271	115,914	136,296	142,644
Fines and forfeits	116,705	88,431	119,233	101,871	173,122
Charges for services	1,600,991	1,384,306	1,255,899	1,235,012	1,089,196
Special assessments	221,724	226,954	223,300	227,596	208,339
Intergovernmental	2,274,809	1,377,172	1,600,265	2,220,803	3,342,497
Investment earnings	96,005	595,462	232,183	16,167	102,953
Other revenues	279,974	422,733	287,544	311,211.00	320,649
Total revenues	12,562,886	12,812,103	12,748,048	13,223,323	14,732,424
Expenditures					
General government	3,244,566	3,388,728	3,656,340	3,811,276	4,466,576
Public safety	3,445,409	3,792,309	3,608,378	3,576,255	3,746,553
Parks and recreation	1,153,380	1,256,754	1,380,332	1,474,515	1,430,897
Public works and streets	1,904,318	2,152,697	2,114,983	2,183,728	3,288,119
Capital outlay	2,718,834	2,121,720	1,234,048	2,077,057	2,473,642
Debt service					
Principal	145,000	145,000	155,000	160,000	170,000
Interest	37,953	31,138	24,250	16,500	8,500
Total expenditures	12,649,460	12,888,346	12,173,331	13,299,331	15,584,287
Excess (deficiency) of revenues over (under) expenditures	(86,574)	(76,243)	574,717	(76,008)	(851,863)
Other Financing Sources (Uses)					
Subscription acquisition	-	-	-	-	-
Transfers in	1,699,086	1,703,420	2,451,170	2,462,162	2,910,863
Transfers out	(1,699,086)	(1,703,420)	(2,451,170)	(2,462,162)	(2,910,863)
Total other financing sources	-	-	-	-	-
Net change in fund balances	\$ (86,574)	\$ (76,243)	\$ 574,717	\$ (76,008)	\$ (851,863)
Debt services as a percentage of noncapital expenditures	1.88%	1.66%	1.67%	1.60%	1.38%

Source: City of Carpinteria

City of Carpinteria

Schedule of Revenues, Expenditures and Changes in Fund Balance of Governmental Funds and Debt Service Ratio Last Ten Fiscal Years (modified accrual basis of accounting)

	2019	2020	2021	2022	2023
Revenues					
Taxes	\$ 10,110,619	\$ 12,181,011	\$ 13,151,630	\$ 15,640,250	\$ 15,552,420
Licenses and permits	262,758	301,979	258,386	278,926	289,804
Fines and forfeits	67,292	75,501	69,300	109,601	112,801
Charges for services	1,169,762	914,142	1,581,578	1,838,837	1,517,261
Special assessments	562,571	119,834	102,585	90,795	259,706
Intergovernmental	2,451,590	2,028,774	2,691,018	4,689,020	4,726,572
Investment earnings	296,110	627,348	82,559	(533,847)	452,907
Other revenues	1,450,124	5,718,274	435,796	169,480	526,085
Total revenues	16,370,826	21,966,863	18,372,852	22,283,062	23,437,556
Expenditures					
General government	5,859,713	6,168,332	5,165,320	5,707,822	6,063,169
Public safety	3,859,754	4,172,589	4,222,540	4,848,534	5,413,143
Parks and recreation	1,338,586	1,482,383	1,709,143	2,228,902	2,870,313
Public works and streets	2,167,037	1,819,008	2,100,261	2,222,126	2,974,169
Capital outlay	2,741,769	6,549,371	4,126,356	4,315,434	5,082,424
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total expenditures	15,966,859	20,191,683	17,323,620	19,322,818	22,403,218
Excess (deficiency) of revenues over (under) expenditures	403,967	1,775,180	1,049,232	2,960,244	1,034,338
Other Financing Sources (Uses)					
Subscription acquisition	-	-	-	-	27,937
Transfers in	3,420,917	2,236,358	3,347,853	3,726,095	4,604,070
Transfers out	(3,420,917)	(2,236,358)	(3,347,853)	(3,726,095)	(4,604,070)
Total other financing sources	-	-	-	-	27,937
Net change in fund balances	\$ 403,967	\$ 1,775,180	\$ 1,049,232	\$ 2,960,244	\$ 1,062,275
Debt services as a percentage of noncapital expenditures	0.00%	0.00%	0.00%	0.00%	0.00%

City of Carpinteria

Tax Revenues by Source, Governmental Funds Last Ten Fiscal Years (modified accrual basis of accounting)

Fiscal Year	Property Tax	Sales Tax	Transient Occupancy Tax	Franchise Tax	Other Taxes	Total
2014	\$ 3,308,510	\$ 1,900,971	\$ 1,923,538	\$ 602,583	\$ 127,167	\$ 7,862,769
2015	3,411,370	2,054,033	2,369,762	634,782	140,827	8,610,774
2016	3,623,079	2,090,019	2,379,751	660,231	160,630	8,913,710
2017	3,788,813	1,939,686	2,503,821	614,506	127,541	8,974,367
2018	4,106,134	1,935,212	2,462,092	708,595	140,991	9,353,024
2019	4,298,673	2,564,179	2,635,754	612,013	57,718	10,168,337
2020	4,686,335	4,714,243	2,023,128	757,307	48,859	12,229,872
2021	4,940,654	5,271,570	2,209,191	689,056	41,159	13,151,630
2022	5,188,273	6,215,507	3,487,613	685,283	63,574	15,640,250
2023	5,316,537	5,971,207	3,485,465	717,135	62,076	15,552,420

Source: City of Carpinteria

City of Carpinteria

Assessed and Estimated Actual Value of Taxable Property Last Ten Fiscal Years (modified accrual basis of accounting)

Fiscal Year	Assessed Taxable Values			Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value as Percentage of Estimated Actual Taxable Value
	Secured	Unsecured	Totals			
2014	\$ 1,726,261,900	\$ 112,576,204	\$ 1,838,838,104	1.00%	\$ 4,476,477,899	41.08%
2015	1,828,344,041	124,049,385	1,952,393,426	1.00%	4,748,073,510	41.12%
2016	1,919,853,476	124,041,961	2,043,895,437	1.00%	4,976,836,491	41.07%
2017	2,011,828,207	128,079,932	2,139,908,139	1.00%	5,212,541,849	41.05%
2018	2,152,174,030	151,088,408	2,303,262,438	1.00%	5,596,275,658	41.16%
2019	2,273,924,309	164,475,978	2,438,400,287	1.00%	5,919,776,455	41.19%
2020	2,354,028,360	167,969,241	2,521,997,601	1.00%	6,125,026,959	41.18%
2021	2,507,884,649	148,209,784	2,656,094,433	1.00%	6,481,439,885	40.98%
2022	2,637,827,737	140,289,211	2,778,116,948	1.00%	6,794,982,501	40.88%
2023	2,816,016,350	139,680,208	2,955,696,558	1.00%	7,239,584,029	40.83%

Notes:

1) Property in Santa Barbara County is assessed at market value in the year in which the property is exchanged pursuant to a sale. In years thereafter, the assessed value is increased by one percent as required by state law. Based upon the frequency of property to be about 40 percent of actual value for real property and about 70 percent for personal property. Estimated actual value is calculated by dividing exchanges, assessed value is estimated assessed value by those percentages. Tax rates are per \$100 of assessed values.

2) In 1978, the voters of the State of California passed Proposition 13, which limited property taxes to a total maximum rate of 1% based upon the assessed value of the property being taxed. Each year, the assessed value of property may be increased by an "inflation factor" (limited to a maximum increase of 2%). With few exceptions, property is only reassessed at a time that it is sold to a new owner. At that point, the assessed value is reassessed at the purchase price of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above. The County does not provide breakout of residential, commercial and industrial assessed values to the cities.

Source: Santa Barbara County Auditor-Controller

City of Carpinteria

Direct and Overlapping Property Tax Rates Last Ten Fiscal Years (rates per \$100 of assessed value)

Fiscal Year	Direct Rates		Overlapping Rates		Total Direct & Overlapping Tax
	Basic Rate	General Obligation Debt Rate	School Districts	Special Districts	
2014	1.00%	0.00%	0.00635%	0.00%	1.0064%
2015	1.00%	0.00%	0.00635%	0.00%	1.0064%
2016	1.00%	0.00%	0.00635%	0.00%	1.0064%
2017	1.00%	0.00%	0.00635%	0.00%	1.0064%
2018	1.00%	0.00%	0.05571%	0.00%	1.0557%
2019	1.00%	0.00%	0.05571%	0.00%	1.0557%
2020	1.00%	0.00%	0.05151%	0.00%	1.0515%
2021	1.00%	0.00%	0.05151%	0.00%	1.0515%
2022	1.00%	0.00%	0.05113%	0.00%	1.0511%
2023	1.00%	0.00%	0.05113%	0.00%	1.0511%

Note: In 1978, California voters passed Proposition 13 which sets the property tax rate at a 1% fixed amount. This 1% is shared by all taxing agencies for which the subject property resides within. In addition to the 1% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of school and water district bonds.

Source: Santa Barbara County Auditor-Controller

City of Carpinteria

Principal Property Tax Payers Current Year and Nine Years Ago

Rank	Taxpayer	2023		Rank	2014	
		Total Assessed Value	Percentage of Total City Taxable Assessed Value		Total Assessed Value	Percentage of Total City Taxable Assessed Value
1	LINKEDIN CORPORATION	\$ 60,765,936	2.06%			
2	SHEPARD PLACE LTD	45,530,732	1.54%	10	11,585,481	0.63%
3	RBE CARPINTERIA LLC	44,880,000	1.52%			
4	ROIC CASITAS PLAZA, LLC	27,369,983	0.93%			
5	LAVENDER BLUE, LP	19,686,609	0.67%			
6	6267 CARP AVE LLC	18,305,349	0.62%	3	15,775,000	0.86%
7	STEADFAST CARPINTERIA SENIOR, LLC	18,279,219	0.62%			
8	BEGA/US, INC	17,837,703	0.60%	4	15,267,826	0.83%
9	BBH HOLDINGS, LLC (CA)	15,365,221	0.52%	8	13,186,152	0.72%
10	JHMM HOSPITALITY LLC	15,040,959	0.51%			
	VENCO, INC			1	20,303,866	1.10%
	G6 HOSPITALITY PROPERTY LLC			2	17,310,817	0.94%
	CARP ONE LLC			5	14,995,187	0.82%
	SCHAFF, VICTOR WILLIAM			6	14,522,626	0.79%
	CARP TWO LLC			7	14,357,773	0.78%
	HMBL, LLC			9	11,826,085	0.64%
		<u>\$ 283,061,711</u>	<u>9.59%</u>		<u>\$ 149,130,813</u>	<u>8.11%</u>

Source: Santa Barbara County Auditor-Controller

City of Carpinteria

Property Tax Levies and Collections Last Ten Fiscal Years

City of Carpinteria						
Fiscal Year	Total Tax Levy for Fiscal Year	Collections within the Fiscal Year of Levy		Collections in Subsequent Years	Tax Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2014	\$ 1,606,334	\$ 1,593,519	99.2%	\$ 12,230	\$ 1,605,698	100.0%
2015	1,702,720	1,688,463	99.2%	13,433	1,701,896	100.0%
2016	1,780,112	1,762,381	99.0%	13,620	1,776,001	99.8%
2017	1,863,185	1,847,951	99.2%	11,912	1,859,863	99.8%
2018	2,001,901	1,978,832	98.8%	18,930	1,997,762	99.8%
2019	2,306,494	2,280,017	98.9%	20,713	2,300,730	99.8%
2020	2,385,984	2,351,981	98.6%	27,175	2,379,156	99.7%
2021	2,515,399	2,480,701	98.6%	27,616	2,508,317	99.7%
2022	2,639,701	2,610,648	98.9%	18,266	2,628,914	99.6%
2023	2,803,012	2,768,306	98.8%	-	2,768,306	98.8%

Carpinteria Street Lighting District #1						
Fiscal Year	Total Tax Levy for Fiscal Year	Collections within the Fiscal Year of Levy		Collections in Subsequent Years	Tax Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2014	\$ 284,731	\$ 282,460	99.2%	\$ 2,168	\$ 284,628	100.0%
2015	302,164	299,634	99.2%	2,384	302,018	100.0%
2016	315,757	312,612	99.0%	2,416	315,028	99.8%
2017	330,668	327,964	99.2%	2,114	330,078	99.8%
2018	356,018	351,915	98.8%	3,366	355,281	99.8%
2019	179,299	177,240	98.9%	1,610	178,850	99.7%
2020	185,725	183,078	98.6%	2,115	185,193	99.7%
2021	195,830	193,128	98.6%	2,150	195,278	99.7%
2022	204,890	202,635	98.9%	1,418	204,053	99.6%
2023	217,950	215,252	98.8%	-	215,252	98.8%

Notes:

Taxes collected have been restated to reflect available data from the Santa Barbara County Auditor- Controller.

Source: Santa Barbara County Auditor- Controller

City of Carpinteria

Ratio of Outstanding Debt by Type Last Ten Fiscal Years

Fiscal Year	Governmental Activities		Total Outstanding Debt	Percentage of Personal Income	Population	Debt per Capita
	Certificates of Participation	Subscription- Based IT Arrangements				
2014	\$ 630,000	\$ -	\$ 630,000	0.12%	13,442	\$ 47
2015	485,000	-	485,000	0.09%	13,547	36
2016	330,000	-	330,000	0.06%	13,928	24
2017	170,000	-	170,000	0.03%	13,950	12
2018	-	-	-	0.00%	13,849	-
2019	-	-	-	0.00%	13,680	-
2020	-	-	-	0.00%	13,335	-
2021	-	-	-	0.00%	13,361	-
2022	-	-	-	0.00%	12,963	-
2023	-	14,175	14,175	0.00%	12,711	1

Source: City of Carpinteria

City of Carpinteria

Ratio of General Bonded Debt Outstanding Last Ten Fiscal Years

Fiscal Year	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Lease Revenue Bonds	Total		
2014	\$ -	\$ -	\$ -	0.00%	\$ -
2015	-	-	-	0.00%	-
2016	-	-	-	0.00%	-
2017	-	-	-	0.00%	-
2018	-	-	-	0.00%	-
2019	-	-	-	0.00%	-
2020	-	-	-	0.00%	-
2021	-	-	-	0.00%	-
2022	-	-	-	0.00%	-
2023	-	-	-	0.00%	-

Source: City of Carpinteria

City of Carpinteria

Direct and Overlapping Governmental Activities Debt As of June 30, 2023

2022-23 Assessed Valuation: \$2,778,116,948

	Total Debt 6/30/2023	% Applicable¹	City's Share of Debt 6/30/2023
<u>Overlapping Tax and Assessment Debt:</u>			
Santa Barbara Community College District	\$ 51,355,000	4.290%	\$ 2,203,130
Carpinteria Unified School District	8,909,500	36.044%	32,113,402
Total Overlapping Tax and Assessment Debt			<u>\$ 34,316,532</u>
<u>Overlapping General Fund Debt:</u>			
Santa Barbara County General Fund Obligations	\$ 23,640,000	2.895%	\$ 684,378
Total Gross Overlapping General Fund Debt	-	100	<u>\$ 684,378</u>
Less: Santa Barbara County Supported Obligations			<u>42,557</u>
Total Net Overlapping General Fund Debt			<u>\$ 641,821</u>
Total Gross Overlapping Debt ²			\$ 1
Total Net Overlapping Debt			<u>\$ 3,495,353</u>

Notes:

The percentage of overlapping debt applicable to the City is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the City divided by the district's

1 total taxable assessed value.

Excludes tax and revenue anticipation notes, revenue, mortgage revenue and tax allocation bonds

2 and non-bonded capital lease obligations.

Ratios to 2022-23 Assessed Valuation:

Total Overlapping Tax and Assessment Debt	1.16%
Gross Combined Total Debt	1.18%
Net Combined Total Debt	1.18%

Sources: California Municipal Statistics, Inc.

City of Carpinteria

Legal Debt Margin Information Last Ten Fiscal Years

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	\$ 68,956,429	\$ -	\$ 68,956,429	0.00%
2015	73,214,247	-	73,214,247	0.00%
2016	76,646,079	-	76,646,079	0.00%
2017	80,246,555	-	80,246,555	0.00%
2018	86,372,341	-	86,372,341	0.00%
2019	91,440,011	-	91,440,011	0.00%
2020	94,574,910	-	94,574,910	0.00%
2021	99,603,541	-	99,603,541	0.00%
2022	104,179,386	-	104,179,386	0.00%
2023	110,838,621	-	110,838,621	0.00%

Legal Debt Margin Calculation for Fiscal Year 2023

Total Assessed Property Value	\$ 2,955,696,558
Debt limit (3.75% of assessed value)	110,838,621
Less debt applicable to limit:	
General obligation bonds	-
Total debt applicable to limit	-
Legal debt margin	<u>\$ 104,179,386</u>

Note: The Government Code of the State of California provides for a legal debt limit of 15% of gross assessed valuation. However, this provision was enacted when assessed valuation was based upon 25% of market value. Effective with the 1981/82 fiscal year, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel). The computations shown above reflect a conversion and assessed valuation data for each fiscal year from the current full valuation perspective to the 25% level that was in effect at the time that the legal debt margin was enacted by the State of California for local governments located within the state.

Source: Santa Barbara County Auditor- Controller

City of Carpinteria

Pledged Revenue Coverage Last Ten Fiscal Years

Fiscal Year	Special Assessment Collections	Capital Impact Fees	Debt Service		Coverage
			Principal	Interest	
2014	\$ -	\$ -	\$ -	\$ -	0.0%
2015	-	-	-	-	0.0%
2016	-	-	-	-	0.0%
2017	-	-	-	-	0.0%
2018	-	-	-	-	0.0%
2019	-	-	-	-	0.0%
2020	-	-	-	-	0.0%
2021	-	-	-	-	0.0%
2022	-	-	-	-	0.0%
2023	-	-	-	-	0.0%

Note: The City had no Pledged Revenues during this period.

Source: City of Carpinteria

City of Carpinteria

Demographic and Economic Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Population</u>	<u>Personal Income</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2014	13,442	\$ 639,839,200	\$ 47,600	5.4%
2015	13,547	673,285,900	49,700	4.7%
2016	13,928	706,066,032	50,694	4.6%
2017	13,950	721,326,600	51,708	4.5%
2018	13,849	508,119,810	36,690	3.9%
2019	13,680	580,100,400	42,405	3.4%
2020	13,335	593,487,510	44,506	4.9%
2021	13,361	621,727,413	46,533	5.5%
2022	12,963	603,207,279	46,533	2.3%
2023	12,711	634,075,524	49,884	3.7%

Sources: Department of Finance

Sources: University of California Santa Barbara

Sources: EDD Unemployment Rate and Labor Force

City of Carpinteria

Principal Employers Current Year and Nine Year Ago

Employer	2023			2014		
	Rank	Employees	Percentage of Total City Employment	Rank	Employees	Percentage of Total City Employment
Procore	1	850	5.45%			
Agilent (formerly DAKO)	2	408	2.61%	4	180	1.15%
Carpinteria Unified School District	3	322	2.06%	3	272	1.74%
LinkedIn	4	240	1.54%			
Plan Member Services	5	185	1.19%	8	110	0.70%
Bega- US	6	167	1.07%			
Freudenberg Medical, LLc	7	163	1.04%			
Jiminez Nursery, Inc.	8	115	0.74%			
Albertsons	9	94	0.60%	10	99	0.63%
Gigavac	10	92	0.59%			
Nusil Technology				1	415	2.66%
Lynda.com				2	410	2.63%
Helix Medical Inc.				5	143	0.92%
TE Connectivity				6	130	0.83%
AGIA, Inc.				7	129	0.83%
CKE (Carl Karchler Enterprises)				9	103	0.66%
		<u>2,636</u>	<u>16.89%</u>		<u>1,991</u>	<u>12.75%</u>

Source: City of Carpinteria

City of Carpinteria

Employees by Function Last Ten Fiscal Years

Department/Program	Full-time Equivalent Employees as of June 30									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Government:										
City Council	5	5	5	5	5	5	5	5	5	5
City Clerk	2	2	2	2	2	2	2	3	3	3
City Manager	4	4	4	4	4	4	4	4	4	4
Administrative Services:										
Finance	2	2	2	2	2	2	3	3	3	4
Community Development:										
Planning	5	5	5	5	5	5	5	5	5	5
Building	1	1	1	1	1	1	1	1	1	1
Code Compliance	3	3	3	3	3	3	4	4	4	4
Public Works:										
Public Works Administration	4	4	4	4	4	4	5	5	5	5
Roads and Streets	5	5	5	5	5	5	6	5	5	5
Parks, Recreation & Public Facilities:										
Parks and Recreation Administration	4	4	4	4	4	4	2	4	4	4
Facilities	0	0	0	0	0	0	1	3	3	3
Community Pool/Beach Services	8	8	8	8	8	8	2	2	2	2
Totals	43	43	43	43	43	43	40	44	44	45

Source: City of Carpinteria

City of Carpinteria

Operating Indicators by Function Program Last Ten Fiscal Years

Function/Program	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Public Safety:										
Traffic violations	760	735	735	735	1,445	1,778	1,766	1,699	1,739	1,620
Planning:										
Building permits issued	237	246	285	279	282	310	267	269	286	299
Public Works:										
Miles streets resurfaced	0.07	0.67	0.67	0.00	0.00	0.00	3.50	2.25	2.50	2.00
Parks:										
Jr. Lifeguard Participants	213	190	190	200	185	170	148	150	156	186
Swimming pool admissions	33,091	32,005	32,005	33,000	42,000	33,000	24,530	45,309	48,120	48,947

Sources: City of Carpinteria

City of Carpinteria

Capital Asset Statistics by Function Last Ten Fiscal Years

Function/Program	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Public Safety:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	2	2	2	2	2	2	2	2	2	2
Public Works:										
Miles of streets	33	33	33	33	33	33	33	33	33	33
Streetlights	631	631	631	631	631	631	631	631	631	631
Traffic signals	3	3	3	3	3	3	4	4	4	4
Parks:										
Community centers	1	1	1	1	1	1	1	1	1	1
Parks	12	12	12	12	12	12	13	13	13	14
Park acreage	103	103	103	103	103	103	124	124	124	103

Sources: City of Carpinteria

ATTACHMENT B

Auditor's report on internal controls



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**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**

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Independent Auditor's Report

To the Honorable Mayor and Members of the City Council
City of Carpinteria
Carpinteria, California

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Gene Hite, CPA
Jeffrey McQuinn, CPA

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 governmental activities, each major fund, and the aggregate remaining fund information of the City of Carpinteria, California (the 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, and have issued our report thereon dated December 7, 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.

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Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying Schedule of Findings and Responses, we identified a deficiency in internal control that we consider to be a significant deficiency.



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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. We consider the deficiency described in the accompanying Schedule of Findings and Responses as item 2023-001 to be a significant deficiency.

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 or other matters that are required to be reported under *Government Auditing Standards*.

City's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the findings identified in our engagement and described in the accompanying Schedule of Findings and Responses. The City's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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, 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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Rogers, Anderson, Malody & Scott, LLP.

San Bernardino, California
December 7, 2023

Finding 2023-001

Significant Deficiency in Internal Control over Financial Reporting - Inadequate Segregation of Duties

Criteria and Condition

During our audit of the City, we noted a lack of segregation of duties in the City's accounting process. Proper segregation of duties dictates that the functions of recording, authorization, custody and execution are not dominated by one individual. An adequate segregation of duties requires that one individual does not handle a transaction from its inception to its completion. Adequately segregated duties helps to reduce the possibility of fraud and defalcations from occurring and to ensure the integrity of the information provided by the City's financial reporting system.

Context

We observed inadequate segregation of duties over accounts payable, payroll, and wire transfers process by performing observations of processes and interviews of personnel and management.

Effect or Potential Effect

Without sufficient segregation of duties, the risk significantly increases that errors and fraud related to financial reporting, including misappropriation of assets, could occur and not be detected within a timely basis.

Auditor's Recommendation

An adequate segregation of duties requires that one individual does not handle a transaction from its inception to its completion. However, we realize that this is due to the limited number of individuals available to the City to perform numerous, and sometimes incompatible duties. Unless more personnel are hired, there may be no practical corrective action possible for this inherent weakness. We believe it is important for management and City Council to be aware that whenever a limited number of people are in control of the accounting process, the system is far more susceptible to errors or other irregularities, either intentional or unintentional, not being discovered.

Views of Responsible Officials and Planned Corrective Actions

Management recognizes the auditor's concerns and have updated the City's processes to add additional segregation of duties. The City will continue to assess and strengthen internal controls to the extent possible.

ATTACHMENT C

Auditor's report on appropriations limit calculations



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Independent Accountant's Report

To the Honorable City Council
City of Carpinteria, California

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We have performed the procedures enumerated below to the accompanying Appropriations Limit Worksheet of the City of Carpinteria, California (the City) for the year ended June 30, 2023. The management of the City is responsible for the accompanying Appropriations Limit Worksheet.

The City has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of meeting the requirements of Section 1.5 of Article XIII-B of the California Constitution. These procedures, which were suggested by the League of California Cities and presented in the publication entitled *Agreed-upon Procedures Applied to the Appropriations Limitation Prescribed by Article XIII-B of the California Constitution*, were performed solely to assist you in meeting the requirements. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and the associated findings are as follows:

1. We obtained the completed worksheets and compared the limit and annual adjustment factors included in those worksheets to the limit and annual adjustment factors that were adopted by resolution of the City Council. We also compared the population and inflation options included in the aforementioned documents to those that were selected by a recorded vote of the City Council.

Finding: No exceptions were noted as a result of our procedures.

2. For the accompanying Appropriations Limit Worksheet, we added last year's limit to total adjustments and agreed the resulting amount to this year's limit.

Finding: No exceptions were noted as a result of our procedures.



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3. We agreed the current year information presented in the accompanying Appropriations Limit Worksheet to the other documents referenced in number one above.

Finding: No exceptions were noted as a result of our procedures.

4. We agreed the prior year appropriations limit presented in the accompanying Appropriations Limit Worksheet to the prior year appropriations limit adopted by the City Council during the prior year.

Finding: No exceptions were noted as a result of our procedures.

We were engaged by the City to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on accompanying Appropriations Limit Worksheet for the year ended June 30, 2023. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the City Council and management of the City of Carpinteria, California, and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Rogers, Anderson, Malachy & Scott, LLP.

San Bernardino, California
December 7, 2023

**City of Carpinteria
Appropriations Limit Worksheet
2022 – 2023**

Per capita personal income change	7.55%
Population change:	
City population growth	0.14%
CPI change converted to a ratio	1.0755
Population change converted to a ratio	1.0014
2021 - 2022 Limit	<u>\$ 19,643,130</u>
2022 - 2023 Limit	
(\$19,643,130 x 1.0755 x 1.0014)	<u>\$ 21,155,763</u>



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Independent Accountant's Report

To the Honorable City Council
City of Carpinteria Street Lightning District No. 1, California

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We have performed the procedures enumerated below to the accompanying Appropriations Limit Worksheet of the City of Carpinteria Street Lightning District No.1, California (the City) for the year ended June 30, 2023. The management of the City is responsible for the accompanying Appropriations Limit Worksheet.

The City has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of meeting the requirements of Section 1.5 of Article XIII-B of the California Constitution. These procedures, which were suggested by the League of California Cities and presented in the publication entitled *Agreed-upon Procedures Applied to the Appropriations Limitation Prescribed by Article XIII-B of the California Constitution*, were performed solely to assist you in meeting the requirements. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

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1. We obtained the completed worksheets and compared the limit and annual adjustment factors included in those worksheets to the limit and annual adjustment factors that were adopted by resolution of the City Council. We also compared the population and inflation options included in the aforementioned documents to those that were selected by a recorded vote of the City Council.

Finding: No exceptions were noted as a result of our procedures.

2. For the accompanying Appropriations Limit Worksheet, we added last year's limit to total adjustments and agreed the resulting amount to this year's limit.

Finding: No exceptions were noted as a result of our procedures.



3. We agreed the current year information presented in the accompanying Appropriations Limit Worksheet to the other documents referenced in number one above.

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Finding: No exceptions were noted as a result of our procedures.

We were engaged by the City to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on accompanying Appropriations Limit Worksheet for the year ended June 30, 2023. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the City Council and management of the City of Carpinteria Street Lightning District No.1, California, and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Rogers, Anderson, Malody & Scott, LLP.

San Bernardino, California
December 7, 2023

City of Carpinteria
Appropriations Limit Worksheet
2022 – 2023

Per capita personal income change	7.55%
Population change:	
City population growth	0.14%
CPI change converted to a ratio	1.0755
Population change converted to a ratio	1.0014
2021 - 2022 Limit	<u>\$ 694,085</u>
2022 - 2023 Limit	
(\$694,085 x 1.0755 x 1.0014)	<u>\$ 747,534</u>

ATTACHMENT D

Auditor's required Letter to Those Charged with Governance



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December 7, 2023

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To the Honorable Mayor and Members of the City Council
City of Carpinteria
Carpinteria, California

We have audited the financial statements of the City of Carpinteria, California (the City), as of and for the year ended June 30, 2023, and have issued our report thereon dated December 7, 2023. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated May 1, 2023, our responsibility, as described by professional standards, is to form and express opinions about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the City of Carpinteria solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our findings regarding significant control deficiencies over financial reporting and other matters noted during our audit in a separate letter to you dated December 7, 2023.



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AlliottGlobalAlliance™

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, and our firm have complied with all relevant ethical requirements regarding independence.

Significant Risks

We have identified the possibility of the following significant risks:

Management's override of internal controls over financial reporting: Management override of internal controls is the intervention by management in handling financial information and making decisions contrary to internal control policy.

Revenue recognition: Revenue recognition is a generally accepted accounting principle that refers to the conditions under which an entity can recognize a transaction as revenue. Auditing standards indicate that recognizing revenue is a presumed fraud risk and usually classified as a significant risk in most audits.

These significant risks are presumptive in most audits and merit attention by the auditors due to the direct impact over financial reporting and internal control processes. Although identified as significant risks, we noted no matters of management override of controls or deviations from generally accepted accounting principles which caused us to modify our audit procedures or any related matters which are required to be communicated to those charged with governance due to these identified risks.

Qualitative Aspects of the City's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the City is included in Note 1 to the financial statements. The City has implemented GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* during fiscal year 2023. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on 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 markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are:

Management's estimate of fair market value of investments is based on market values provided by outside sources. We evaluated the key factors and assumptions used to develop the fair market value of investments in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of depreciation expense is based on the useful lives of acquired assets. We evaluated the key factors and assumptions used to develop depreciation expense in determining that it is reasonable in relation to the financial statements taken as a whole.

The estimate of the net pension liability is based on actuarial reports provided by independent actuaries. We evaluated the key factors and assumptions used to develop the estimate in determining that it is reasonable in relation to the statements taken as a whole.

The estimate of the total OPEB liability is based on actuarial reports provided by independent actuaries. We evaluated the key factors and assumptions used to develop the estimate in determining that it is reasonable in relation to the statements taken as a whole.

Management's estimate of leases receivable, deferred inflows of resources related to leases, and lease amortization is based on present value calculations using certain terms and assumptions in the lease agreements in accordance with generally accepted accounting principles. We evaluated the key factors and assumptions used to develop the lease related estimates in determining that it is reasonable in relation to the financial statements taken as a whole.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the City's financial statements relate to:

The disclosure of fair value of investments in Note 3-A to the financial statements represents amounts susceptible to market fluctuations.

The disclosure of capital assets, net, in Note 3-E to the basic financial statements is based on historical information which could differ from actual useful lives of each capitalized item.

The disclosure of net pension liability in Note 4-D to the financial statements is based on actuarial assumptions. Actual future liabilities may vary from disclosed estimates.

The disclosure of net OPEB liability in Note 4-E to the financial statements is based on actuarial assumptions. Actual future liabilities may vary from disclosed estimates.

The disclosure of leases receivable, deferred inflows of resources related to leases, and lease amortization in the basic financial statements is based on certain terms and assumptions in the lease agreements which could differ from actual amount.

The financial statement disclosures are neutral, consistent, and clear.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. Management has corrected all such misstatements.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the City's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the attached letter dated December 7, 2023.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the City, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the City's auditors.

Other Information in Documents Containing Audited Financial Statements

Pursuant to professional standards, our responsibility as auditors for other information in documents containing the City's audited financial statements does not extend beyond the financial information identified in the audit report, and we are not required to perform any procedures to corroborate such other information. However, in accordance with such standards:

We applied certain limited procedures to the required supplementary information (RSI) that 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 RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the supplementary information, which accompany the financial statements but are not RSI. 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 introductory and statistical sections, which accompany the financial statements but are not RSI. We did not audit or perform other procedures on this other information and we do not express an opinion or provide any assurance on it.

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

This information is intended solely for the use of the City Council and management of the City and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Rogers, Anderson, Malody & Scott, LLP.

San Bernardino, California
December 7, 2023

CITY of CARPINTERIA, CALIFORNIA



December 7, 2023

Rogers, Anderson, Malody & Scott, LLP
735 E. Carnegie Drive, Suite 100
San Bernardino, California 92408

This representation letter is provided in connection with your audit of the financial statements of the City of Carpinteria (the City), California, as of June 30, 2023, and the related notes to the financial statements, for the purpose of expressing opinions on whether the basic financial statements present fairly, in all material respects, the financial position, and results of operations of the various opinion units of the City in accordance with accounting principles generally accepted for governments in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information such that, in the light of surrounding circumstances, 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.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of December 7, 2023:

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated May 1, 2023, for the preparation and fair presentation of the financial statements of the various opinion units referred to above in accordance with U.S. GAAP.
2. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
4. We acknowledge our responsibility for compliance with the laws, regulations, and provisions of contracts and grant agreements.
5. We have reviewed, approved, and taken responsibility for the financial statements and related notes.
6. We have a process to track the status of audit findings and recommendations.

7. We have identified and communicated to you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
8. Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
9. All related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
10. All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
11. The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
12. All component units, including joint ventures with an equity interest, are included and other joint ventures and related organizations are properly disclosed.
13. All funds and activities are properly classified.
14. All funds that meet the quantitative criteria in GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, GASB Statement No. 37, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments: Omnibus* as amended, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, for presentation as major are identified and presented as such and all other funds that are presented as major are considered important to financial statement users.
15. All components of net position, nonspendable fund balance, and restricted, committed, assigned, and unassigned fund balance are properly classified and, if applicable, approved.
16. Our policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position/fund balance are available is appropriately disclosed and net position/fund balance is properly recognized under the policy.
17. All revenues within the statement of activities have been properly classified as program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
18. All expenses have been properly classified in or allocated to functions and programs in the statement of activities, and allocations, if any, have been made on a reasonable basis.
19. All interfund and intra-entity transactions and balances have been properly classified and reported.
20. Deposit and investment risks have been properly and fully disclosed.
21. Capital assets, including infrastructure assets, are properly capitalized, reported, and if applicable, depreciated.
22. All required supplementary information is measured and presented within the prescribed guidelines.
23. We have evaluated all of our lease agreements and have given you our assessment as to whether each lease agreement is subject to GASB Statement No. 87, *Leases*, and GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*.

24. With regard to investments and other instruments reported at fair value:
- a) The underlying assumptions are reasonable and they appropriately reflect management's intent and ability to carry out its stated courses of action.
 - b) The measurement methods and related assumptions used in determining fair value are appropriate in the circumstances and have been consistently applied.
 - c) The disclosures related to fair values are complete, adequate, and in accordance with U.S. GAAP.
 - d) There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.
25. With respect to nonattest services provided, we have performed the following:
- a) Made all management decisions and performed all management functions;
 - b) Assigned a competent individual to oversee the services;
 - c) Evaluated the adequacy of the services performed;
 - d) Evaluated and accepted responsibility for the result of the service performed; and
 - e) Established and maintained internal controls, including monitoring ongoing activities.

Information Provided

26. We have provided you with:
- a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the City from whom you determined it necessary to obtain audit evidence.
27. The financial statements and any other information included in the annual report are consistent with one another, and the other information does not contain any material misstatements.
- 28) All transactions have been recorded in the accounting records and are reflected in the financial statements.
- 29) We have no reason to believe the City will not 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.
- 30) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 31) We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
- a) Management;
 - b) Employees who have significant roles in internal control; or
 - c) Others where the fraud could have a material effect on the financial statements.
- 32) We have no knowledge of any allegations of fraud, or suspected fraud, affecting the City's financial statements communicated by employees, former employees, vendors, regulators, or others.
- 33) We are not aware of any pending or threatened litigation, claims, and assessments whose effects should be considered when preparing the financial statements and the schedule of expenditures of federal awards.

- 34) We have disclosed to you the identity of all the City's related parties and all the related party relationships and transactions of which we are aware.
- 35) There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices.
- 36) The City has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
- 37) We have disclosed to you all guarantees, whether written or oral, under which the City is contingently liable.
- 38) We have disclosed to you all significant estimates and material concentrations known to management that are required to be disclosed in accordance with GASB Statement No. 62 (GASB-62), *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic areas for which events could occur that would significantly disrupt normal finances within the next year.
- 39) We have identified and disclosed to you the laws, regulations, and provisions of contracts and grant agreements that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
- 40) There are no:
- a) Violations or possible violations of laws or regulations, or provisions of contracts or grant agreements whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, including applicable budget laws and regulations.
 - b) Unasserted claims or assessments that our lawyer has advised are probable of assertion and must be disclosed in accordance with GASB-62.
 - c) Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by GASB-62.
 - d) Continuing disclosure consent decree agreements or filings with the Securities and Exchange Commission and we have filed updated on a timely basis in accordance with the agreements (Rule 240, 15c2-12).
- 41) The City has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral, except as disclosed to you.
- 42) We have complied with all aspects of grant agreements and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 43) There have been no changes or updates to legal information disclosed to you by our attorneys since the date of such legal response and now.

Supplementary Information in Relation to the Financial Statements as a Whole

44) With respect to the City's supplementary information accompanying the financial statements:

- a) We acknowledge our responsibility for the presentation of the supplementary information in accordance with U.S. GAAP.
- b) We believe the supplementary information, including its form and content, is fairly presented in accordance with U.S. GAAP.
- c) The methods of measurement and presentation of the supplementary information have not changed from those used in the prior period.
- d) We have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
- e) We acknowledge our responsibility to present the supplementary information with the audited financial statements or, if the supplementary information will not be presented with the audited financial statements, to make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance by the City of the supplementary information and the auditor's report thereon.
- f) We believe that the actuarial assumptions and methods used to measure pension and other postemployment benefit liabilities and costs for financial accounting purposes are appropriate in the circumstances.
- g) We do not plan to make frequent amendments to the City's pension or other postretirement benefit plans.

Required Supplementary Information

45) With respect to the required supplementary information accompanying the financial statements:

- a) We acknowledge our responsibility for the presentation of the required supplementary information in accordance with U.S. GAAP.
- b) We believe the required supplementary information, including its form and content, is measured and fairly presented in accordance with U.S. GAAP.
- c) The methods of measurement or presentation have not changed from those used in the prior period.
- d) We have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.

46) Arrangements with financial institutions involving compensating balances or other arrangements involving restrictions on cash balances, line of credit, or similar arrangements have been properly disclosed.

Signature: _____

Title: _____

Signature: _____

Title: _____



City of Carpinteria

COUNCIL AGENDA STAFF REPORT December 11, 2023

ITEM FOR COUNCIL CONSIDERATION

Scheduling a special meeting of the City Council for consideration of the Annual Work Plan.

STAFF RECOMMENDATION

Schedule a special City Council meeting for consideration of the Annual Work Plan, to be held from 5:30 pm to approximately 8:30 pm, on Monday, January 29, 2024.

Sample Motion: I move to schedule a special City Council meeting for consideration of the Annual Work Plan, 5:30 pm to approximately 8:30 pm, on Monday, January 29, 2024.

BACKGROUND

Each year in late January, the City Council, City Manager and staff Department Heads assemble at a noticed public meeting to discuss strategic issues and the Annual Work Plan. This year, the meeting is proposed to be scheduled for Monday, January 29, 2024, from 5:30 pm to approximately 8:30 pm, in Council Chamber.

The purpose of this agenda matter is to allow for the Council to take action necessary to schedule a special meeting for consideration of the Annual Work Plan.

DISCUSSION

In years past, the Annual Work Plan meeting has been held on a Saturday in January, often on the 4th Saturday of the month. In 2023, we were unable to hold the meeting on a Saturday due to scheduling conflicts and instead held the meeting on Monday, January 23, from 4:00pm to approximately 8:00 pm. The meeting was well attended by

the public and City Council was extremely pleased with the increased participation and community engagement. For this reason, we are proposing to have this year's Annual Work Plan meeting on Monday, once again. In addition, we are proposing to begin the meeting at the same time as regular City Council meetings, for consistency, and to increase the opportunity for participation for those who may have conflicting work schedules earlier in the day.

The expected meeting length has been reduced by one hour in recognition of a revised multi-day Annual Work Plan process for 2024. At the January 29th meeting (if approved), City Council will have the opportunity to discuss community priorities and current and proposed work plan items, in general. This discussion will be utilized by your Council to craft and set high level goals for the city. These goals will set a clear path for staff to utilize when considering, and ultimately proposing, objectives (i.e., work plan items) to meet those goals. These proposed objectives will be presented at a subsequent meeting in light of opportunities (e.g., available funding, approved permits) and constraints (e.g., funding gaps, staff capacity), as well as other factors. Towards the conclusion of this initial meeting, City Council will choose a second meeting date to review and provide feedback to Department Heads on their proposed objectives. My recommendation is to hold this second meeting on February 19, 2024; however, City Council may decide otherwise based on the information provided at the initial meeting and their comfort level with the new process. If City Council approves the Annual Work Plan at the second meeting as is, or with minor changes, the process will be concluded. If there are major changes to the proposed objectives, additional staff time will be required and City Council may choose to schedule a third meeting, and thereafter as many meetings as necessary until the Annual Work Plan is approved. Recognizing that this new process will take us well into the current calendar year, the Annual Work Plan will be changed to coincide with the fiscal year, allowing Departments to better align objectives with their approved budgets.

The Annual Work Plan document is the primary document that guides current, and new and/or significantly modified staff work for the coming year. In contrast to prior years, the year's Annual Work Plan will be more concise, increasing transparency by ease of reference, and focusing on connecting the dots between the City Council vision, mission, and goals with City staff objectives and performance measures.

In order to stimulate strategic thinking in advance of the meeting, each City Council member is asked to consider the attached questionnaire. Responses received prior to Tuesday, January 2, will assist the City Manager with planning and staff preparation. All City Council member responses to the questionnaire will be published as an appendix to the meeting staff report and made available for public review, as usual, prior to the meeting.

LEGAL AND RISK MANAGEMENT CONSIDERATIONS

The Annual Work Plan meeting is a special meeting of the City Council pursuant to Carpinteria Municipal Code section 2.04.020, and staff is seeking the City Council's agreement to schedule the meeting for Monday, January 29, 2024, from 5:30 pm to approximately 8:30 pm. The meeting is open to the public and will be noticed by publishing an advertisement in the newspaper, posting the agenda and making the agenda materials available in advance of the meeting through the City Clerk's office and the City website.

POLICY CONSIDERATIONS

Conducting the Annual Work Plan meeting at a time and place where the Councilmembers, staff and the public can dedicate a significant block of time for discussion of this important work is helpful to the strategic and work planning deliberation process. Setting a special meeting date that allows for this time can be found consistent with the City's interest in promoting good governance, including efficient use of public resources and encouraging public participation.

FINANCIAL CONSIDERATIONS

The Annual Work Plan is an important precursor to the drafting of the budget for the coming fiscal year, i.e., July 1, 2024 through June 30, 2025. Through the budget process, which typically begins in March with Finance Committee meetings on the budget, and concludes in June with the adoption of the budget by City Council, it will be determined what projects and programs are to be funded, and the basis for determining program/service effectiveness (performance measurement).

ATTACHMENT

Questionnaire

Staff contact: Michael Ramirez, City Manager
(805 755-4450), michaelr@carpinteriaca.gov



Signature

Work and Strategic Planning Questionnaire

2024

The purpose of this questionnaire is to stimulate strategic thinking, assist Council members in preparing for deliberation on annual work priorities and to provide City staff with information as a part of the preparation of a draft 2024 Work Plan.

A. The following three questions are an initial prompt intended to stimulate strategic thinking. They do not require a written response.

What is the community like now?

What will the community be like in 10 years if no action is taken by the City?

What will the community be like in 10 years through effective City stewardship, projects, programs and services?

B. The following questions are a part of a traditional Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis for strategic thinking. (Separate sheets may be used to respond if more space is needed).

1. What do you see as the City's greatest strengths (e.g., fiscal condition, government transparency, etc.)?

2. What do you see as the City's best opportunities for improving Carpinteria?

3. What do you see as the City's greatest weaknesses (e.g., limited revenue sources, condition of infrastructure, etc.)?

4. What do you see as the greatest threats to the City promoting its vision and mission (attached)?

C. Are new and/or changed projects, programs and/or services needed to address the things you've identified above? If so, describe them here. (Feel free to attach additional sheets to this form)

1.

2.

3.

4.

5.

MISSION STATEMENT

A mission statement conveys the purpose of the organization, the essential reasons for its existence; serving as the foundation for policy and resource allocation decisions.

City of Carpinteria Mission Statement January 25, 1993

Government in Carpinteria shall be open, honest and equitable and shall encourage, to the fullest extent possible, public participation in the decision-making process.

Government shall make judicious use of the City's limited resources to promote the highest possible quality of life for all of Carpinteria's residents. This includes providing services consistent with community needs as well as protecting the social and physical environment.

Government shall strive to enhance the City's economic base in a manner that is consistent with the needs and preferences of the community. The city budget shall reflect the goals and priorities of the majority of the City residents and shall be managed in a professional and business-like manner.

The diversity of the community shall be recognized, and City government shall serve the interest of all residents, maintaining an atmosphere in which the residents feel the City has their best interests at heart at all times.

The long-range vision and course of action for Carpinteria's future shall continue to be articulated and implemented through an ongoing process of community-wide consensus building.

VISION STATEMENT

A vision statement describes the desired future; the collective understanding of the ideal situation.

Carpinteria in the Year 2021
Community Vision Statement
September 1997

Carpinteria is a vibrant but easy going, family oriented small town with an economically and ethnically diverse population, working together for the common good of all residents and visitors.

Framed by the mountains and the Pacific Ocean beaches, Carpinteria's unusually mild climate provides a beautiful setting in which to live, to work and to play.

It has safe and attractive commercial, agricultural and residential areas. It benefits from an outstanding local school system. Walkways and bike paths link centers of interest in the town. The automobile is a choice rather than a necessity. Excellent local and regional transportation connects Carpinteria to nearby cities. Opportunities for the enjoyment of recreation and the arts are widely available.

The community maintains a balance between effective growth and open space through sensitive, area-wide planning which ensures that the small town, rural identity of Carpinteria will flourish.



City of Carpinteria

COUNCIL AGENDA STAFF REPORT December 11, 2023

ITEM FOR COUNCIL CONSIDERATION

Receive staff report and act on the recommendations to:

1. Authorize the City Manager to enter into an agreement for executive search services for the Assistant City Manager and Parks, Recreation and Community Services Director positions with Bob Murray and Associates in an amount not-to-exceed \$37,500 and;
2. Approve Budget Appropriation for \$40,000 for executive recruitment services for an Assistant City Manager and Parks, Recreation and Community Services Director: or

Sample Motion: I move to:

1. Authorize the City Manager to enter into an agreement for executive search services for the Assistant City Manager and Parks, Recreation and Community Services Director positions with Bob Murray and Associates in an amount not-to-exceed \$37,500 and;
2. Approve Budget Appropriation for \$40,000 for executive recruitment services for an Assistant City Manager and Parks, Recreation and Community Services Director. (This motion requires a roll call vote.)

BACKGROUND

On November 27, 2023, the City Council appointed Michael P. Ramirez as the new City Manager of Carpinteria, effective December 8, 2023, resulting in the Assistant City Manager position becoming vacant. Additionally, in the summer of 2023, Matt Roberts, the Parks and Recreation Director, retired, creating a vacancy in the Director position. Despite recruitment efforts, the reorganized Parks, Recreation, and Community Services Director position remained unfilled due to extenuating circumstances.

Following the City Manager guidance, an RFP was developed and distributed on November 22, 2023, to nine recruitment firms, including the eight firms previously approved by the City Council for the City Manager recruitment earlier in the year.

Proposals were received from Ralph Andersen & Associates, Bob Murray and Associates, and WBPC, totaling four proposals.

The purpose of this agenda item is to authorize the City Manager to enter into an agreement for executive search services for the Assistant City Manager and Parks, Recreation and Community Services Director positions with Bob Murray and Associates in an amount not-to-exceed \$37,500 and to seek Council approval for a budget appropriation to the FY23/24 budget, including an additional \$40,000 to cover the costs of these recruitments.

DISCUSSION

Following the assessment of proposals, the City Manager has recognized Bob Murray and Associates as a highly qualified firm to manage and support the necessary recruitment processes, ensuring prompt and efficient recruitments.

The \$2,500 variance between the agreement amount and the appropriation request is intended to facilitate Human Resource staff in obtaining recruitment support from Regional Government Services (RGS), following past practice. Regional Government Services bills on an hourly basis for the hours worked.

Alternatively, the City Council may opt to direct staff to solicit new consultant proposals from a broader pool, potentially resulting in a lower estimated cost. It's important to note that this alternative could significantly impact the tentative recruitment and hiring timeline.

POLICY CONSISTENCY

The recommendations may be found consistent with the City's 2023 Annual Work Plan under the General Government Program: Staff Recruitment & Retention.

FINANCIAL CONSIDERATIONS

\$40,000 increase to FY 2023-24 Budget (General Fund). \$40,000 increase to 101-141-5201 Professional Services.

LEGAL AND RISK MANAGEMENT CONSIDERATIONS

The City attorney has been consulted on this course of action and has confirmed no legal or risk management considerations.

OPTIONS

Receive staff report and act on the recommendations to:

- A. Authorize the City Manager to enter into an agreement for executive search services for the Assistant City Manager and Parks, Recreation and Community

Executive Search Consultant Agreement Authorization and Budget Appropriation
December 11, 2023

Services Director positions with Bob Murray and Associates in an amount not-to-exceed \$37,500 and;

- B. Approve Budget Appropriation for \$40,000 for executive recruitment services for an Assistant City Manager and Parks, Recreation and Community Services Director.
- C. Direct staff to solicit new consultant proposals and provide further direction as appropriate.

ATTACHMENTS

- A. Bob Murray and Associates Proposal

Staff Contact: Olivia Uribe-Mutal, Program Manager
(805) 755-4401, oliviau@carpinteriaca.gov

Reviewed by: Michael Ramirez, City Manager
(805) 755-4400, michaelm@carpinteriaca.gov



Signature

Signature

ATTACHMENT A



**A Proposal to Conduct an
Executive Recruitment for the Positions of
PARKS, RECREATION AND COMMUNITY
SERVICES DIRECTOR**

and

ASSISTANT CITY MANAGER

on behalf of the



1544 Eureka Road, Suite 280
Roseville, CA 95661
(916) 784-9080
(916) 784-1985 fax

November 29, 2023

MR. MICHAEL P. RAMIREZ
CITY MANAGER
CITY OF CARPINTERIA
5775 CARPINTERIA AVENUE
CARPINTERIA, CA 93013

Submitted via email to: OliviaU@carpinteriaca.gov

Dear Mr. Ramirez:

Bob Murray & Associates is pleased to submit a proposal to conduct the Parks, Recreation and Community Services Director and Assistant City Manager recruitments for the City of Carpinteria. The following details our qualifications and describes our systematic—yet flexible—method of identifying, recruiting, and screening outstanding candidates on your behalf. It also includes a proposed budget, timeline, and guarantee (excluding limited scope recruitments).

At Bob Murray & Associates, we pride ourselves on providing quality service to local governments, non-profit agencies, and private firms. Our recruitment process helps you to determine the direction of the search and the types of candidates you seek while capitalizing on our decades of experience and vast network of contacts to reach those candidates. Our expertise ensures that the candidates we present to the City of Carpinteria will match the criteria you have established, be a positive placement for your organization, and be outstanding in their field.

With respect to the Parks, Recreation and Community Services Director and Assistant City Manager recruitments, Bob Murray & Associates has an unmatched record of success in recruiting local government professionals. With over 25 years of experience, we have conducted hundreds of searches for municipal and special district executives, including those for parks and recreation/community professionals and Assistant City Manager/Deputy City Manager searches for cities throughout the United States. We are currently conducting the Assistant/Deputy City Manager recruitments on behalf of the California cities of Calabasas, Fresno, Murrieta, and Ventura. We are also currently conducting the Community Services Director recruitment on behalf of the City of Fremont. Recent Parks, Recreation and Community Services Director and Assistant City Manager recruitments we have completed similar in size and scope to your upcoming search include the following:

2023

Belmont, CA (Assistant City Manager)
Petaluma, CA (Deputy City Manager)
Rancho Cordova, CA (Assistant City Manager)
San Rafael, CA (Assistant City Manager)
Santa Fe Springs, CA (Assistant City Manager)
City of Folsom, CA (Parks and Recreation Director)

City of Marina, CA (Recreation & Cultural Services Director)
City of Santa Rosa, CA (Parks and Recreation Director)
City of Sparks, NV (Parks and Recreation Director)
City of Victorville, CA (Community Services Director)
County of Yolo, CA (Community Services Director)

2022

Bakersfield, CA (Assistant City Manager)
Campbell, CA (Assistant City Manager)
Healdsburg, CA (Assistant City Manager)

Menlo Park, CA (Assistant City Manager)
Milpitas, CA (Assistant City Manager)
Murrieta, CA (Assistant City Manager)
Pleasanton, CA (Assistant City Manager)
City of Cupertino, CA (Director of Parks and Recreation)
City of La Puente, CA (Community Services Director)
City of Santee, CA (Director of Community Services)
City of Stockton, CA (Director of Community Services)
City of Sunnyvale, CA (Director of Library and Recreation Services)

County of Sacramento, CA (Deputy Community Services Director)

2021

Carpinteria, CA (Assistant City Manager)
Cathedral City, CA (Assistant City Manager)
Marion, IA (Deputy City Manager)
San Carlos, CA (Assistant City Manager)
Santa Barbara, CA (Assistant City Administrator)
City of National City, CA (Library and Community Services Director)
City of Ontario, CA (Museum Arts and Culture Director)

We work as a team on every search at Bob Murray & Associates. Your Project Lead would be Valerie Gaeta Phillips or Yasmin Beers, who would not only direct and supervise the project team from beginning to end but also serve as the Recruiter for the projects as well.

To learn first-hand of the quality of our services and why the majority of our engagements come from repeat and referred clients, we invite you to contact the references listed on page 18 of the attached proposal.

We look forward to your favorable consideration of our qualifications. Please do not hesitate to contact us at (916) 784-9080 with any questions.

Sincerely,



Valerie Gaeta Phillips
President, Bob Murray & Associates

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THE RECRUITMENT PROCESS

Bob Murray & Associates' recruiters are specialists in finding a positive placement, providing security and fairness to candidates and clients while ensuring the integrity of the search process. We understand that superlative recruiting for the Parks, Recreation and Community Services Director and Assistant City Manager positions will lead to superlative results for the City of Carpinteria. Outlined below are the steps in our proven recruitment process, refined through our 30+ years of experience in executive recruiting.

STEP 1 DEVELOP THE CANDIDATE PROFILE

Our understanding of the City of Carpinteria's needs will be key to a successful search. Valerie Gaeta Phillips or Yasmin Beers will meet with the City Manager and key stakeholders to learn as much as possible about the ideal candidate for each position. We want to become familiar with the values and culture of the organization, as well as to understand the current—and future—issues, challenges, and opportunities in the City of Carpinteria.

For each position, Ms. Gaeta Phillips or Ms. Beers will review and help define the City's wish-list regarding the ideal candidate's personality, management style, knowledge, skills, and abilities and will work with the City to identify expectations regarding education and experience. The City Manager and Ms. Gaeta Phillips or Ms. Beers will discuss compensation, benefits, and other key information necessary to ensure that outstanding candidates are attracted to this opportunity. The profiles we develop together at this stage will drive subsequent recruitment efforts for the Parks, Recreation and Community Services Director and the Assistant City Manager.

Optional Service: Community and Staff Involvement

We find that many of our clients value a recruitment process that opens the opportunity for community members, business leaders, organization representatives, and employees to provide input regarding the ideal candidate. Our recruiters are skilled in designing and facilitating forums, town hall meetings, and online surveys that allow equitable involvement from a variety of constituencies and in consolidating feedback into a cohesive narrative of common themes.

If the City of Carpinteria so desires, we will work with the City Manager to create a customized community and/or staff input process.

STEP 2 DESIGN/DISTRIBUTE BROCHURE AND ADVERTISEMENTS

Ms. Gaeta Phillips or Ms. Beers and your dedicated Recruitment Coordinator will use the candidate profiles developed with the City of Carpinteria to create a professional recruitment brochure for each position, with the assistance of our professional graphic designer. The four-page, full-color brochures will describe the community, organization, position, ideal candidate, and compensation and will include pictures provided by the City of Carpinteria that you feel best represent your organization and your community.

Upon your approval, Ms. Gaeta Phillips or Ms. Beers will send the brochures by postal mail and email to a targeted audience for each position, personally inviting potential candidates to apply.

We will also place the recruitment brochures on our website, which attracts over 11,000 unique hits weekly and is a trusted resource for candidates seeking executive and professional positions. Two sample brochures are included in this proposal package for your reference.

Ms. Gaeta Phillips or Ms. Beers will also design an effective advertising campaign appropriate for each recruitment. Our broadest outreach comes through our active social media involvement on Facebook, LinkedIn, and Twitter, where upcoming and current positions are posted. Sources such as *Western City Magazine*, the “Jobs Available” newsletter, and the Careers in Government website will be used to reach an extensive local government audience, while position-specific postings will be chosen to attract candidates who have built their careers in and are committed to the Parks, Recreation and Community Services Director and Assistant City Manager fields.

Suggested Parks, Recreation and Community Services Director or Assistant City Manager-specific advertising sources for the City of Carpinteria’s searches include:

- ◆ League of Women in Government
- ◆ California City News
- ◆ California Parks and Recreation Society
- ◆ California City Management Foundation
- ◆ Local Government Hispanic Network

Bob Murray & Associates does not typically place ads with job aggregators or general job posting sites such as CareerBuilder, Monster, or Indeed, as we have found that the broad reach of these sites does not necessarily lead to quality candidates for executive and professional positions.

Reaching Diverse Candidates

Bob Murray & Associates, a woman- and minority-owned business, is proud of its commitment to attracting and placing diverse candidates. Not only do we place advertisements with websites designed to attract minority and female candidates, but our President, Valerie Phillips, is a member herself of many diversity-focused organizations including the Local Government Hispanic Network, the League of Women in Government, the Professional Women’s Network, Mexican Professionals, and Women Leading Government. She networks frequently with fellow members to gain insight into which potential candidates are leaders in their field.

Ms. Gaeta Phillips or Ms. Beers will seek to reach candidates in communities and organizations with demographic profiles and populations served like that of the City of Carpinteria, to maximize the potential for individuals from a wide variety of backgrounds, cultures, physical abilities, life experiences, and gender to be considered for the Parks, Recreation and Community Services Director and Assistant City Manager positions.

STEP 3 RECRUIT CANDIDATES

The strongest candidates are often those who are successful and content in their current positions and need to be sold on a new opportunity. Our extensive network of contacts, developed through over 1,400 successful placements, is a primary source for identifying and obtaining referrals for these candidates. Our in-house database of 40,000 current and former executive and professional candidates is a valuable resource that can only be built over time—time that we have invested into perfecting our process for finding the right candidates for our clients. Our aggressive outreach

efforts are focused on phone calls to personally invite potential applicants, answer questions, and allay any reservations, and these efforts are essential to the success of each recruitment.

STEP 4 SCREEN CANDIDATES

Following the closing date for the recruitment, Ms. Gaeta Phillips or Ms. Beers will screen all resumes we have received, using the criteria established in the candidate profiles as a basis upon which to narrow the field of candidates. Internal candidates receive sensitive consideration, and Ms. Gaeta Phillips or Ms. Beers will discuss with the City Manager how the City of Carpinteria wishes to proceed with these candidates.

STEP 5 CONDUCT PRELIMINARY INTERVIEWS

Ms. Gaeta Phillips or Ms. Beers will personally interview the top 10 to 15 candidates for each position identified through the resume screening, with the goal of determining which candidates have the greatest potential to succeed in your organization. To reduce travel-related expenses to our clients and increase efficiency in the search process, these interviews are typically conducted via Skype, FaceTime, or other convenient videoconferencing applications.

During these in-depth interviews, Ms. Gaeta Phillips or Ms. Beers will explore each candidate's background and experience as it relates to the Parks, Recreation and Community Services Director and Assistant City Manager positions, such as significant accomplishments, size and scope of responsibility, and organizational culture. In addition, Ms. Gaeta Phillips or Ms. Beers will discuss with the candidates their motivation for applying for the position and assess his/her knowledge, skills, and abilities. Your recruiter will devote specific attention to establishing the likelihood of the candidate's acceptance of the position if an offer of employment is made.

STEP 6 SEARCH PUBLIC RECORDS

Under the direction of Ms. Gaeta Phillips or Ms. Beers, your dedicated Recruitment Coordinator will conduct a review of published print and online articles for each recommended candidate. Sources include Lexis-Nexis™, Google, social media, and our contacts in the field. This will alert Ms. Gaeta Phillips or Ms. Beers to any further detailed inquiries we may need to make before our recommendations are finalized.

STEP 7 MAKE RECOMMENDATIONS

Based on our findings during the preliminary interview process, Ms. Gaeta Phillips or Ms. Beers will recommend a limited number of candidates for your further consideration. Your recruiter will make specific recommendations and will help facilitate discussions regarding the candidate pool, but the final determination of those to be considered will be up to you.

We typically recommend 6-8 candidates for each search that we feel will best match your expectations and prepare a detailed written report on each candidate. This bound report provided to each member of the decision-making body includes:

- ✦ Candidate list with Recommended Finalists identified in *Group 1* and *Group 2* (primary and secondary recommendations), as well as *Internal* candidates
- ✦ Summary of experience, education, and salary information for each Recommended Finalist candidate
- ✦ Complete cover letter and resume for each Recommended Finalist candidate
- ✦ List of *Other Applicants* (those who did not meet minimum qualifications or were otherwise unsuitable, based on our screening process)

Bob Murray & Associates maintains search records for a period of seven (7) years, and we are happy to forward cover letters and resumes for each applicant by postal mail or email as soon as the recruitments close to new applications.

STEP 8 FACILITATE FINAL INTERVIEWS

Our years of experience will be invaluable as we help you develop an interview process that objectively assesses the qualifications of each candidate. We will work with the City of Carpinteria to craft and implement an interview approach that fits your needs for each position. This may include individual and panel interviews by the City Manager and key stakeholders, community/employee interview panels, writing and presentation samples, meet-and-greets, or another specialized process element Ms. Gaeta Phillips or Ms. Beers helps the City of Carpinteria to design.

Ms. Gaeta Phillips or Ms. Beers will be present on-site during the interviews to facilitate as necessary during the process and to guide discussion to consensus regarding final candidates. Bound interview books will be provided to each interview panel member containing:

- ✦ Recruitment brochure with candidate profile
- ✦ Interview schedule
- ✦ Suggested interview questions
- ✦ Experience summary, cover letter, resume, and rating form for each candidate
- ✦ Ranking forms for use during the panel interview process

We will work closely with your staff to coordinate and schedule interviews and candidate travel. Our goal is to ensure that each candidate has a very positive experience, as the way the entire process is conducted will influence the final candidates' perception of your organization.

STEP 9 CONDUCT BACKGROUND AND REFERENCE CHECKS

Ms. Gaeta Phillips or Ms. Beers and your Recruitment Coordinator will conduct detailed reference checks for one (1) final candidate. To gain an accurate and honest appraisal of the candidates' strengths and weaknesses, we will talk candidly with people who have direct knowledge of their work and management style. In addition to gaining a 360-degree view of candidates from the perspective of their supervisors, subordinates and peers for the past several years, we will make a point of speaking confidentially to individuals who may have further insight into a candidate's abilities but who may not be on their preferred list of contacts.

Your Recruitment Coordinator will work with candidates and our professional backgrounding firm, HireRight, to conduct credit, civil litigation, and motor vehicle record checks and verify candidates' degrees.

STEP 10 ASSIST IN NEGOTIATIONS

We recognize the critical importance of successful negotiations and can serve as your representative during this process. Ms. Gaeta Phillips or Ms. Beers knows what other organizations have done to put deals together with great candidates and what the current market is like for Parks, Recreation and Community Services Director and Assistant City Manager positions in organizations like the City of Carpinteria's. Your recruiter will be available to advise you regarding current approaches to difficult issues, such as housing and relocation. We will represent your interests and advise the chosen candidate and you regarding salary, benefits, and employment agreements, with the goal of putting together a deal that results in the appointment of your chosen candidate. With our proven experience and vested interest in a positive outcome, we can turn a very difficult aspect of the recruitment into one that is straightforward and agreeable for all parties involved.

COMPLETE ADMINISTRATIVE ASSISTANCE

We receive many unsolicited testimonials each year from clients and candidates alike noting our prompt, considerate, accurate, and professional service during the search process. Throughout the recruitment, in time intervals that suit the City of Carpinteria, we will provide you with updates on the status of the search and attend to all administrative details on your behalf.

Candidates receive immediate acknowledgement of their applications, as well as personal phone calls and/or emails (as appropriate) advising them of their status at each critical point in the recruitment. Candidates who receive preliminary or final interviews and are not chosen to move forward in the interview process will receive personal calls from Ms. Gaeta Phillips or Ms. Beers on behalf of the City of Carpinteria.

It is our internal company standard that all inquiries from clients and candidates receive a response within the same business day whenever possible, and certainly within 24 hours if the inquiry is received during the work week. Ms. Gaeta Phillips or Ms. Beers will be available to the City of Carpinteria by office phone, cell phone, and email at any time to ensure a smooth and stress-free recruitment process.

COSTS AND GUARANTEE

PROFESSIONAL FEE AND EXPENSES

The fixed, flat professional services fee for conducting the Assistant City Manager recruitment on behalf of the City of Carpinteria is \$17,000. Services provided for in this fee consist of all steps outlined in this proposal, including a meeting on site. The fixed, flat professional services fee for conducting the Parks, Recreation and Community Services Director limited scope recruitment is \$10,000 concluding at close of outreach and \$15,000 concluding at recommended finalist (backgrounds conducted on one final candidate). Services provided for in both limited scope recruitment fees, include all expenses, however they do not include a guarantee and outreach will conclude as of the agreed upon closing date. All pricing above is based on conducting both the Assistant City Manager and the Parks, Recreation and Community Services Director recruitments. The professional fee does not limit the amount of time invested by Bob Murray & Associates in promoting a successful outcome for this project.

The City of Carpinteria will also be responsible for reimbursing expenses Bob Murray & Associates incurs on your behalf. We estimate expenses for the Assistant City Manager project not to exceed \$5,500. Reimbursable expenses include (but are not limited to) such items as the cost of recruiter travel; clerical support; brochure development; placement of ads; credit and civil background checks; education verification; and public records searches. Postage, printing, photocopying, and telephone charges are allocated costs and included in the expense estimate. *In no instance will expenses exceed this estimate without prior approval from the City of Carpinteria. This estimate assumes some shared costs, such as shared travel for initial meetings.*

Expense reimbursement for candidate travel related to on-site interviews will be the responsibility of the City of Carpinteria.

Professional Fees and Reimbursable Expenses -Assistant City Manager Recruitment

Professional Services Fee	\$17,000

Reimbursable Expenses

Example costs and approximate amounts include:

Brochure Design and Printing (\$1,275)	
Advertising (\$2,500)	\$5,500
Background Checks – 1 candidates (\$550)	
Consultant Travel (\$600)	
Other expenses – supplies, shipping, clerical (\$575)	

Not-to-Exceed Total	\$22,500

Optional Services

- Community/Staff Input Forum: \$1,500/day, plus travel expenses
- Online survey: \$250
- Additional on-site meeting days: \$1,500/day, plus travel expenses
- Additional background checks: \$250/candidate
- Additional reference checks: \$500/candidate

- Other services: \$250/hour or \$1,500/day

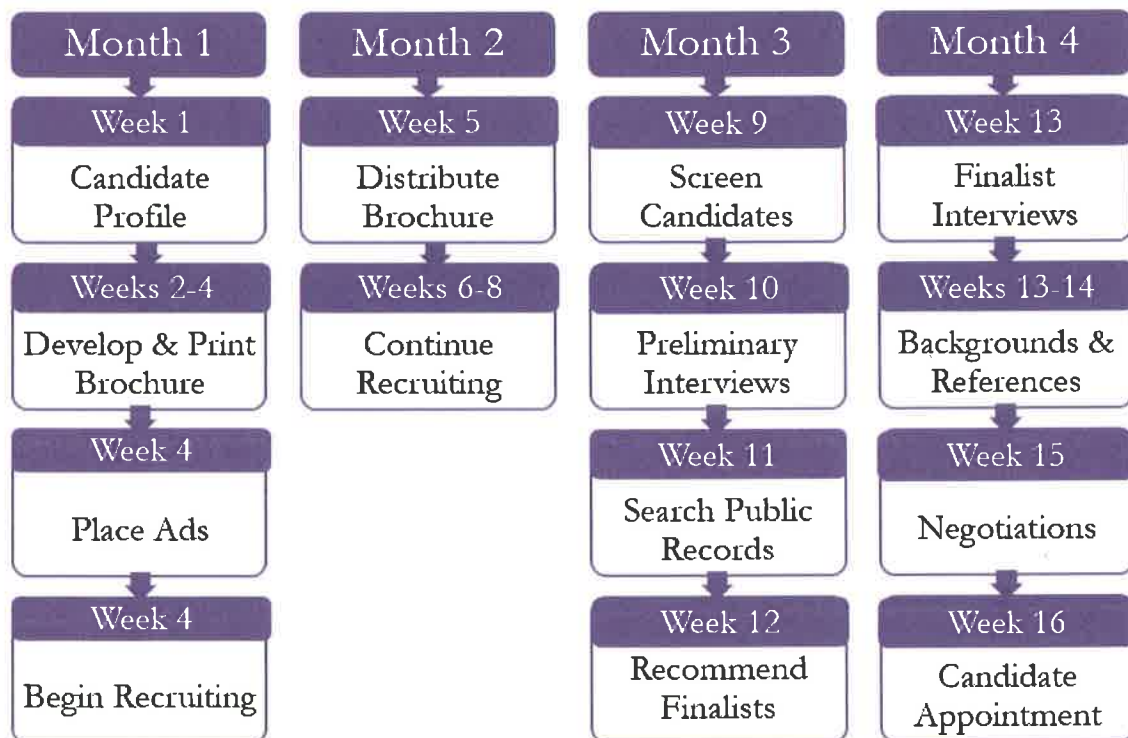
GUARANTEE

Should a candidate recommended by our firm resign or be terminated within the first 12 months of employment, we will provide the City of Carpinteria with professional services to secure a replacement. Services will be provided at no cost, aside from expenses incurred on the City of Carpinteria's behalf during the new search. We are confident in our ability to recruit outstanding candidates and do not expect the City to find it necessary to exercise this provision of our proposal. Our guarantee does not apply to a limited scope recruitment.

RECRUITMENT SCHEDULE

We are prepared to start work on these assignments upon receipt of a signed professional services agreement or other written, authorized notification. A full search can be completed in 13-16 weeks from the date of initial meetings with our client. We are experienced in conducting concurrent recruitments for our clients, and each step in the process will receive the same level of attention as for an individual search.

The final recruitment schedule for each position will be determined in collaboration with City of Carpinteria. A typical timeline of tasks and events is included here for reference.



FIRM PROFILE

OUR STAFF

Bob Murray & Associates is a small firm focusing exclusively on executive search services. We have a team of sixteen (16):

- ✦ Bob Murray, *Founder*
- ✦ Valerie Gaeta Phillips, *President*
- ✦ Gary Phillips, *Executive Vice President*
- ✦ Joel Bryden, *Vice President*
- ✦ Yasmin Beers, *Senior Executive Recruiter*
- ✦ Carmen Valdez, *Senior Executive Recruiter*
- ✦ Adele Fresé, *Senior Executive Recruiter*
- ✦ Bryan Hill, *Senior Executive Recruiter*
- ✦ Stacy Stevenson, *Senior Executive Recruiter*
- ✦ Deanna Cantrell, *Executive Recruiter*
- ✦ Jon Lewis, *Executive Recruiter*
- ✦ Alexandria Kopack, *Recruitment and Operations Manager*
- ✦ Kathy Lolas, *Senior Recruitment Coordinator*
- ✦ Stephanie Marshall, *Senior Recruitment Coordinator*
- ✦ Steph Souza, *Assistant Recruitment Coordinator*
- ✦ Gini Herndon, *Contracts Administrator/Bookkeeper*

BOB MURRAY, FOUNDER

Mr. Murray—known simply as “Bob” to his clients and candidates throughout the western U.S.—brings over 40 years’ experience as a recruiter and is recognized as one of the top local government recruiters in the nation. He conducted hundreds of searches for cities, counties, and special districts and was called on to conduct searches for some of the largest, most complex organizations in the country—and some of the smallest. Bob conducted searches for chief executives, department heads, professional and technical positions, taking the lead on many of the firm’s most difficult assignments with great success. His clients retained him again and again, given the quality of his work and success in finding candidates for difficult to fill positions.

As our Founder, Bob currently takes on few searches personally but continues to be an active presence at Bob Murray & Associates, providing valued insight and experience to our team members regarding all aspects of the recruitment process.

Mr. Murray received his Bachelor of Science Degree in Criminology from the University of California at Berkeley with graduate studies in Public Administration at California State University at Hayward.

VALERIE GAETA PHILLIPS, PRESIDENT AND RECRUITER

Ms. Gaeta Phillips has over 18 years of recruiting experience, including more than a decade of recent experience in executive search for public, private, and startup companies nationwide. Since

joining Bob Murray & Associates, Valerie has completed over 160 searches in a diverse range of fields, including city and general management, planning, finance, human resources, transportation, communication and public relations, community and economic development, information technology, parks and recreation, and operations. She has recruited at all levels of municipal and non-profit organizations, from technicians and engineers to Executive Directors and Chief Executive Officers.

Valerie is valued for her passion for finding and retaining the most outstanding candidates for even the most difficult or untraditional assignments and for her commitment to her clients' success; she is also active in a variety of industry organizations and in diversity-focused associations. Valerie is called upon often to serve as an expert speaker on topics such as managing one's online reputation, diversity issues in municipal and non-profit leadership, and how to identify a positive placement for the organizational culture.

Ms. Gaeta Phillips, along with Executive Vice President Gary Phillips, has a passion for helping people, evidenced by fundraising, sponsorship, and involvement in raising awareness for organizations such as Autism Speaks, the UC Davis M.I.N.D. Institute, and the Northern California Special Olympics.

GARY PHILLIPS, EXECUTIVE VICE PRESIDENT AND RECRUITER

Since joining Bob Murray & Associates, Mr. Phillips has completed over 125 searches for executives and professionals in a wide variety of fields including animal services, city and general management, planning, legal counsel, cyber security, and human resources. Gary's clients have ranged from municipal government to non-profit and private sector organizations, and he has sourced outstanding candidates for positions from the level of division managers up to City Managers, Executive Directors, and General Managers.

Gary started his career with a New York-based Fortune 100 company and quickly became a Senior Manager, building and running a large customer service organization that eventually expanded to 13 countries in Europe. He proceeded to hold senior leadership positions in several Fortune 500 companies, with noted successes such as building an organization from two to 250 employees worldwide and growing a company from 800 to 1200 employees.

As part of an executive acquisition and recruiting team, Gary helped build a start-up enterprise software company in San Francisco, recruiting top-notch talent and building a world-class organization. He has maintained customer relationships in the public sector and the private sector, including medical and financial institutions. He prides himself on finding key talent and offering the best customer service to his clients.

Mr. Phillips, along with Ms. Gaeta-Phillips, is involved in his community as a soccer coach, as an organizer of fundraisers for Autism Speaks and the UC Davis M.I.N.D. Institute, and as a sponsor of the Northern California Special Olympics. Mr. Phillips received his Associate of Science degree and completed additional coursework at Rochester Institute of Technology, NY.

JOEL BRYDEN, VICE PRESIDENT AND RECRUITER

Mr. Bryden has over 30 years of local government experience that he brings to the firm, having retired as Chief of Police in Walnut Creek, CA prior to joining Bob Murray & Associates in 2013. Throughout his career, Joel has been involved in public sector consulting, with vast experience in hiring and promotional processes, as well as interviewing candidates for advancement in all aspects of local government.

Joel has a solid reputation as a leader in the public sector and his ability to find and evaluate outstanding applicants for our clients is invaluable in the search process. Since joining Bob Murray & Associates, Joel has conducted over 100 recruitments in a broad range of sectors including police, fire, building, planning, city management, and general management. He is often called upon to recruit specialized or difficult-to-fill positions, such as Independent Police Auditor.

Mr. Bryden is a graduate of the FBI National Academy and obtained his Bachelor of Arts Degree in Communication from San Diego State University. He is currently based in Walnut Creek, CA.

YASMIN BEERS, SENIOR EXECUTIVE RECRUITER

Yasmin Beers brings over 33 years of municipal government experience to Bob Murray and Associates. Yasmin retired as the City Manager for Glendale with a population of over 200,000. She served as Chief Executive Officer overseeing close to 2,000 employees serving in Police, Fire, Public Works, Parks, Community Development, Library Arts & Culture, Innovation Performance & Audit, and Water & Power to name a few.

Yasmin's three decades of experience in public service brings extensive background in public sector finance, human resources management, contract negotiations, strategic planning & organizational leadership, policy development, emergency response & planning, team building and performance improvement. Throughout her career, Yasmin has had a great deal of experience in recruiting, selecting and hiring employees for executive and management level positions with a focus on the organizational needs and culture.

Yasmin currently serves on the Glendale Adventist Medical Center's Civic Advisory Board and the Advisory Board for Village Christian School. Yasmin is a past member of Soroptimist International of Glendale where she served as President in 1999/2000. She is a past board member of Glendale Healthy Kids, Salvation Army and the American Red Cross. In 2011 the Glendale Chamber of Commerce recognized Yasmin as Woman of the Year; in 2013 she was the recipient of The Armenian American Woman of Excellence Award; in 2014 Yasmin was recognized by the Glendale Educational Foundation for her distinguished service and philanthropic efforts; in 2015, YWCA awarded Yasmin with the Heart & Excellence Award; in 2017, she was recognized by Business Life Magazine as a Women Achiever; and in 2018 the California State Senate recognized Yasmin as one of the Woman of the Year, each a tribute to her core values that represent her civic responsibilities, volunteerism and community service.

Yasmin has a Bachelor of Arts degree in Political Science from California State University, Northridge and a Master's degree in Organizational Leadership from Woodbury University.

CARMEN VALDEZ, SENIOR EXECUTIVE RECRUITER

Carmen Valdez provides executive recruitment and human resource services to municipal government agencies and non-profits. She has more than 25 years' experience in team-building, executive search, general human resources, classification and compensation, testing, policy development, performance management, organizational development, discipline, and other employee relations activities.

Carmen has most recently been consulting with Municipal Resource Group, prior to which she spent over 30 years with the City of Milpitas, a Silicon Valley city of 70,000 residents. In this capacity, she was responsible for collective bargaining, PEPRA and Affordable Care Act implementation, modernizing Human Resource services to improve efficiencies and reduce costs, revamping the Workers Compensation service delivery and completing a City-wide strategic plan. Carmen also spent almost 2 years as the Director of Recreation Services.

In addition to her significant experience in the public sector, Carmen earned a Bachelor of Arts degree in Business from the University of Phoenix. She is also a member of Local Government Hispanic Network and League of Women in Government. She is an avid runner and enjoys giving back to her community.

ADELE FRESÉ, SENIOR EXECUTIVE RECRUITER

Adele Fresé brings 27 years of local government experience to Bob Murray & Associates, having retired as Chief of Police in Salinas, CA prior to joining the firm in 2021. Adele began her public service career in 1985 as an active-duty member of the United States Marine Corps before serving the City of Corpus Christi for 20 years.

Adele has extensive experience in hiring and promotional processes, as well as interviewing candidates for advancement in all aspects of local government.

During her 7 years as a Chief of Police, Adele exercised strong leadership and implemented monumental changes leading to the diversification of her agency's sworn staff. Adele's commitment to collaboration with the public and law enforcement agencies earned her the Partner of the Year Award from Homeland Security Investigations, and her Department the Community Policing Award from the Community Policing Institute of California.

Adele received her Bachelor of Science degree in Criminal Justice Administration from California State University at Hayward, and a minor degree in Sociology. She earned a Master of Science in Public Safety, completed the Senior Executives in State and Local Government program at the Harvard Kennedy School, and PERF's Senior Management Institute for Police. She is a Texas Certified Public Manager.

BRYAN HILL, SENIOR EXECUTIVE RECRUITER

Chief Bryan Hill (ret.) spent over 30 years serving as a public safety leader in the San Francisco Bay Area. During his career, he worked for three appreciably different East Bay cities and developed and led several regional programs providing him a broad perspective of local government. Much of Bryan's career was spent working in a wide variety of leadership and

executive level roles. As a police chief and city department head he was known for a progressive and principled leadership approach.

Throughout his career, Bryan emphasized community engagement. As a municipal government executive, he was dedicated to establishing lasting community partnerships, building strong teams, and continues to participate in leadership development.

Bryan received the California Police Officer's Association Award of Distinction for his efforts in developing regional partnerships that increased efficiencies, professionalism and service to the community. Bryan received his Bachelor of Arts degree in Social Science from California State University, Sacramento and he earned a Master of Science in Organizational Leadership. He is a graduate of the FBI National Academy and holds a California POST Executive Certificate.

STACEY STEVENSON, SENIOR EXECUTIVE RECRUITER

In Ms. Stevenson's 32 years of service in municipal government, she worked for the California cities of San Diego, National City, and Murrieta. Ms. Stevenson began her professional career in City of San Diego as a Personnel Analyst and went on to work in the Personnel, Metropolitan Wastewater, Engineering, and Contracting departments; as well as the City Manager's office, progressing from Analyst to Deputy Director. She also assumed special projects such as the creation and opening of the City's neighborhood service centers and Liaison to the City Council.

From San Diego she joined the City of National City where she served as the Director of Human Resources, the Director of Administrative Services, and Deputy City Manager. She oversaw Community Services, Finance, Human Resources, and Information Technology; and managed special projects such as the balloting and passage of the City's local sales tax and the implementation of a new payroll module.

In the City of Murrieta, Ms. Stevenson served as Administrative Services Director and Deputy City Manager, again overseeing Community Services, Finance, Human Resources and Information Technology and managing special projects. Ms. Stevenson has also served as a commissioner on both the Child Care and Civil Service Commissions for the City of Chula Vista.

Ms. Stevenson holds a Bachelor's degree in Industrial Organizational Psychology as well as a Master of Business Administration degree with an emphasis in Human Resource Management.

DEANNA CANTRELL, EXECUTIVE RECRUITER

Deanna Cantrell brings 28 years of municipal government passion and experience to Bob Murray & Associates as an executive recruiter. Deanna is recognized as a prominent driver of public safety leadership, innovative and evidence-based problem solving, advancing trust and community building, and developing leaders. She has a proven record for exceptional communication, talented public speaking, forward thinking policing, strategic planning, staff development, mentoring, and coaching.

Deanna was the Chief of Police for the City of Fairfield, California for over two years. Prior to that, Deanna served almost five years as the Chief of Police in San Luis Obispo (SLO) California, and over 21 years with the Mesa, Arizona Police Department where she moved through the ranks from Officer to Assistant Chief.

Deanna has built a deep-rooted history of building trust with the community, improving employee health and wellness, and advancing meaningful police transformation. Deanna has developed numerous testing processes, has assisted in over 20 executive recruitments, and is gifted in mentoring, coaching, and recognizing and developing talent. She served for four years as the Co-Chair for the California Women Leaders in Law Enforcement (WLLE) and is the WLLE Foundation Board President, also chairing the mentoring committee. Deanna served for six years on the California Police Chiefs Association Board. She is currently an Executive Fellow for the National Policing Institute and is on the Board for Police2Peace. In 2018 Deanna was selected as the 24th District, California Congressional Woman of the year, and in 2022, Women Leaders in Law Enforcement established the Deanna Cantrell Exceptional Leadership award.

Deanna holds a Bachelor of Science in Education and a Master of Administration from Northern Arizona University. She has an Executive Development Certificate from CA POST, teaches Advancing Ethical Leadership for CA POST through Cal State Long Beach, and is a graduate of Northwestern University Police Staff and Command School where she is also an adjunct faculty member, teaching policy, executive image, strategic planning, internal conflict.

Deanna enjoys the arts, playing the guitar, golfing, and growing future leaders.

JON LEWIS, EXECUTIVE RECRUITER

Jon Lewis brings over 30 years of municipal government experience to Bob Murray and Associates. Jon began his career in public service in 1991 with the City of Newport Beach, an iconic coastal community of 53 square miles in Southern California. After successfully working his way through the ranks of the Police Department, he honorably retired in December of 2022 after serving as the Chief of Police for nearly seven years. Jon is known for his commitment to selfless service, ethical leadership and maintaining longstanding community partnerships. During his tenure as Chief of Police, the Newport Beach Police Department achieved reduction in crime to historic lows through effective, data-driven community policing strategies as well as excellence in emergency response and 911 call answer times.

Jon graduated with honors from California State University Long Beach with a Bachelor of Science degree in Criminal Justice and Speech Communication and holds a Master of Arts degree in Criminal Justice from Chapman University. He is a graduate of several advanced law enforcement training courses including the California Commission on Peace Officer Standards and Training Command College. Jon has authored two university-level textbooks in criminal justice and is an instructor with the Center for Criminal Justice Research and Training at California State University Long Beach.

He and his wife, Darcy, have two children and reside in Orange County.

ALEXANDRIA KOPACK, RECRUITMENT AND OPERATIONS MANAGER

Alex is the Recruitment & Operations Manager with Bob Murray & Associates, and partners closely with each executive recruiter to support both clients and candidates through the entire recruitment process. Alex also offers support to the recruitment coordinators by ensuring each

employee has the tools necessary for success within the firm. She also posts available positions to job boards, schedules interviews, conducts background checks on candidates, and creates marketing materials for each search.

Alex graduated with a bachelor's degree in Business Administration from Boise State University. She has several years of experience in many different office settings and is eager to assist in the hiring process.

In her spare time, Alex enjoys spending time with her husband, family, and poodle (Theo), as well as playing tennis whenever weather allows.

KATHY LOLAS, RECRUITMENT COORDINATOR

Kathy recently joined the Bob Murray & Associates team after eight years of retirement. She is serving as a Recruitment Coordinator and brings over 30 years of experience from the residential real estate, state government, and life coaching industries. As a Recruitment Coordinator, Kathy partners closely with executive recruiters to provide support to candidates and clients throughout the recruitment process. She assists with scheduling, conducting background checks, creating marketing materials, and posting advertisements for open recruitments.

Kathy returned to graduate school in 2015, earned her Master's degree and launched a private life-coaching practice. She is known for her outgoing personality, attention to detail and collaborative approach to successfully completing executive recruitments. In her free time, Kathy enjoys playing jazz piano, travel, boating, and playing with her poodle, "Rocky".

STEPHANIE MARSHALL, RECRUITMENT COORDINATOR

Stephanie serves as a Recruitment Coordinator with Bob Murray & Associates, partnering closely with executive recruiters to support clients and candidates through the recruitment process. She assists with scheduling interviews, creating marketing materials, posting advertisements, and conducting background checks, as well as many other administrative tasks that contribute to the success of each recruitment.

Stephanie graduated with a Bachelor's degree in Anthropology and earned a Paralegal certification from the University of California, Davis. She's worked in various offices before her time at Bob Murray & Associates and is excited to assist in the hiring process.

During her free time, Stephanie enjoys spending time with family, reading high fantasy novels, and being out on the water.

STEPH SOUZA, ASSISTANT RECRUITMENT COORDINATOR

Steph serves as an Assistant Recruitment Coordinator with Bob Murray & Associates and supports clients and candidates during the executive recruitment process. She assists with a variety of administrative tasks that contribute to the success of each recruitment such as creating marketing materials, conducting recruitment outreach, coordinating interviews, conducting background checks, and creating interview books.

Steph graduated with a bachelor's degree in Business Administration from Sacramento State University. She has worked in other Human Resources roles before her time at Bob Murray & Associates and is happy to assist in the hiring process.

During her free time, Steph enjoys weightlifting, being in nature, and spending time with her cat (Mochi).

GINI HERNDON, CONTRACTS ADMINISTRATOR/BOOKKEEPER

Ms. Gini Herndon is the Contracts Administrator/Bookkeeper at Bob Murray & Associates. Ms. Herndon is the first point of contact at Bob Murray & Associates and has an extensive administrative background in business law.

Ms. Herndon is known for her collaborative approach as she works closely with our internal team and clients to ensure a successful search. As a first point of contact, Ms. Herndon is highly professional and maintains a high level of confidentiality and sensitivity.

CORPORATION

Bob Murray & Associates was founded in May 2000 and operated under the corporation name MBN Services, Inc. until June 2014; our new corporation name is GVP Ventures, Inc., incorporated in California in 2014. Contact information for the corporation and the firm is as follows:

GVP Ventures, Inc. OR Bob Murray & Associates
1544 Eureka Road, Ste. 280
Roseville, CA 95661
(916) 784-9080
apply@bobmurrayassoc.com

Our corporation and firm are financially sound (and have been so since 2000), with documentation from our accountant available to your organization prior to final execution of a professional service agreement. We have never been involved in any litigation, aside from our personnel serving as expert witnesses.

PROFESSIONAL ASSOCIATIONS

Our firm, represented by our President Valerie Gaeta Phillips and/or our Executive Vice President Gary Phillips, is involved in the following organizations to remain engaged with current and future issues relevant to the work we conduct on behalf of clients like City of Carpinteria:

- California Special Districts Association – *Member*
- California City Management Foundation (CCMF) – *Member*
- International City/County Management Association (ICMA) – *Member*
- League of California Cities – *League Partner*
- League of Women in Government – *Sponsor/Member*
- Municipal Management Association of Northern California (MMANC) – *Sponsor/Member*
- Municipal Management Association of Southern California (MMASC) – *Sponsor/Member*
- National Forum for Black Public Administrators (NFBPA) – *Committee member for Marketing and Branding*

Members of our leadership team not only attend events sponsored by these associations but are also frequently called upon to serve as panel members and to provide specialized lectures regarding industry-specific issues.

Recent and upcoming speaking engagements and trainings provided by our staff include:

- “Role of the Chief” class, presented by Joel Bryden on behalf of the California Police Chiefs Association
- Organization of Latino Affairs invited speaker - Valerie Phillips for Hispanic Heritage Month; and
- “The Next Step on Your Career Ladder: A Rung Up or a Missed Step? What City Managers are Seeking to Create a Dream Team,” Bob Murray & Associates is a leading participant on the MMANC 2019 Conference Panel

REFERENCES

Clients and candidates are the best testament to our ability to conduct quality searches. Clients for whom Bob Murray & Associates has recently conducted similar searches are listed below.

CLIENT:	City of Campbell, CA
POSITION:	Assistant City Manager
REFERENCE:	Mr. Brian Loventhal, City Manager (408) 866-2125
CLIENT:	City of Healdsburg, CA
POSITION:	Assistant City Manager
REFERENCE:	Mr. Jeff Kay, City Manager (707) 431-3318
CLIENT:	City of La Puente, CA
POSITION:	Community Services Director
REFERENCE:	Mr. Bob Lindsey, City Manager (626) 855-1500 Mr. Troy Grunklee, Director of Administrative Services (626) 855-1500
CLIENT:	City of Cupertino, CA
POSITION:	Director of Parks and Recreation
REFERENCE:	Ms. Vanessa Guerra, Human Resources Manager (408) 777-3201

We appreciate the City of Carpinteria's consideration of our proposal and look forward to working with you.

