CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL AGENDA

Mayor Dale Byrne, Councilmembers Jeff Baron, Hans Buder, Bob Delves, and Alissandra Dramov
Contact: 831.620.2000 www.ci.carmel.ca.us

All meetings are held in the City Council Chambers
East Side of Monte Verde Street
Between Ocean and 7th Avenues

CITY COUNCIL SPECIAL MEETING
Monday, February 3, 2025
4:30 PM

HYBRID MEETING ATTENDANCE OPTIONS

This meeting will be held in person and via teleconference ("hybrid"). The public is welcome to attend the meeting in person or remotely via Zoom, however, the meeting will proceed as normal even if there are technical difficulties accessing Zoom. The City will do its best to resolve any technical issues as quickly as possible. To view or listen to the meeting from home, you may also watch the live stream on the City's YouTube page at: https://www.youtube.com/@CityofCarmelbytheSea/streams. To participate in the meeting via Zoom, copy and paste the link below into your browser.

https://ci-carmel-ca-us.zoom.us/j/81991221369 Webinar ID: 819 9122 1369 Passcode: 055985 Dial in: (253) 215-8782

HOW TO OFFER PUBLIC COMMENT

The public may give public comment at this meeting in person, or using the Zoom teleconference module, provided that there is access to Zoom during the meeting. Zoom comments will be taken after the in-person comments. The public can also email comments to cityclerk@ci.carmel.ca.us. Comments must be received at least 2 hours before the meeting in order to be provided to the legislative body. Comments received after that time and up to the beginning of the meeting will be made part of the record.

4:30 PM

CALL TO ORDER AND ROLL CALL

EXTRAORDINARY BUSINESS

A. Presentation on Fire Preparedness in the Village (Estimated time - 20 min)

PUBLIC APPEARANCES

Members of the public are entitled to speak on matters of municipal concern not on the agenda during Public Appearances. Each person's comments shall be limited to 3 minutes, or as otherwise established by the Chair. Persons are not required to provide their names, however, it is helpful for speakers to state their names so they may be identified in the minutes of the meeting. Under the Brown Act, public comment for matters on the agenda must relate to that agenda item and public comments for matters not on the agenda must relate to the subject matter jurisdiction of this legislative body. If a member of the public attending the meeting remotely

violates the Brown Act by failing to comply with these requirements of the Brown Act, then that speaker will be muted.

ORDERS OF BUSINESS

A. Discuss City Policy C89-02: City Council Meetings/Orders of Council/Agenda Packets/Minutes of Meeting and Agenda Distribution and provide direction to City Administrator (Estimated time - 10 min)

CONSENT AGENDA (Estimated time - 5 min)

Items on the consent agenda are routine in nature and do not require discussion or independent action. Members of the Council, Board or Commission or the public may ask that any items be considered individually for purposes of Council, Board or Commission discussion and/ or for public comment. Unless that is done, one motion may be used to adopt all recommended actions.

1. January 7 & 13, 2025, Special Meeting Minutes and January 14, 2025, Regular Meeting Minutes

2. December 2024 Monthly Reports

3. December 2024 Check Register Summary

4. Resolution 2025-09 rescinding and replacing Resolution 2024-094, authorizing the City Administrator to establish and adopt the new class specification and salary schedule of Library Associate, adopt revisions to the current Librarian I and II classes and new salary schedules in accordance with Municipal Code 2.52.590(B)

5. Resolution 2025-010 authorizing the consumption of alcohol at the Farmers' Market Third Thursday events in 2025

6. Resolution 2025-011, authorizing the serving of alcohol on public property, and the erection of tents on public property for the Carmel Art Festival

7. Resolution 2025-012 Authorizing a refund of Design Study application fees, associated with DS 24-331 (Susko), in the amount of $1,869.75 to Holdren Lietzke Architecture

ORDERS OF BUSINESS

Orders of Business are agenda items that require City Council, Board or Commission discussion, debate, direction to staff, and/or action.

8. Resolution 2025-013 receiving the Annual Comprehensive Financial Report (ACFR) for the fiscal year ending June 30, 2024 (Estimated time - 60 min)

9. Resolution 2025-014 for a Professional Services Agreement with Conti, LLC, with a not to exceed value of $110,543, to complete Audio/Visual upgrades to the Council Chambers (Estimated time - 10 min)

10. Discussion on establishing a Financial Stewardship Workgroup and an Emergency Preparedness Workgroup (Estimated time - 20 min)

CLOSED SESSION

A. Public Employee Performance Evaluation pursuant to Government Code Section 54957;

Title: City Administrator

PUBLIC COMMENT - limited to items on Closed Session

ADJOURNMENT

This agenda was posted at City Hall, Monte Verde Street between Ocean Avenue and 7th Avenue, Harrison Memorial Library, located on the NE corner of Ocean Avenue and Lincoln Street, the Carmel-by-the-Sea Post Office, 5th Avenue between Dolores Street and San Carlos Street, and the City's webpage http://www.ci.carmel.ca.us in accordance with applicable legal requirements.

SUPPLEMENTAL MATERIAL RECEIVED AFTER THE POSTING OF THE AGENDA

Any supplemental writings or documents distributed to a majority of the City Council regarding any item on this agenda, received after the posting of the agenda will be available for public review at City Hall located on Monte Verde Street between Ocean and Seventh Avenues during regular business hours.

SPECIAL NOTICES TO PUBLIC

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk's Office at 831-620-2000 at least 48 hours prior to the meeting to ensure that reasonable arrangements can be made to provide accessibility to the meeting (28CFR 35.102-35.104 ADA Title II).

CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL
Staff Report

February 3, 2025
ORDERS OF BUSINESS

TO:	Honorable Mayor and City Council Members
SUBMITTED BY:	Brian Pierik, City Attorney
APPROVED BY:	Chip Rerig, City Administrator
SUBJECT:	Discuss City Policy C89-02: City Council Meetings/Orders of Council/Agenda Packets/Minutes of Meeting and Agenda Distribution and provide direction to City Administrator (Estimated time - 10 min)

RECOMMENDATION:

Discuss City Policy C89-02: City Council Meetings/Orders of Council/Agenda Packets/Minutes of Meeting and Agenda Distribution and provide direction to City Administrator.

BACKGROUND/SUMMARY:

Mayor Byrne has requested that this item be presented to the City Council for discussion.

Attached is City Policy C89-02: City Council Meetings/Orders of Council/Agenda Packets/Minutes of Meeting and Agenda Distribution.

Section III of the Policy is entitled "Conduct of City Council Meetings". Sub-section C is on Meeting Procedures for review of each item on the Agenda (with the exception of Public Hearings). Sub-section C currently reads:

> C. Meeting Procedures for review of Each Item on the Agenda (with the exception of Public Hearings):
>
> - The Mayor will read the agenda item under discussion.
> - Staff will present a brief report.
> - City Council questions of staff

Possible changes to Section III C on the process for considering agenda items could include the following:

(1) Mayor will read the agenda item under discussion.

(2) Mayor will ask if any Councilmember wishes for a staff presentation

(3) Mayor will ask staff to present a brief presentation if requested.

(4) Mayor will ask City Council if there are any questions for staff

(5) Mayor will ask for Public Comment in chambers and then remote

(6) Mayor will ask Council for discussion.

(7) Mayor will ask Council to take action for an action items including motions, resolutions, ordinances and requests for direction to staff.

Regarding Step (2) on requesting a staff presentation, the thought is that the Agenda packet for the Council meeting was posted with all Staff Reports at least 72 hours prior to the Council meeting so the Council and public have had an opportunity to review the Staff Reports and there may not need to be a staff presentation on the item unless a Councilmember requests a presentation. The request could be for a full presentation by staff or only a presentation on certain points within the Staff Report.

Section II B of the Policy is entitled “Orders of City Council Business”, which includes a subheading on “Public Appearances”.

Possible changes to Section II B “Public Appearances” could be adding a 3rd paragraph to include the following:

> Under the Brown Act, public comments for matters on the agenda must relate to that agenda item and public comments for matters not on the agenda must relate to the subject matter jurisdiction of this legislative body. If a member of the public attending the meeting remotely violates the Brown Act by failing to comply with these requirements of the Brown Act, then that speaker will be muted.

This language could be added to confirm the scope of public comment permissible under the Brown Act.

Next Steps

If the Council finds that one or more of the changes described to Policy C89-02 are appropriate, then staff can return to the Council at the March meeting with a revised Policy C89-02 incorporating those changes.

FISCAL IMPACT:

No direct fiscal impact for this action.

PRIOR CITY COUNCIL ACTION:

Adoption of Policy/Procedure No. C89-02 and revisions on March 2, 2009; June 2012 (Resolution No. 2012-33) and October 6, 2020 (Resolution No. 2020-063).

ATTACHMENTS:

Attachment 1) City Policy C89-02: City Council Meetings/Orders of Council/Agenda Packets/Minutes of Meeting and Agenda Distribution

Attachment 1

CITY OF CARMEL-BY-THE-SEA
POLICY AND PROCEDURE

Subject: City Council Meetings/Orders of Council/Agenda Packets/Minutes of Meeting and Agenda Distribution	***Policy/Procedure No:*** C89-02
Effective Date: 2 August 1988	***Authority:*** Resolution No. 88-89

Purpose:
To provide a guide for the City Council and staff for the conduct of public meetings, agenda and minute preparation and distribution of agenda packets.

Policy/Procedure:
1. Adoption of action minutes as outlined in the attached memorandum from the League of California Cities.
2. Adoption of City Clerk's policy regarding agenda packets (No packets shall be disseminated until the packets are made available to the City Council).
3. Adoption of the sequence of the Orders of Council as set forth in the policy attached.

Responsible Party:
City Administrator/City Clerk

Department of Origin:
Administration/City Council

Revision Dates:
2 March 2009 (28 October 2008 Council Retreat)
5 June 2012 (Resolution No. 2012-33)
6 October 2020 (Resolution No. 2020-063)

Rescinded Date :

C89-02

CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL
RULES AND PROCEDURES

The City Council is composed of five members: Mayor and four Council Members. The Mayor serves a two-year term and members of the City Council serve four year terms.

I. ELECTED OFFICIALS

A. Mayor (directly elected since 1978)

The Mayor is the chair of the meeting and, as such, presides at all Council meetings. As the titular head of the City Council, the Mayor represents the City at quasi-governmental and social functions and may represent the City Council before other governmental bodies on specific matters as may be authorized by the City Council.

B. Mayor Pro Tempore

The Mayor Pro Tempore is appointed by the Mayor in December or at the first meeting after the City Council is seated following an election. This appointment is announced by the Mayor, but does not need to be ratified by the City Council. In the absence of the Mayor, the Mayor Pro Tempore shall chair the City Council meetings and may attend social/quasi-governmental functions on behalf of the City.

C. Absence of both the Mayor and Mayor Pro Tempore

In the absence of both the Mayor and Mayor Pro Tempore, members of the City Council shall appoint an acting Mayor Pro Tempore, who shall have the powers and duties of the Mayor Pro Tempore as described above.

II. CITY COUNCIL MEETINGS

City Council meeting dates and types (e.g. Regular, Special, Closed Session, Tour of Inspection) are regulated by Chapter 2 of the Municipal Code.

A. Agenda

Only items that are agendized may be acted on at any Council meeting.

- Agenda Preparation

The draft agenda is prepared by the City Administrator and City Clerk with the input of all department directors and is reviewed at weekly staff Management meetings.

- Agenda Finalization

The Mayor and Mayor Pro Tempore meet with the City Administrator and City Clerk prior to the meeting to finalize the draft agenda.

- Continuance of Agenda Item

Any City Council member who is ill or will be away from the City may request, in writing, that an item of "personal interest" or a "major issue" be continued to the next meeting. The City Council shall vote on the issue of continuance.

- Agenda Posting

The Agenda is posted (City Hall, Main Library and Post Office bulletin boards and on the City Website) 6 days prior to a regular meeting and a minimum of 24 hours prior to a Special Meeting.

B. Orders of City Council Business

The Orders of City Council business are adopted by Resolution of the City Council. The Orders of City Council Business are:

- Extraordinary Business

This category allows the City Council to recognize volunteers, employees, present certificates of appreciation and awards.

- Announcements from City Council Members & City Administrator

This category allows an opportunity for City Council Members to comment on meetings attended of outside agencies and the City Administrator to give a brief report to the City Council and receive presentations that require little or no action.

- Public Appearances

The public has opportunities to speak to the City Council. The Public Appearances section allows persons to speak a maximum of three minutes, or as otherwise established by the City Council, on items of City business, other than those scheduled agenda items. Matters not appearing on the City Council's agenda will not receive action at that meeting but may be referred to staff for a future meeting or resolution outside of a City Council meeting. The City Council reserves the right to limit the duration of the Public Appearances section of the agenda to thirty minutes total.

Members of the public are entitled to directly address the City Council concerning any item that is described in the notice of the City Council meeting during consideration of that item. Public comments or testimony on agenda items other than Public Appearances shall be limited to a maximum of three minutes per speaker.

- Consent Agenda

Consent Agenda items will be voted on in one motion unless removed. The Consent Agenda consists of routine and non-controversial City matters that can be as a whole approved by a single majority vote. Any City Council Member or member of the public may ask to have an item pulled from the Consent Agenda for discussion. Such items are normally moved to the end of the meeting.

If a City Council Member has a question for information only about a Consent Agenda item, the Member should ask prior to the meeting, rather than pulling the item for discussion during the meeting.

Corrections to the Minutes are given to the City Clerk prior to the meeting so that corrections can be made prior to their adoption.

- Orders of Council

Orders of Council include reports of committee/commissions, ordinances and resolutions, public hearings, reports of officials, unfinished business, and council matters.

Public Hearings consist of zoning amendments, General Plan amendments, appeals of Commission decisions and other items mandated by the State. If the Public Hearing is an appeal, appellants are allowed a total of 10 minutes to speak on their own behalf after the staff report and at the close of public comment in order to have the opportunity to rebut public comments. Other speakers will be allowed three minutes. Formal Public Hearings must be advertised pursuant to State and Government Codes.

Ordinances are the most binding form of action the City Council can take. They are codified as the Municipal Code of the City of Carmel-by-the-Sea which is the municipal law of the City. The City Council has authority to pass ordinances through Government Code Section 37100, as long as these ordinances do not conflict with the laws and Constitution of the State of California or of the United States. Ordinances require two readings and do not become effective until 30 days after the second reading, unless it is an Urgency Ordinance

A resolution is a formal form of a motion normally utilized to set forth policy of the City . Each resolution, in addition to being referenced by number and brief title in the minutes, will be recorded as provided by law and maintained in numerical sequence as a permanent record of the City in a separate set of books. Resolutions are used for various reasons, such as when specifically required by law, when needed as a separate evidentiary document to be transmitted to another governmental agency, or where the frequency of future references back to its contents warrants a separate document to facilitate such future reference and research.

III. CONDUCT OF CITY COUNCIL MEETINGS

A. General Procedure

It is the policy of the Council not to become involved in entanglements over parliamentary procedure. Pursuant to the Municipal Code, the Chair shall have authority to prevent the misuse of motions, or the abuse of any privilege, or obstruction of the business of the Council by ruling any such matter out of order. The Mayor will assist the Council to focus on the agenda, discussions and deliberations. He/she has been delegated the responsibility to control the debate and order of the speakers.

B. Questions Addressed to a Council Member

With the concurrence of the Mayor, a Council Member holding the floor may address a question to another Council Member. That Council Member may respond while the floor is still held by the Council Member asking the question.

Council Members will limit their comments to the subject matter, item or motion being currently considered by the Council. They will govern themselves as to the length of their comments or presentation.

C. Meeting Procedures for review of Each Item on the Agenda (with the exception of Public Hearings:

- The Mayor will read the agenda item under discussion.
- Staff will present a brief report.
- City Council questions of staff.

Upon recognition by the Mayor, Members of City Council may ask questions of the staff prior to opening of the discussion to members of the audience.

D. Public input/oral presentations

Any member of the public wishing to address the Council orally on a specific agenda item may do so when the item is taken up by Council, or as otherwise specified by the Council or its presiding officer. Oral presentations are limited to three minutes, unless otherwise provided.

Persons who anticipate oral presentations exceeding three minutes are encouraged to submit comments in writing to the City Clerk, by the Tuesday prior to the meeting so they may be included in the agenda packet. In order to expedite matters and to avoid repetitious presentations, whenever any group of persons wishes to address Council on the same subject matter, the presiding officer may request that a spokesperson be chosen by the group. A specified time limit also may be set for the total presentation for any group.

- Close of Public Comment

Once public comment is closed, it cannot be reopened unless Council agrees by consensus.

- Staff response to questions from the public.

Based on staff responses to the public, members of the City Council may wish to address further questions to staff.

- The Mayor/City Administrator/Attorney shall remind the City Council of the action before Council.
- City Council discussion
- City Council action/motions

Before a motion can be considered or debated, it must be seconded. Once the motion has been properly made and seconded, the Chair shall open the matter for discussion offering the first opportunity to the moving party and, thereafter, to any City Council Member properly recognized by the Chair. Once the matter has been fully discussed and the Chair calls for a vote, no further discussion will be allowed.

Council Members may be allowed to explain their vote briefly for the record. Once a vote is taken, all Council Members shall support the action taken.

- Substitute motions

When a motion is on the floor, any member of City Council may make a substitute motion. If the substitute motion is seconded, it shall be acted upon prior to acting on the main motion.

- Tie votes

A tie vote results in a failed motion. In such an instance, any member of the Council may offer a motion for further action. If there is no action by an affirmative vote, the result is no action. If the matter involves an appeal and an affirmative vote does not occur, the result is that the decision appealed stands as decided by the decision-making persons or body from which the appeal was t aken.

- Motions to reconsider

Motions to reconsider a matter may be made at the same meeting or at the next succeeding meeting following a Council action for reconsiderati on. Such motions must be made by a Council Member voting in favor of the original motion.

- Staff announcement of decision

The Mayor, City Administrator, City Attorney, or City Clerk shall announce the vote and passage or failure of an item.

E. **Meeting Procedure for formal Appeals/Public Hearings**

When a matter for public hearing comes before the City Council, the Mayor shall inquire if there are any persons present who desire to speak on the matter which is to be heard or to present any evidence regarding the matter.

The procedure for holding City Council appeals differs from other items where the public is allowed to speak in that appellants are allowed to have 10 minutes to make a presentation, including closing comments. The public testimony follows, after which the appellants are given an opportunity for rebuttal or closing arguments .

- Public comments/discussion

No person will be permitted during the hearing to speak about matters or present any evidence that is not germane to the matter being considered. A determination of relevance shall be made by the Mayor or City Attorney, but may be appealed by any Member of the City Council.

F. **Minutes of Meeting Policy (C 89-02)**

The Minutes of the City Council meeting are action minutes and do not reflect City Council commentary and discussion. However, if a Council Member wishes to include comments in the record, they will be included if so requested at the meeting (e.g. "for the record, I wish to state..."). All motions made, even those made without a second are to be included in the minutes.

- Items entered into the record

All agenda items/documentation/correspondence received at a Council meeting shall be retained in the City's records.

- Distribution

The minutes shall be distributed to members of the City Council for comment and/or correction in the Council packet. The City Clerk will correct the minutes prior to the meeting, and if the correction is substantive, copies of the corrected minutes shall be distributed to all members of the Council.

G. **Official Recordings of the Meeting**

All City Council meetings are recorded. This ensures accuracy of the minutes and provides a temporary record of the City Council proceedings. Once the minutes are approved, legally, the recordings do not have to be retained. However, recordings of the Council meetings; Planning Commission meetings, and recordings of other commissions/boards shall be retained pursuant to the City's adopted Retention Schedule.

Amended: October 6, 2020

COUNCIL MINUTES

A. PREFACE

City Clerks in general law cities are specifically required to keep a record, journal or minutes of the council meetings (Gov. C. 36814, 40801). Cities governed by freeholder's charters are usually subject to the same requirement s. Although there is no legal necessity to do so, it is appropriate to mention, introductorily, in the minutes that the meeting was convened and held as noticed.

B. PURPOSE OF COUNCIL MINUTES

A most important principle of corporation law, applicable to private, public, and municipal corporations, is that such organizations can only act through their officers and employees. These corporations are governed by fixed rules found in the basic law of the organization; in charter and state statutes in the case of municipal corporations.

When these factors are considered, the keeping of a good record of council proceedings becomes obvious. A sufficient record must be kept to furnish evidence that the City Council has complied with the law or rules by which it is governed, thus pointing to the need for accurate and clear records of council proceedings. Finally, if accurate, complete, and unambiguous minutes of City Council meetings are recorded, these facts themselves will be treated as conclusive evidence of the facts therein stat ed.

C. FORM AND CONTENTS OF COUNCIL MEETING MINUTES

1. Standard Forms:

Use of standardized format is recommended to develop uniformity on minute entries and to save time in composing the record.

2. Jurisdictional Matters

To establish proof that jurisdictional requirements for holding a meeting have been complied with, it is important that minutes contain the following:

- **a.** Date, hour, and place of meeting.
- **b.** Whether it is a regular, adjourned, or special meeting.
- **c.** A proper notice has been given if it is a special meeting.
- **d.** The names of council members in attendance (in case a council member arrives late, or departs before adjournment, the minutes should show the time of arrival and/or departure at that point in the proceedings).

3. Approval of Minutes of Previous Meetings

Although there is no legal requirement that minutes be approved by the City Council, this traditional procedure is advisable as it lends further weight to the accuracy and completeness of the record. It is recommended that the City Council be furnished copies of minutes in sufficient time prior to a City Council meeting to avoid any necessity of reading of the minutes by the clerk. When approved as written, or as changed by the City Council, the minutes are considered to be official.

4. Record of Action Taken

The minutes need only record:

a. Petitions and communications

1. Date of the document
2. Subject
3. Authors, if only a few
4. Number of signers, if numerous
5. Action taken

The minutes need not record the comments made by members of the City Council concerning the merit or lack of merit of the petition or requests contained in the document, unless expressly requested by the officer making such comment. The reason for the latter observation is that the document speaks for itself, and it has no legal significance until the City Council acts or refuses to act with respect thereto.

b. Consideration of bids

1. Record of bids filed and opened

   a. The subject matter of the bids
   b. The compliance with all requirements for the advertising for such bids.
   c. The names of all bidders, and the total amounts of their respective bids.

2. Action taken with respect to bids.

   a. It is preferable that a resolution, prepared or approved by the City Attorney, be used in awarding contracts to the successful bidder. When this is done, the minutes need only refer to the resolution in recording the action taken.

   b. If the City Council determines to accept a bid which is not the lowest in amount, it is advisable that the minutes show that such bid was "the lowest reasonable bid". Whether the minutes should include a record of the matters leading to the determination of "responsibility" is a decision clerks might well review with their City Attorneys.

   c. Ordinances and resolutions

      1. Introduction

      The information which should be recorded in City Council minutes, with respect to the introduction of an ordinance, depends upon the particular rules or practices of each city on the subject. Thus, if the practice requires that before an ordinance or resolution can be acted upon, it shall be introduced by one City Council Member, and seconded by another, this information should be recorded in the minutes.
      Generally speaking, minutes should record the following data concerning the introduction of an ordinance or resolution:

aa. The title or subject matter
bb. The names of the City Council Members introducing and seconding

2. Compliance with jurisdictional requirements prior to action taken on ordinances or resolutions

Whenever the basic law or rules of a city require that a certain procedure must be followed prior to any action taken in adopting an ordinance or resolution, the minutes should show such compliance. This would include a statement referring to the previous introduction of the ordinance and would include a reference on an urgency ordinance that it is an urgency ordinance.

3. Votes cast for or against adoption of ordinances and resolutions

aa. Presumption of validity of ordinances and resolutions. There is a presumption in favor of the due and regular adoption or rejection of a city ordinance or resolution, if there are any official records to support that presumption, and that the votes were cast in substantial accordance with the requirements of the law or regulations pertaining to such matters.

This is particularly true where the ordinance or resolution contains a certificate signed by the mayor and/or clerk.

bb. Voting procedure governing adoption of ordinances and regulations (See Chapter VI on legislative Procedures)

d. Reports of officers

1. . Written reports

Since any written record is the best evidence of its contents, a written report presented at a City Council meeting need only be mentioned in the minutes by reference to:

aa. Name or title of the officer
bb. Date of the report
cc. Subject or title of report
dd. Disposition made of report, if any

CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL
Staff Report

February 3, 2025
CONSENT AGENDA (Estimated time - 5 min)

TO:	Honorable Mayor and City Council Members
SUBMITTED BY:	Nova Romero, City Clerk
APPROVED BY:	Chip Rerig, City Administrator
SUBJECT:	January 7 & 13, 2025, Special Meeting Minutes and January 14, 2025, Regular Meeting Minutes

RECOMMENDATION:
Approve Draft Minutes.

BACKGROUND/SUMMARY:
The City Council routinely approves minutes of its meetings.

FISCAL IMPACT:
None.

PRIOR CITY COUNCIL ACTION:
None

ATTACHMENTS:

Attachment 1) January 7, 2025, Special Meeting Minutes
Attachment 2) January 13, 2025, Special Meeting Minutes
Attachment 3) January 14, 2025, Regular Meeting Minutes

Attachment 1

CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL

SPECIAL MEETING MINUTES

Tuesday, January 7, 2025

CALL TO ORDER AND ROLL CALL
Mayor Byrne called the meeting to order at 4:30 pm.
Roll call: Councilmembers Jeff Baron, Hans Buder, Bob Delves, Alissandra Dramov, and Mayor Dale Byrne were present.

PLEDGE OF ALLEGIANCE
Mayor Byrne led the pledge of allegiance.

PUBLIC APPEARANCES
Julia Norman
Sara Hinds
Mattew Richardson
No name
Neal Kruse
Sylvia
Gail
Bryan Rosen
Catherine
Richard Kreitman
Craig Rose
TRW

ORDERS OF BUSINESS

Item 1 - Appointment of Mayor Pro Tempore for 2025

Mayor Byrne appointed Councilmember Delves as the Mayor Pro Tempore for 2025.

Item 2 - Discussion on Council Appointments to Ad Hoc Committees and potential appointments

Mayor Byrne gave a brief presentation summarizing of purpose and scope of Ad Hoc Committees. He made a recommendation to terminate all existing standing committees, and form new ones if needed.

Public Comment:
Donna Jett
Tim Twomey
Cari White

Council gave consensus direction to terminate all of the existing ad hoc committees, and create ad hoc committees on an as needed basis.

Item 3 - Resolution 2025-01 confirming Councilmember appointments to outside agencies for 2025

City Clerk Romero gave a brief introduction of the item, stating that the beginning of each year, or as necessary, the Council makes appointments to outside agencies. She added that the Resolution Exhibit A in the agenda packet lists the proposed appointments to the various outside agencies.

Public Comment:
Neal Kruse
Bryan Rosen

Mayor Byrne said he would like to make a change to the proposed list of appointees, to appoint Mayor Pro Tem Delves as the primary representative for Carmel on TAMC and the Monterey Peninsula Regional Water District Policy Advisory Committee (MPRWD PAC). Councilmember Baron said he has been deeply involved in TAMC over the years and would like the opportunity to be the primary representative. Mayor Pro Tem Delves said he agrees with the Mayor's request for him to serve as primary on TAMC.

Motion by Councilmember Buder to approve Resolution 2025-01 as presented with the amendment to appoint Mayor Pro Tem Delves as the primary representative to TAMC and MPRWD PAC, seconded by Councilmember Dramov, and approved 4-1-0-0 by the following roll call vote:
AYES: Councilmembers Buder, Dramov, Delves, and Mayor Byrne
NOES: Councilmember Baron
ABSENT: None
ABSTAIN: None

Council took a recess at 5:50 p.m. Council resumed the meeting at 6:01 p.m.

Item 4 - Fiscal Year 2024-2025 Mid-Year Budget Report and Resolution 2025-02 Approving FY 2024-2025 Adopted Budget Amendments

Assistant City Administrator Swanson introduced Finance Manager Jayme Fields, who gave a presentation on the FY 24-25 budget and proposed budget amendments.

Councilmember Dramov inquired about potential cost-sharing with Pebble Beach for the San Antonio Pathway project. City Administrator Rerig confirmed that Mayor Byrne will soon be meeting with a Pebble Beach representative to discuss this possibility. She asked about the the upcoming expiration of the three-year reduced police staffing model. Mr. Rerig noted that contract negotiations with the Police Officers Association will begin shortly.

Councilmember Buder raised a question about the practice of fully funding Capital Improvement Projects (CIPs) annually, despite multi-year project timelines. Finance Manager Fields explained that this approach ensures adequate funding for projects and prevents project delays due to unforeseen budget shortfalls. He asked about the estimated $950,000 repair cost for the Sunset Center retaining wall, questioning if it's a 10-year or 30-year solution, given the uncertainty surrounding the future parking lot uses. Mayor Byrne said he's not comfortable approving almost a million dollars to repair 1 retraining wall and would like to look into alternatives to keep the cost down. Project Manager Hernandez emphasized the urgent need for repair due to the failing wall condition. City Administrator Rerig stated that staff will explore potential cost-saving measures for the project and emphasized that the Sunset elevator project is time sensitive for safety and accessibility reasons.

Public Comment:
Maria Ruess

Council discussion resumed. Mayor Pro Tem Delves expressed concern that the current budget presentation may not accurately reflect the City's actual spending, as CIP budgets rarely come close to spending what is budgeted for each fiscal year. He advocated alternative CIP forecast methods, more frequent budget updates, and a stronger focus on budget outcomes. He also requested information on the City's actual property tax revenue and proposed the creation of a potential finance standing committee to facilitate more in-depth budget discussions. Councilmember Buder agreed with the idea of a finance standing committee, and Mayor Byrne suggested it be added to a future meeting agenda for discussion. Finance Manager Fields said that the City is researching the City's share of property tax revenue with the County and will present findings on the City's website.

Councilmember Baron pointed out that the $500,000 allocated for the Shoreline Coastal Engineering study comes from a grant specifically earmarked for planning purposes and cannot be used for construction. He suggested approving the $50,000 budget adjustment toward the elevator repairs at the Sunset Center. He said regarding the retaining wall project, perhaps there are some cost savings if the city opts to not use expensive materials, such as Carmel stone. Mayor Byrne suggested the budget decision on the Sunset Center retaining wall be postponed until more detailed cost saving measures can be explored.

Motion by Councilmember Baron to approve the Reso 2025-02, to approve the budget adjustments as proposed with the exception of modifying the Sunset elevator repair amount to $50,000, decrease the expected tax revenue to $745,000, and eliminate the $900,000 Sunset Center wall budget adjustment, and revisit the wall at a future budget meeting, seconded by Councilmember Dramov, and approved 5-0-0-0 by the following roll call vote:
AYES: Buder, Baron, Delves, Dramov, and Mayor Byrne
NOES: None
ABSENT: None
ABSTAIN: None

Item 5 - Receive a Status Report on the Police Building Renovation Project, review the Conceptual Design for renovating and expanding the Police and Public Works building on the existing site, and provide direction to staff

Police Chief Tomasi presented draft plans for renovating the Police Department and Public Works facilities at the existing site, emphasizing the architect's creative approach to meet the operational needs of both departments. Police Building Project Consultant, Fred Meuer, stated that if the renovation project is approved the project would be phased to minimize disruption to PW and PD operations during construction.

Councilmember Baron asked whether the estimated $30 million project cost includes purchasing additional property for a new PW yard. Mr. Meuer clarified that the $30 million is a preliminary estimate that does not yet include the cost of acquiring a new PW yard site, as the location has not been determined. Councilmember Buder asked if any compromises to PD needs were made by the architect to accommodate the renovation plans. Chief Tomasi confirmed that the architects were able to design a solution that meets all the operational needs of the Police Department within the existing site.

Public Comment:
Donna Jett
Neal Kruse
David O'Neil
Craig Rose
Stacy Steele
Karyl Hall
Cindy Lloyd

Councilmember Baron voiced reservations about the feasibility of renovating the existing site, citing increasing costs due to the inherent constraints of the current location. He recalled his previous vote against solely pursuing renovation and emphasized the need to thoroughly explore the option of constructing a new building on an alternate site to make an informed decision. Baron also questioned the necessity of acquiring additional land for the Public Works yard, given the current use of Rio Park, and suggested exploring potential cost-saving measures, such as eliminating the firing range. Councilmember Buder agreed with Councilmember Baron's concerns.

Councilmember Dramov expressed concerns regarding public feedback she has received regarding the project's escalating scope and costs. She advocated prioritizing immediate needs and raised questions about how the city plans to fund a $30 million project. Mayor Pro Tem Delves expressed concern that the project's focus may have shifted disproportionately towards improving Public Works facilities, potentially overshadowing the needs of the Police Department. Mayor Byrne said agreed with the issues raised by all Councilmembers.

Council directed staff to schedule a community meeting within the next few weeks to discuss the Police Department Building Project further and receive public input.

ADJOURNMENT

Council adjourned the meeting at 8:28 p.m.

APPROVED:

ATTEST:

Dale Byrne, Mayor

Nova Romero, MMC, City Clerk

CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL

SPECIAL MEETING MINUTES

Monday, January 13, 2025

TOUR OF INSPECTION - 4:00 PM
Prior to calling the meeting to order, the Council conducted an on-site tour of inspection of the property listed below:

A. Southeast Corner of Torres Street and 5th Avenue, Carmel (PERM EN 23-077 - Givens)

CALL TO ORDER AND ROLL CALL - 4:30 PM
Mayor Byrne called the meeting to order at 4:30 p.m.
Roll call: Councilmember Jeff Baron, Hans Buder, Alissandra Dramov, and Mayor Dale Byrne were present. Mayor Pro Tem Delves was absent.

Mayor Byrne said that his father passed away recently. He shared that his brother had presented him with his grandfather's hammer, a cherished family heirloom, to use as his gavel during City Council meetings. Mayor Byrne then requested that the meeting be adjourned in memory of his father, Charles Lee Byrne.

PUBLIC APPEARANCES
Sara
James
Ken White
Andi Carr

CONSENT AGENDA

Mayor Byrne pulled consent agenda items #1-5 for a separate vote and discussion and gave a brief summary of what the consent agenda item is and how the Council votes to approve these items.

Agenda 1 - December 2 & 9, 2024, Special Meeting Minutes and December 3, 2024, Regular Meeting Minutes

Public Comment: None

Motion by Councilmember Dramov to approve the meeting minutes, seconded by Councilmember Baron, and approved 4-0-1-0 by the following roll call vote:
AYES: Councilmembers Baron, Buder, Dramov, and Mayor Byrne
NOES: None
ABSENT: Mayor Pro Tem Delves
ABSTAIN: None

Item 2 - November 2024 Monthly Reports

Public comment: none

Motion by Councilmember Baron, to approve the November 2024 monthly reports, seconded by Councilmember Dramov, and approved 4-0-1-0 by the following roll call vote:
AYES: Councilmembers Baron, Buder, Dramov, and Mayor Byrne
NOES: None
ABSENT: Mayor Pro Tem Delves
ABSTAIN: None

Item 3 - November 2024 Check Register Summary

Public comment: none

Motion by Councilmember Baron, to approve the November 2024 Check Register Summary, seconded by Councilmember Buder, and approved 4-0-1-0 by the following roll call vote:
AYES: Councilmembers Baron, Buder, Dramov, and Mayor Byrne
NOES: None
ABSENT: Mayor Pro Tem Delves
ABSTAIN: None

Item 4 - Resolution 2025-03 adopting the Fiscal Year 2025-2026 budget schedule

City Administrator Rerig summarized that the Municipal Code requires that at the beginning of every year the Council adopts a budget meeting schedule leading up to the July 1st budget adoption deadline. He announced that Councilmember Baron will be out of town for a couple weeks in March Councilmember Baron and suggested moving the special meeting on the 5-Year Capital Improvement Plan (CIP) and Financial Forecast from the week of March 10th to the week of March 24th. He added that the budget meeting schedule should note that the Planning Commission will review the approved CIP project list the week of May 14th as part of the budget meeting cycle.

Public Comment: None

Motion by Councilmember Baron, to approve Resolution 2025-03 as presented with the exception that the 5-year CIP forecast meeting be held week of March 24, and note that the Planning Commission will review the CIP project list the week of May 12th, seconded by Councilmember Buder, and approved 4-0-1-0 by the following roll call vote:
AYES: Councilmembers Baron, Buder, Dramov, and Mayor Byrne
NOES: None
ABSENT: Mayor Pro Tem Delves
ABSTAIN: None

Item 5 - Resolution 2025-04, Authorizing one (1) free use day of the Sunset Cultural Center theater and lobby for the 2025 AIM Ideas Lab Youth Presentation and Awareness Design Challenge Reception

Mayor Byrne pulled the item from consent and invited Mark Stillwell from AIM to briefly present their Youth Mental Health event. Mr. Stillwell provided an overview of AIM, including its mission and focus on raising awareness about youth mental health challenges. Connie Cumming also shared information on how the public can contribute to AIM.

Public comment:
Andi Carr

Motion by Councilmember Baron, to adopt Resolution 2025-04 authorizing a free use day of the Sunset Center for AIM Youth Mental Health, seconded by Councilmember Buder, and approved 4-0-1-0 by the following roll call vote:
AYES: Councilmembers Baron, Buder, Dramov, and Mayor Byrne
NOES: None
ABSENT: Mayor Pro Tem Delves
ABSTAIN: None

ORDERS OF BUSINESS

Item 6 - Resolution 2025-05 authorizing the City Administrator to execute a multi-year contract with MoGo Express for the delivery of mail from the Post Office to recipients within the City for a new not to exceed amount of $270,000, granting the contract through June 30, 2025, with options to extend annually thereafter

Finance Manager Fields gave a presentation summarizing the history of mail delivery service, and presented a proposal to execute a new multi-year contract with MoGo Express for mail delivery services, highlighting immediate cost savings. She added that tonight the recommendation is to enter into a new agreement with MoGo, and that further discussion regarding the long-term provision of this service should be discussed at a future meeting.

Public comment:
Sara
Andi Carr

Councilmember Buder expressed concern about subsidizing mail delivery costs for residents who can afford the service and suggested adding income eligibility requirements to apply for this service, while Councilmember Baron opposed this idea. Councilmember Dramov advocated for maintaining the current service for residents with medical necessity. Councilmember Baron proposed reducing delivery frequency to three days per week to potentially save 20% on costs.

Mayor Byrne suggested that he and Councilmember Buder explore alternative solutions and cost saving measures as an informal ad hoc committee, and Buder agreed. Councilmember Baron supported authorizing the current contract through the end of June, followed by negotiations with the vendor to reduce costs rather than switching providers again.

Motion by Councilmember Buder, to approve Resolution 2025-05 to execute a contract with MoGo Express for mail delivery services with the option to renew annually, and have Mayor Byrne and Councilmember Buder research means testing and explore reducing delivery to 3 days a week to lower costs, seconded by
approved 4-0-1-0 by the following roll call vote:
AYES: Councilmembers Baron, Buder, Dramov, and Mayor Byrne
NOES: None
ABSENT: Mayor Pro Tem Delves
ABSTAIN: None

CLOSED SESSION

City Attorney Pierik read the closed session title.

A. CONFERENCE WITH LABOR NEGOTIATORS PURSUANT TO GOVERNMENT CODE SECTION 54957.6:
Agency Designated Representatives: Assistant City Administrator Brandon Swanson, Senior HR Analyst Marisa Bermudez, Police Commander Todd Trayer, and Police Chief Paul Tomasi
Employee Organization: Carmel Fire Ambulance Association

Public comment: None

ADJOURNMENT

Council moved to Closed Session at 5:40 p.m., and adjourned at 6:30 p.m. The meeting adjourned in memory of Charles Lee Byrne.

APPROVED: ATTEST:

____________________________ _______________________________
Dale Byrne, Mayor Nova Romero, MMC, City Clerk

CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL

REGULAR MEETING MINUTES

Tuesday, January 14, 2025

CALL TO ORDER AND ROLL CALL

Mayor Byrne called the meeting to order at 4:30 p.m.
Roll call: Councilmember Jeff Baron, Hans Buder, Alissandra Dramov, and Mayor Dale Byrne were present. Mayor Pro Tem Delves was absent.

PLEDGE OF ALLEGIANCE

Councilmember Dramov led the pledge of allegiance.

EXTRAORDINARY BUSINESS

A. Carmel High School Report Out - None

B. Commendation to Carmel Police Officers for Life Saving - Police Chief Paul Tomasi presented a certificate of commendation awarded to Carmel Police Officers Joe Boucher and Tim Ament from the Monterey County Peace Officers Association for their lifesaving actions. He said that these two officers were first on the scene of a choking incident and provided critical assistance before the arrival of emergency medical services.

C. Volunteer Spotlight - Friends of Harrison Memorial Library - Mayor Byrne gave a presentation on the history of the non-profit Friends of Harrison Memorial Library, what their organization does, and ways the community can get involved.

D. Presentation on the Role of City Council and the City Administrator - Mayor Byrne gave a presentation summarizing the structure of the City as a Corporation, the roles of the City Administrator, City Attorney, Councilmembers, and Boards and Commissions. He highlighted some key differences in processes between the private and public sector, and how the public and volunteers are involved in the process.

PUBLIC APPEARANCES

David Dillworth
Parker Logan
Laura Bolling
Mike Buffo
Janie Moore
Bryan Rosen
Cindy Lloyd
Richard Kreitman
Linda Smith

ANNOUNCEMENTS

A. City Administrator - announced that the City will have a presentation on the City's wildfire prevention strategies on the February 3rd agenda, and will hold more community meetings on wildfire preparedness. He also noted that the audiovisual (AV) system in the Council chambers will be upgraded, as funding for microphone and video improvements has already been allocated in the budget. He responded to Ms. Moore's public comment by saying that the City is committed to addressing resident concerns and invited all residents to contact him, any City staff member, or any Councilmember to discuss any issues or concerns they may have regarding City government.

B. City Attorney Announcements - announced that there was no reportable action from yesterday's closed session.

C. Councilmember Announcements -

Councilmember Baron - echoed City Administrator Rerig's comments regarding reaching out to Councilmember or staff if they have any concerns or issues and they would be happy to help.

Councilmember Dramov - announced that there has been a change of ownership from the Shell gas station in town to Chevron, and that the historic Shell sign has been preserved by the City and is in the local history room.

Councilmember Buder - said that the City is working on an amendment to the Housing Element to find ways to create housing opportunities on non-City owned sites and that progress is being made and they are exploring leasable spaces in the downtown area. He said that any volunteers who are interested in helping through data entry to reach out to him.

Mayor Byrne - said that the City has made progress on the Harrison Memorial Library restoration project by selecting the architect and the next step will be for Council to award a contract.

ORDERS OF BUSINESS

Item 1 - Consider Resolution 2025-06 approving a supplemental budget appropriation to the Fiscal Year 2024-2025 Budget to award a $1,000 Discretionary Grant to the Carmel Padre Parents for the Class of 2025 Sober Grad Night

City Clerk Romero gave a brief overview of the item and requested Council consideration and direction on the donation request for the Carmel High School Sober Grad Night.

Public comment: None

Motion by Councilmember Baron to approve Resolution 2025-06, awarding a $1,000 discretionary grant to the 2025 CHS Sober Grad Night event, seconded by Councilmember Buder, and approved 4-0-1-0 by the following roll call vote:
AYES: Councilmembers Baron, Buder, Dramov, and Mayor Byrne
NOES: None
ABSENT: Mayor Pro Tem Delves
ABSTAIN: None

PUBLIC HEARINGS

Item 2 - Consider Adoption of Resolution 2025-07 Adopting the Historic Context Statement Update in a manner fully in conformity with the Coastal Act

Planner Katherine Wallace presented the Historic Context Statement Update, outlining revisions to the chronological themes, formatting, and streamlined content. She recommended Council adopt the Historic Context Statement Update as presented and noted that final adoption will ultimately require a Local Coastal Amendment and subsequent approval from the Coastal Commission.

Public Comment:
Eric Dyar
Linda Smith
Cindy Lloyd
Richard Kreitman
Kent Seavy
Melanie Billig
Seth Bergstein

Council discussion resumed. Council thanked Katherine Wallace, Kent Seavy, and Seth Bergstein, the Consultant from Past who put so much work into the update which is very well done and thoughtfully created. Council requested that the previous version be available online as a historical reference.

Motion by Councilmember Dramov, to adopt Resolution 2025-07, adopting the Historic Context Statement Update in conformity with the Coastal Act, with no amendments made aside from corrections to typos, if necessary, seconded by Councilmember Baron, and approved 4-0-1-0 by the following roll call vote:
AYES: Councilmembers Baron, Buder, Dramov, and Mayor Byrne
NOES: None
ABSENT: Mayor Pro Tem Delves
ABSTAIN: None

Council took a recess at 6:15 p.m. and resumed the meeting at 6:25 p.m.

Item 3 - Resolution 2025-08 - Consideration of a partial after-the-fact Permanent Encroachment Permit, PERM EN 23-077 (Givens), for development in the public right of way which includes a series of terraced retaining walls, a new staircase with handrail, and a new driveway retaining wall located on the southeast corner of Torres Street and 5th Avenue in the Single-Family Residential (R-1) District - *Item Continued from December 3, 2024*

Assistant City Administrator and Acting Community Planning and Building Director Swanson presented the item, summarizing both existing unpermitted encroachments and proposed new encroachments. He explained that the applicant failed to demonstrate a justifiable need for the encroachment at the staff level. He explained that since all seven criteria for staff approval were not met, the decision on whether to approve or deny the encroachment now rests with the Council.

Public Comment:
Erin Rose, Lewis Builders, spoke on behalf of the applicant. She said the applicant has offered to amend their encroachment permit request to address the concerns from Council.
Scott Julian, Lewis Builders, spoke on behalf of the applicant.
Cheryl Gibbons
Danny Joris, Lewis Builders, spoke on behalf of the applicant.

Council discussion resumed. Council generally agreed with staff's assessment, and expressed reservations about the proposed retaining wall, questioning its effectiveness in enhancing safety and suggesting approving 1 walkway to the house, as opposed to 2, and said they would prefer natural methods of erosion control, such as jute netting and native plants. Council agreed with the importance of maintaining a natural aesthetic as outlined in the City's design guidelines. Coucilmember Buder highlighted the need for clearer City policies regarding design and construction of stairs, retaining walls, and improvements on steep slopes.

City Administrator Rerig said that Council may consider directing the applicant to come back with a redesign, or to task the Design Traditions Steering Committee to come up with some ideas for how to approach sloped properties. He also said the Council may separate the existing unpermitted encroachments and the new proposed encroachments and provide direction on each part of the request. Council discussed which elements of the encroachment permit they agreed with and those that they do not approve of.

Motion by Councilmember Baron to approve Resolution 2025-08 with the following modifications to PERM EN 23-077, subject to City design review and approval:

1) **Approval of the:**
    - **Driveway on Torres Street,**
    - **Landscaping along Torres Street and 5th Avenue,**
    - **New stone curb to the south of the driveway on Torres Street (to the minimum extent needed for retaining soil and if full compliance with design guidelines),**
    - **New staircase on Torres Street (with conditions: more natural materials and meandering path, utilized for soil retention, and significant landscaping to shield from public view)**
    - **Existing wood retaining wall at the NW corner of the property; and**

2) Denial of the:

- **Existing stacked boulders to the north of the driveway on Torres Street (must be removed)**
- **Existing wooden staircase on 5th Avenue (must be removed)**
- **Two proposed new wood retaining walls at the NW corner of the property (rather, the natural slope should be preserved with minimal grading in coordination with the City and the placement of landscaping to maintain the slope); and**

2) That the findings for approval by Council are categorically exempt from CEQA under 15303.

The motion was seconded by Councilmember Dramov, and approved 4-0-1-0 by the following roll call vote:
AYES: Councilmembers Baron, Buder, Dramov, and
NOES: None
ABSENT: Mayor Pro Tem Delves
ABSTAIN: None

FUTURE AGENDA ITEMS

Councilmember Buder requested that the strategic planning workshop be moved up to the end of February, such as February 27, 2025, in order to help guide the CIP budget meeting on March 24, 2025.

ADJOURNMENT

Council adjourned the meeting at 7:34 p.m.

APPROVED:	ATTEST:
______________________________	______________________________
Dale Byrne, Mayor	Nova Romero, MMC, City Clerk

CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL
Staff Report

February 3, 2025
CONSENT AGENDA (Estimated time - 5 min)

TO:	Honorable Mayor and City Council Members
SUBMITTED BY:	Nova Romero, City Clerk
APPROVED BY:	Chip Rerig, City Administrator
SUBJECT:	December 2024 Monthly Reports

RECOMMENDATION:
Review and receive monthly reports.

BACKGROUND/SUMMARY:
This is a monthly series of reports:
- City Administrator Contract Log *(no contracts under $60K in Dec)*
- Community Planning and Building Department Reports
- Police, Fire, and Ambulance Reports
- Public Records Act Requests
- Public Works Department Reports

FISCAL IMPACT:
N/A

PRIOR CITY COUNCIL ACTION:
N/A

ATTACHMENTS:

Attachment 1) Community Planning & Building Report
Attachment 2) Police, Fire, and Ambulance Reports
Attachment 3) Public Records Act Requests
Attachment 4) Public Works Department Reports

Attachment 1

CITY OF CARMEL-BY-THE-SEA
Monthly Report

Community Planning and Building Department

TO:	Honorable Mayor and City Council Members
SUBMITTED BY:	Shelby Gorman, Administrative Coordinator
SUBMITTED ON:	December 1, 2024
APPROVED BY:	Brandon Swanson, Assistant City Administrator & Acting Director of Community Planning and Building

DECEMBER 2024 – DEPARTMENT ACTIVITY REPORT

I. PLANNING PERMIT APPLICATIONS:

In December 2024, **13** planning permit applications were received.

II. BUSINESS LICENSE APPLICATIONS:

In December 2024, **5** business license applications were received.

III. BUILDING PERMIT APPLICATIONS:

In December 2024, **47** building permit applications were received.

IV. CODE COMPLIANCE CASES:

In December 2024, **10** new code compliance cases were created.

V. TRANSIENT RENTAL COMPLIANCE CASES:

In December 2024, **1** new transient rental compliance case was created.

VI. ENCROACHMENT PERMIT APPLICATIONS:

In December 2024, **16** encroachment permit applications were received.

VII. TREE PERMIT APPLICATIONS:

In December 2024, **26** tree permit applications were received.

VIII. YEAR-TO-DATE TRENDS

Attachment 1

Table 1 includes the following December 2024 totals:

- Planning Permit Applications
- Business License Applications
- Building Permit Applications
- Code Compliance Cases
- Transient Rental Cases
- Encroachment Permit Applications
- Tree Permit Applications

December 2024 totals are provided alongside December 2023 totals for comparison. Compared to the same time period in the year 2023, Table 1 denotes percentage changes in the year 2024.

Table 1
Permit Application Totals and YTD Percentage Changes

	PLANNING	BUSINESS LICENSES	BUILDING	CODE COMPLIANCE	TRANSIENT RENTAL COMPLIANCE	ENCROACH-MENTS	TREE REMOVAL & PRUNING
2023 YTD Totals	391	74	600	241	36	283	380
2024 YTD Totals	378	61	515	176	19	254	388
YTD % Difference	- 3.32%	- 17.57%	- 14.17%	- 26.97%	-47.22%	- 10.25%	+2.11%

Planning Permit Report

12/01/2024 - 12/31/2024

Permit #	Permit Type	Permit Identifier	Track	Project Description	Address/Location	Date Received	Date Approved	Status
24377	Design Study	DS 24377 (Rachleff)	One	Relocate Seating Area and Firepit from South to North side. Revise Design of Wood Gate at Scenic. Change Paving Specification/Manufacturer. Add Detail for House Name Sign.	Scenic 3 NE 13th; Appeal Jurisdiction	12/20/2024		Pending Assignment
24376	Historic Evaluation	HE 24376 (Banks)		HISTORIC EVAL - INITIAL. Proposed project: Replace two (2) exterior windows.	Monte Verde 4 SE of 7th	12/23/2024		Pending Assignment
24375	Reasonable Accommodation	RA 24375 (Westphal)		ASSOCIATED Design Study application DS 23-282 (Westphal). City owned tree that collapsed onto the property destroying the garage, and a small existing pergola, and damaging the walkway and roof of the main home has caused the need for this work. Project Scope = replace existing hardscaping with like kind material and to ensure a non hazardous path of travel that is safe to travel using mobility aids, and to replace the destroyed pergola. No increase in impermeable area.	SW Corner of Santa Fe & Mountain View			Pending Assignment
24374	Authorized Work	AW 24374 (Alfait)		Removal of a broken concrete path between the front entry gate and the edge of the roadway in the public right-of-way.	Torres Street 2 SW of 10th Avenue	12/16/2024	12/17/2024	Approved

24373	Temporary Use Permit	TUP 24373 (Barmel Supper Club)		Authorization. Approval of a request for extended hours of operation at Barmel Supper Club, located in Carmel Square on the east side of San Carlos north of 7th Avenue, subject to the following conditions and restrictions: 1) The extended hours of operation are limited to the Barmel Supper Club restaurant. 2) The restaurant is permitted to extend its hours of operation from 11:00 P.M. on December 31, 2024, to 1:00 A.M. on January 1, 2025. 3) No patrons shall be seated after midnight on January 1st. 4) All patrons shall leave the restaurant and adjacent premises no later than 1:15 A.M. 5) The restaurant shall be fully closed and vacated no later than 1:30 A.M. 6) This approval does not include any live music. 7) All noise shall be fully contained within the restaurant at all times. Any noise perceptible at the property line shall be deemed a violation of this approval. 8) Private on-site security shall remain on duty until all guests have left the property. 9) Private on-site security shall perform crowd control to ensure free and clear passage of the public sidewalk along San Carlos Street. 10) At no time shall the posted occupancy load of Barmel Supper Club be exceeded.	San Carlos 2 NE of 7th	12/13/2024	12/20/2024	Approved
24372	Design Study	DS 24372 (Martin)	One	ASSOCIATED PERMIT DS 22-213 (MARTIN). Remodel 180sf Kitchen & 38sf Closet, Replace Bath Fixtures; Replace 2 Kitchen Windows West Side, Replace Window NE Corner; 8sf of Siding for Window Replacement; Replace 5 Interior Doors With Hard Core Doors (1 is Pocket), Expand LR Doorway from 30" to 50"; Level & Replace Flooring Throughout; Add 2 New Skylights in Kitchen 7sf; Vault 408sf Kichen, LR Ceiling to (E) Pitch; Add Fire Sprinklers.	2nd Ave 3 SE of Carpenter	12/12/2024		In Review
24371	Design Study	DS 24371 (Petrula)	Streamlined	Replace master bedroom window that is leaking with in-kind replacement; repair cracked stucco where water is entering; and apply caulking to outside windows if needed.	Santa Rita 3 SW of 2nd	12/10/2024	12/16/2024	In Review
24370	Design Study	DS 24370 (Lawrence)	One	Replace (e) wood stairs & deck on north side of house with new composite wood deck in stairs.	Camino Del Monte 2 SW of Junipero	12/11/2024		In Review
24369	Design Review	DR 24369 (Esperanza Carmel - Hog's	One	Remodel and improvements to the Hog's Breath building & courtyard, Eastwood Building, and Hog's Breath bar building.	San Carlos 3 SW of 5th	12/9/2024		In Review
24368	Sign	SI 24368 (Lobos Lodge)		NEW SIGN: "Lobos Lodge, Carmel by the Sea." Install two non-illuminated sand-blasted signs.	NW Corner of Ocean & Monte Verde	12/6/2024		In Review

24367	Sign	SI 24367 (Cypress Grove Winery) PENDING BUS		NEW SIGNS: One (1) above door and one (1) directory sign near street.	SW Corner of 7th & San Carlos, Unit #4	12/4/2024		In Review
24366		VOID -		VOID - CREATED IN ERROR				
24365	Preliminary Site Assessment	PSA 24365 (DCV		Demo (e) SFR and build new SFR, two-story with detached garage and ADU.	Camino Real 2 SW of 7th			In Review

Total Records: 13 **1/2/2025**

Business License Report

12/01/2024 - 12/31/2024

Entity #	Application Type	Business Name	Business Description	Location	Date Received	Date Approved	Status
24061	New Business	JPMorgan Chase Bank National	Banking	NW Corner of San Carlos & 6th	12/19/2024		
24060	Ownership Change	Carmel Fireplace Inn	Transient Hotel Rentals	SW corner of San Carlos St. and 4th Ave.	12/18/2024		In Review
24059	New Business	Tira Nanza	Tasting room, wine	NW Corner of Mission & 7th	12/19/2024		In Review
24058	Ownership Change	Cypress Grove Winery	Wine tasting and sales	SW Corner of San Carlos & 7th	12/19/2024		In Review
24057	New Business	Malbon Golf	Sale of golf apparel and accessories	San Carlos 3 NE of 6th	12/12/2024		In Review

Total Records: 5 **1/2/2025**

Building Permit Report

12/01/2024 - 12/31/2024

Permit #	Date Submitted	Date Approved	Project Description	Valuation	Permit Type	Property Location
240561			Furnace and duct replacement	17,845	Mechanical	NW corner of 5th and Santa Fe
240560			PGE panel upgrade. 100 amps to 200 amps.	2,500	Electrical	5855 junipero st
240559			Bathroom Remodel	35,000	Building	SW Corner Mountain View & Vizcaino
240558			Replace additional 75' of sewer drain to tie into manhole.	8,672	Plumbing	Dolores 2 NE of First
240557			minor tenant improvements, 100 sq. ft.	60,000	Building	Ground floor, Mission & 7th
240556			Minor revision to existing building permit. Electrical and window change.	7,500	BP Revision	8th Avenue 2 N/E Santa Fe St
240555	12/20/2024		Install four sconce lights in living room with new romex. Install exterior light fixture above garage door, and replace two existing exterior lights.	0	Electrical	SW Corner of Mission & 11th
240554	12/20/2024	12/20/2024	Install new electrical meter, 125 amp upgrade.	1,000	Electrical	Sterling Way 2 SE of Perry Newberry
240553	12/20/2024		Replace the missing panes from the existing louvered windows on the front facing side of the building. Repair or replace brackets that hold the window panes as necessary. Use silicone caulking to aid in the holding of windows in place.	0	Exempt Work	San Carlos 2 NE of 7th
240552	12/19/2024	12/19/2024	Removal of unpermitted electrical installation	100	Electrical	SE Corner Ocean and Mission (Carmel Plaza)
240551	12/20/2024		Construction and addition of two new bay windows.	18,000	Building	Guadalupe 5 NW of 6th
240550	12/18/2024	12/18/2024	Replace 26k BTU furnace	10,099	Mechanical	Lincoln 5 SE of 12th
240549	12/18/2024		Construction of a new back yard trellis	6,000	Building	North Camino Real 2 NE of 4th
240548	12/18/2024		Install external 240V/50AMP receptacle for EV charger	750	Building	Camino Real 6 NE of 4th
240547	12/17/2024		Roof-mnt PV and ESS. 14 PV mods, 5.447kW AC. 1 BT, 11.5kW, 13.5kWh.	46,957	Electrical	Dolores Street 3NW of 13th
240546	12/17/2024	12/17/2024	Remove existing 100amp main panel and install new 200 amp panel on adjacent corner of house.	4,150	Electrical	SW Corner of Camino Real & 10th

240545	12/17/2024		(Front only) Remove compo roof, re-roof Owens Corning Duration Max Granite color (similar to current style/color)	13,987	Roofing	SW Corner Ocean & Dolores
240544	12/17/2024		Convert portion of first floor commercial space to residential and provide an ADA compliant restroom. Convert remainder of second floor to incorporate two residential units.	500,000	Building	SAN CARLOS 2 NW of 8TH ST
240543	12/17/2024		Construction of 10' wide motorized sliding metal gate at the driveway. New metal pathway gate, new stone columns at the new gates and replacement of existing wood fence as necessary.	250,000	Building	Scenic 2 NW of 8th
240542	12/17/2024	12/17/2024	Replace Existing Furnace with Bryant 926TC36060 Forced Air furnace in-kind.	8,022	Mechanical	10th 2 SE of Mission
240541			Revision to Permit BP 23-519 to include: Replace all existing windows and add three additional windows to the existing kitchen. Replace single door at existing kitchen with a pair of French doors. All new kitchen cabinets and appliances in existing kitchen. Expand interior openings into kitchen, removing wall between kitchen and dining room. Replace the main entry door and provide a new "eyebrow" roof eave over entry door. Relocated previously approved fireplace to south living room wall. Add a high window to the primary closet. Modify the upper terrace railing to match existing entry gates. Add corbels under the cantilevered area of upper-level terrace and primary bedroom. Dormer massing increased by 3" all around for framing. Existing living room roof structural framing to be replaced, no change in existing height. Replace existing 110 sf glued dg walkway/pathway with new mulch in public-right-away, per PERM 23-272. Remove existing 12 sf fan shaped landing with brick edging and replace with mulch in public-right-away, per PERM 23-272. Revised exterior paint colors. No other changes to previously approved plans.	20,000	BP Revision	Carmelo St. 2NE of 8th Avenue
240540	12/16/2024	12/16/2024	Polish/buff living room floor and apply sealer to flooring. Replace rotten/damaged deck boards. Prep, prime, and pain kitchen, living room, and deck boards.	0	Exempt Work	2928 Franciscan Way
240539	12/16/2024		Interior cosmetic tenant improvements. New flooring, new lighting, new kitchenette, new bathroom floor, new toilet and sink, new plaster coat and interior paint.	12,000	Building	Lincoln 3 NE of 8th
240538	12/16/2024		Install floor sink, counters, and dividing wall. Upgrade electrical and install new outlets.	35,000	Building	Carmel Plaza Suite 119
240537	12/16/2024	12/16/2024	Tear off existing roof and install new CertainTeed Presidential TL in color "Country Grey".	63,000	Roofing	NW Corner of Mission & 4th

240536	12/13/2024		DEMOLITION OF AN EXISTING INCOMPLETE SUBTERRANEAN PARKING STRUCTURE	329,029	Demolition	SW Corner of Dolores & 5th
240535	12/13/2024		Wall heater replacement in existing location.	2,818	Mechanical	SW Corner of Santa Rita and 2nd
240534	12/11/2024	12/11/2024	Remove and replace a 80K BTU furnace.	9,715	Mechanical	7th 2 SE of Forest
240533	12/10/2024		(1) PW3 11.5 kW/13.5 kWh, (1) 200A Backup switch installed at Meter	25,775	Electrical	Casanova 3 SE of 8th
240532	12/10/2024		Demolition of an existing 832 square foot single-story single-family residence. Construction of a new 1,799-square-foot, two-story single-family residence with a 200-square-foot attached garage in the front setback.	626,800	Building	Casanova 2 NW of 9th
240531	12/10/2024	12/10/2024	Remove and replace heating system.	8,000	Mechanical	Sterling 2 SE of Perry Newberry
240530				0		
240529	12/9/2024		Run dedicated gas line from meter to new fireplace insert. Run approx 20' of 1/2" galvanize pipe. Install kindler valve.	1,600	Plumbing	NE Corner Santa Fe and 1st
240528	12/9/2024		Remodel of existing bar, alteration to existing bar for accessible wheel chair space, removal of nonstructural soffit over bar, new LED down lights and LED linear strip lighting.	7,400	Building	San Carlos 3 SW of 5th
240527	12/9/2024		Remodel of existing office, new exterior doors to new exterior deck, new cabinetry, wood flooring, painting, and lighting.	62,400	Building	San Carlos 3 SW of 5th
240526	12/9/2024	12/9/2024	Replace leaking gas line for "Forever Carmel" store - approx 12' 3/4" coated steel pipe - remove and replace 2 sidewalk squares - Encroachment will be obtained by Perkins Excavation - picture uploaded - 2 sidewalk squares on the right	4,900	Plumbing	SW corner Ocean & San Carlos
240525	12/6/2024	12/6/2024	Remove and replace boiler.	15,580	Mechanical	Monte Verde 2 SW of 9th
240524	12/5/2024	12/5/2024	Remove and replace a 60k btu furnace and reduct 9 registers	21,377	Mechanical	Lobos 5 NE of 4th
240523	12/5/2024		New balcony addition and wood screening element at Building A.	7,500	Building	NE Corner of San Antonio & 13th
240522			New Garage	0	Building	
240521	12/5/2024	12/5/2024	Remove existing wood shake roof and tar and gravel roof. Install new Landmark 50 year TL roof and torch down roofing in color "Weathered Wood".	25,000	Roofing	Santa Fe 2 NE of 8th
240520	12/3/2024		Interior remodel to single family residence including relocation of powder room, improvements to bathrooms, laundry room, kitchen, wine room, update finishes and update electrical.	500,000	Building	Scenic Road 4 SE of 8th
240519	12/3/2024	12/3/2024	Remove and replace carpet, sand and refinish hardwood flooring and interior painting.	0	Exempt Work	Sterling Way 2 SE of Perry Newberry

240518	10/3/2024	10/3/2024	Replace an existing damaged fence with a new grape stake fence in two sides of the property. North and East (side and rear) fences to be replaced.	0	Exempt Work	Monte Verde 2 SW of 8th
240517	12/2/2024	12/4/2024	Exploratory Demo Permit: 3x3 hole in drywall rear wall, to determine internal wall structure of wall required to be converted to 1hr fire rating. 2nd 3 x 3 hole in drywall - existing kitchen exit door currently walled in - to determine what is necessary to reopen and reactivate the exit door.	1,000	Demolition	Dolores 2 NW of 6th
240516	12/2/2024	12/4/2024	Remove existing comp shingle roof and replace with a new CertainTeed Landmark TL shingles roof in color "Shenandoah"	24,000	Roofing	NW Corner of San Carlos & 13th
240515	12/2/2024	12/2/2024	Remove existing composition shingle roof. Install new Presidential Shake TL roofing in color "Autumn Blend" and new gutters.	15,000	Roofing	SW Corner of Torres & 9th

Total Records: 47 **1/2/2025**

Code Compliance Report

12/01/2024 - 12/31/2024

Case #	Case Date	Status	Location	Problem Description	Date Received	Date Closed
24192	12/20/2024	Open	SE Corner of Casanova & 7th	Remodel construction with out proper permit in what appeared to be 2 lower rooms and one upstairs room at the Southern portion of the property. Property manager refused entry so full extent of violations could not be confirmed. However while trying to make contact with the site superintendent could clearly see work including but not limited to framing, insulation and drywall. All work requires proper permits and inspection. See Stop Work Order and Site Inspection Report attached.	12/20/2024	
24191	12/18/2024	Open	Carmel Plaza		12/18/2024	
24190	12/16/2024	Open	Lincoln 4 NW of Santa Lucia	Unpermitted exterior changes	12/16/2024	
24189	12/3/2024	Closed	"The Nest" - Junipero 6 SE of 10th / Junipero 6 NE of 11th	RV parked too long in public ROW	12/3/2024	12/11/2024
24188	12/10/2024	Open	Junipero 3 NE of 12th	Piles of trash in public right-of-way	12/10/2024	
24187	12/9/2024	Open	San Carlos	Exterior signage / no business license	12/9/2024	
24186	12/10/2024	Open			1/1/1900	1/1/1900
24185	12/9/2024					
24182	12/3/2024	Open	SW Corner of Santa Fe & Mountain View	Extensive site coverage demolition that is not part of the project scope of DS 23282 (Westphal).	12/3/2024	
24181	12/2/2024	1st NOV sent	GUADALUPE ST 5 NE of 5TH AVENUE	Garbage, furniture, appliances, construction debris, gardening tools and debris, Green Waste receptacles in view of public right-of-way	12/2/2024	

Total Records: 10 **1/2/2025**

Transient Rental Report

01/01/2024 - 12/31/2024

Case #	Street	Status	Date Received	Last Status Date	Date Closed
24183	Torres	Closed	11/11/2024	12/10/2024	12/10/2024
24172	Junipero	Closed	9/21/2024	10/4/2024	10/4/2024
24164	Casanova	Closed	8/31/2024	10/4/2024	10/4/2024
24161	Monte Verde	Closed	9/9/2024	9/20/2024	9/20/2024
24159	Junipero	Closed	9/4/2024	9/20/2024	9/20/2024
24114	Torres	Closed	8/14/2024	10/28/2024	10/28/2024
24113	Mission	Closed	8/12/2024	9/6/2024	9/6/2024
24096	Torres	Closed	6/20/2024	6/21/2024	7/19/2024
24076	Monte Verde	Closed	4/19/2024	5/22/2024	5/22/2024
24069	Torres	Closed	3/8/2024	5/3/2024	5/3/2024
24067	Carmelo	Closed	2/26/2024	3/22/2024	3/22/2024
24051	Rio	Closed	2/8/2024	3/5/2024	3/5/2024
24049	8th	Closed	2/2/2024	2/20/2024	2/20/2024
24047	Lopez	Closed	1/29/2024	5/6/2024	6/5/2024
24046	2nd	Closed	1/30/2024	2/6/2024	6/12/2024
24045	Lobos	Closed	1/29/2024	3/6/2024	4/6/2024
24029	7th	Closed	1/16/2024	2/26/2024	2/26/2024
24028	Forest	Closed	1/16/2024	2/9/2024	2/9/2024
24027	Scenic	Closed	1/15/2024	2/8/2024	2/8/2024

Total Records: 19 **1/6/2025**

Encroachment Permit Report

12/01/2024 - 12/31/2024

Permit #	Permit Type	Date Submitted	Project Description	Property Location	Date Issued	Status
240254	Temp Ench		OVERLASHING 14 POLES	1 Casanova St		
240253	Temp Ench		Replace 75' of sewer pipe and connect to city wye	Dolores 2 NE of First		
240252	Temp Ench	12/20/2024	This project proposes to access ex. pole #1, pole #2 for splicing & power supply on 4TH AVE. (JB2022310)	N Carmelo & 4th / Lincoln & 4th		In Review
240251	Temp Ench	12/20/2024	4'x4' asphalt patch for CalAm Job #1527.	SE Corner of Dolores & 2nd	1/2/2025	Issued
240250	Temp Ench	12/20/2024	PG&E to replace pole, overhead service, enclosure, and install anchor and underground service. PG&E to trench/backfill for enclosure replacement.	Dolores 2 SE of 9th		In Review
240249	Temp Ench	12/16/2024	Close one lane of traffic to replace 75' of sewer line.	Dolores 2 NE of 1st	12/18/2024	Issued
240248	Temp Ench	12/16/2024	Tie-in to splice case on existing utility pole on east side of San Carlos and overpull fiber cable north on San Carlos and east on 6th through nine (9) existing vaults.	San Carlos St from 7th to 6th, and 6th from San Carlos to Mission		In Review
240247	Temp Ench	12/12/2024	Excavate a 4'x3' pit in the asphalt to repair water leak damages.	Crespi 129' North of Flanders	12/13/2024	Issued
240246	Temp Ench	12/11/2024	Remove old and aged plant material and restore grade, Justin walked the area with me and thought it would be a good idea.	Santa Fe 3NE of 5th Ave		In Review
240245	Temp Ench	12/9/2024	Removing and replacing two squares of concrete to facilitate gas line repair. CONDITION: New concrete color to match existing sidewalk color.	SW Corner of Ocean & San Carlos	12/10/2024	Issued
240244	Temp Ench	12/6/2024	PG&E to install underground service, replace pole, and replace overhead transformer. PM# 35436539	NW Corner of San Carlos & 10th		In Review

240243	Driveway	12/5/2024	Repair lower part of driveway by regarding and re-aligning, approximately 102 sf of pavers. Create 17' of 6" concrete footing to keep pavers in place. Lay 120sf total of asphalt. CONDITIONS: (1) The concrete header to support the pavers will need to color match the existing pavers. Not gray concrete. (2) Stone borders along the planters and public right-of-way are unpermitted and shall be removed prior to permit final.	San Carlos 2 NE of Vista	12/12/2024	Approved
240242	Temp Ench	12/3/2024	PG&E to replace poles, overhead service, underground service, and overhead transformer. PG&E to install overhead transformer, anchor, riser, cutouts and overhead fault indicator.	Santa Fe 4 SE of Ocean	12/6/2024	Issued
240241	Temp Ench	12/2/2024	PG&E to install service cable, overhead transformer, and secondary enclosure. PM# 35581733.	Casanova 4 SW of 13th	12/5/2024	Issued
240240	Temp Ench	12/2/2024	Block off two parking spaces for loading and unloading of materials. Install cones and pedestrian control.	Ocean 2 NE of Dolores	12/4/2024	Issued
240239	Temp Ench	12/2/2024	Temporarily close sidewalk for two hours every morning until work is complete. CONDITION: "SIDEWALK CLOSED" SIGNS SHALL BE PLACED AT THE PROJECT LOCATION.	NW Corner of San Carlos & 6th	12/2/2024	Issued

Total Records: 16 **1/2/2025**

Tree Permit Report

12/01/2024 - 12/31/2024

Permit #	Permit Date	Permit Type	Location of Property	Description	Status	Approved Date
24363	12/2/2024	Tree Evaluation	Guadalupe 4 NW of 3 rd	EVALUATION: 1 Pine & 1 Oak REMOVAL: hopefully	Denied	
24364	12/2/2024	Tree Removal/Pruning	NW Corner of Santa Rita & 4th	EVALUATION: One HUGE pine tree, one #1 City owned pine- red marked REMOVAL: one #2 Dead city owned pine tree (Leaning towards house- Top heavy)	In Review	
24365	12/3/2024	Tree Removal/Pruni	Camino Real 11 NE of 4th	QTY 1, 28" Diameter Oak	Approved	12/3/2024
24366	12/4/2024	Tree Removal/Pruni	Santa Rita 4 NW of 1st	1 Mature Monterey Cypress- 6 to 7 limbs 3"-7" diam.	In Review	
24367	12/4/2024	Tree Removal/Pruni	Camino Real 3 NE of 13th	One (which may turn into removal), medium/large, Coast Live Oak	Approved	12/5/2024
24368	12/5/2024	Tree Removal/Pruning	Casanova 4 NE of Santa Lucia	REMOVAL: Please refer to attached tree hazard evaluation form	Approved	12/5/2024
24369	12/5/2024	Tree Removal/Pruning	Torres 3 SE of Mountain View	One 7" Oak limb over garage, One 6" Oak limb over LR and fireplace	Approved	12/9/2024
24370	12/6/2024	Tree Removal/Pruni	Camino Real 3 SW of 4th	REMOVE: 1 Acacia Tree, 14' over hanging roof	Approved	12/6/2024
24371	12/9/2024	Tree Removal/Pruning	Santa Rita St 1 NE of 2nd Ave	Tree pruning	In Review	
24372	12/9/2024	Tree Removal/Pruni	Carpenter 4 NW of 3rd	1 Tall Oak	Approved	12/13/2024
24373	12/9/2024	Tree Removal/Pruni	Lopesz 3NW of 4th	Removed diseased half of live oak	In Review	
24374	12/9/2024	Tree Removal/Pruni	Scenic 2 NE of 11th	REMOVAL: One Cypress, 50' Crown Span, Height 60'	Approved	12/10/2024
24375	12/9/2024	Tree Removal/Pruning	Monte Verde 2 NW of 7th	1 Tree 20 Foot Unknown Species	Approved	12/11/2024
24376	12/11/2024	Tree Evaluation	San Carlos St and 4th Avenue	Evaluate trees on our property to know if any are protected or if all are able to be removed.	In Review	

24377	12/11/2024	Tree Removal/Pruning	Camino Real street approx. in front of 3NW of 8th	City tree in street island is dead and threatening power lines	Approved	12/13/2024
24378	12/12/2024	Tree Removal/Pruni	Mission 3NW Santa Lucia	Tree removal and pruning	Approved	12/12/2024
24379	12/13/2024	Tree Removal/Pruning	Casanova 2 SW of 2nd, Carmel	Casanova 2 SW of 2nd, Carmel	In Review	
24380	12/13/2024	Tree Removal/Pruni	San Antonio 6 SW of 8th	Stress and Dying Monterey Cypress in front of the house	In Review	
24381	12/13/2024	Tree Evaluation	2900 Franciscan Way	EVALUATION: Tree #'s 1-7 PRUNING: Tree #'s 1-7 REMOVAL: 1,2,6,7 (if determined to be dangerous and at end of life)	Approved	12/17/2024
24382	12/16/2024	Tree Evaluation	Backyard Crespi 6 SE of Mountain View	Evaluate existing trees	In Review	
24383	12/17/2024	Tree Removal/Pruni	Lincoln 2 SW of 9th Ave	Tree Removal	In Review	
24384	12/17/2024	Tree Removal/Pruni	2960 Santa Lucia Ave	Tree Removal	In Review	
24385	12/17/2024	Tree Removal/Pruning	2900 Franciscan Way	EVALUATION: Tree #'s 1-7 PRUNING: Tree #'s 1-7 REMOVAL: 1,2,6,7 (if determined to be dangerous and at end of life)	Approved	12/17/2024
24386	12/17/2024	Tree Evaluation	SE Corner of Lincoln and 13th	EVALUATION: 1 pine tree,	In Review	
24387	12/17/2024	Tree Removal/Pruning	Second House on Torres Street Southeast of 8th Avenue	Evaluate and Remove Monterey Pine on City Property	In Review	
24388	12/19/2024	Tree Removal/Pruni	Ocean 4 NE Guadalupe	REMOVAL: It’s a large pine tree approximately 3feet in diameter and 18feet tall	In Review	

Total Records: 26 **1/2/2025**

Attachment 2

CITY OF CARMEL-BY-THE-SEA
Monthly Report

Public Safety

December 2024

TO:	Honorable Mayor and City Council Members
SUBMITTED BY:	Paul Tomasi, Director of Public Safety
APPROVED BY:	Chip Rerig, City Administrator

AMBULANCE REPORT

Summary of Carmel Fire Ambulance December 2024 Calls for Service

AMBULANCE PERFORMANCE MEASURE

The performance goal for Code-3 (life threatening emergency-lights & siren) ambulance calls with a response time of 5 minutes or less from dispatch to arrival is 95%. For the month of December 2024, the ambulance was unable to meet the performance measure. The response time was 93% with (3) code-3 calls over 5 minutes.

46 Calls for service in CBTS Average response time: 3:18 min.
40 Code 3 calls for service –Three calls over 5:00 min.

Dolores & 13th **(5:17 min Response)** Delay due to distance of call.
Camino Real & 10th **(5:46 min Response)** Delay due to distance of call.
Lincoln & 11th **(6:09 min Response)** Delay due to distance of call.

MONTEREY FIRE REPORT

Summary of Monterey Fire December 2024 Calls for Service

FIRE PERFORMANCE MEASURE

The performance goal for Code-3 (life threatening emergency-lights & siren) fire calls with a response time of 5 minutes or less from dispatch to arrival is 95%. For the month of December 2024, the fire department was able to meet the performance measure. The response time was 96% with (2) code-3 calls over 5 minutes.

83 total calls for service in CBTS Average response time: 3:34 min.
55 total Code-3 calls – Two calls with a response time over 5:00 min.

Dolores & 13th **(5:35 min Response)** Delay due to distance of call.
Camino Real & 10th **(5:07 min Response)** Delay due to weather.

*The performance goal for Code-3 (life threatening emergency-lights & siren) ambulance calls with a response time of 5 minutes or less from dispatch to arrival is 95%.

BEACH FIRES

There were 0 illegal beach fires recorded during the month of December.

*The performance goal for Code-3 (life threatening emergency-lights & siren) ambulance calls with a response time of 5 minutes or less from dispatch to arrival is 95%.

RESPONSE SUMMARY REPORT BY INCIDENT TYPE
27060 CARMEL-BY-THE-SEA
Alarm Date From: 12/01/2024 To: 12/31/2024

Incident	Alarm Date	Incident Number	Response Time	Combined Address	Cross Street	Priority
300-321 Series (EMS)						
Medical assist, assist EMS crew	12/8/2024 12:28 PM	241208-MNT09089	0:02:50	OCEAN AVE	GUADALUPE ST	3
Medical assist, assist EMS crew	12/14/2024 6:35 PM	241214-MNT09361	0:02:52	7TH AVE	LINCOLN ST	3
Medical assist, assist EMS crew	12/1/2024 10:17 AM	241201-MNT08906	0:03:08	MONTE VERDE ST	6TH AVE	3
Medical assist, assist EMS crew	12/25/2024 11:25 AM	241225-MNT09669	0:04:40	SANTA FE ST	1ST AVE	3
Medical assist, assist EMS crew	12/27/2024 6:54 AM	241227-MNT09722	0:04:59	DOLORES ST	VISTA AVE	3
EMS call, excluding vehicle accident with injury	12/30/2024 12:58 PM	241230-MNT09847	0:00:28	6TH AVE	MISSION ST	3
EMS call, excluding vehicle accident with injury	12/14/2024 4:31 PM	241214-MNT09343	0:01:10	DOLORES ST	5TH AVE	3
EMS call, excluding vehicle accident with injury	12/28/2024 1:46 PM	241228-MNT09781	0:01:12	OCEAN AVE	MISSION ST	3
EMS call, excluding vehicle accident with injury	12/18/2024 3:16 PM	241218-MNT09482	0:01:22	CAMINO REAL ST	4TH AVE	3
EMS call, excluding vehicle accident with injury	12/25/2024 12:19 PM	241225-MNT09672	0:02:03	OCEAN AVE	SCENIC RD	3
EMS call, excluding vehicle accident with injury	12/4/2024 9:38 AM	241204-MNT08977	0:02:24	6TH AVE	MONTE VERDE ST	3
EMS call, excluding vehicle accident with injury	12/21/2024 3:15 PM	241221-MNT09550	0:02:24	MONTE VERDE ST	5TH AVE	3
EMS call, excluding vehicle accident with injury	12/18/2024 2:05 PM	241218-MNT09478	0:02:41	GUADALUPE ST	2ND AVE	3
EMS call, excluding vehicle accident with injury	12/12/2024 10:31 AM	241212-MNT09207	0:02:44	JUNIPERO AVE	5TH AVE	3
EMS call, excluding vehicle accident with injury	12/23/2024 11:49 AM	241223-MNT09611	0:02:57	GUADALUPE ST	5TH AVE	3
EMS call, excluding vehicle accident with injury	12/14/2024 12:25 AM	241214-MNT09253	0:03:06	MISSION ST	7TH AVE	2
EMS call, excluding vehicle accident with injury	12/19/2024 2:09 PM	241219-MNT09507	0:03:10	CAMINO REAL ST	10TH AVE	3
EMS call, excluding vehicle accident with injury	12/29/2024 3:48 PM	241229-MNT09821	0:03:10	SAN ANTONIO AVE	10TH AVE	3
EMS call, excluding vehicle accident with injury	12/28/2024 2:39 PM	241228-MNT09785	0:03:17	OCEAN AVE	SCENIC RD	3
EMS call, excluding vehicle accident with injury	12/30/2024 3:44 AM	241230-MNT09835	0:03:26	DOLORES ST	5TH AVE	3
EMS call, excluding vehicle accident with injury	12/29/2024 6:33 PM	241229-MNT09825	0:03:32	SAN CARLOS ST	13TH AVE	3
EMS call, excluding vehicle accident with injury	12/15/2024 3:41 PM	241215-MNT09402	0:03:53	CARMELO ST	11TH AVE	3
EMS call, excluding vehicle accident with injury	12/5/2024 10:21 PM	241205-MNT09015	0:03:55	MONTE VERDE ST	9TH AVE	3
EMS call, excluding vehicle accident with injury	12/28/2024 9:17 PM	241228-MNT09798	0:04:11	CAMINO REAL ST	8TH AVE	3
EMS call, excluding vehicle accident with injury	12/12/2024 3:02 AM	241212-MNT09197	0:04:20	2ND AVE	N CASANOVA ST	3
EMS call, excluding vehicle accident with injury	12/25/2024 6:20 PM	241225-MNT09680	0:04:58	CARMELO ST	11TH AVE	3
EMS call, excluding vehicle accident with injury	12/25/2024 6:20 PM	241225-1827-MNT	0:04:58	CARMELO ST	4 SE OF 11TH AVE	3
EMS call, excluding vehicle accident with injury	12/10/2024 2:50 AM	241210-MNT09144	0:05:35	DOLORES ST	13TH AVE	3
		28	***0:03:12***			
322-399 Series (Rescues)						
Removal of victim(s) from stalled elevator	12/13/2024 10:50 PM	241213-MNT09252	0:03:25	MISSION ST	4TH AVE	2

Incident	Alarm Date	Incident Number	Response Time	Combined Address	Cross Street	Priority
322-399 Series (Rescues) cont.						
Surf rescue	12/28/2024 4:09 PM	241228-MNT09788	0:03:06	OCEAN AVE	SCENIC RD	3
		2	***0:03:16***			
400 Series (Hazardous Material)						
Gas leak (natural gas or LPG)	12/26/2024 7:26 AM	241226-MNT09695	0:04:12	Mission ST	Santa Lucia Ave	3
Power line down	12/14/2024 9:35 AM	241214-MNT09350	0:00:00	Camino Real	12th Avenue	3
Power line down	12/14/2024 8:32 AM	241214-MNT09325	0:00:00	Ocean AVE	Junipero Avenue	2
Power line down	12/14/2024 8:43 AM	241214-MNT09326	0:00:00	Ocean AVE	Torres Street	2
Power line down	12/14/2024 9:22 AM	241214-MNT09348	0:04:33	Casanova ST	10th Avenue	3
Power line down	12/14/2024 7:33 AM	241214-MNT09313	0:04:48	Ocean AVE	Torres St	3
Power line down	12/14/2024 6:29 AM	241214-MNT09261	0:05:07	CAMINO REAL ST	10TH AVE	3
Arcing, shorted electrical equipment	12/14/2024 8:32 AM	241214-MNT09312	0:09:47	25960 Junipero AVE		2
Biological hazard, confirmed or suspected	12/3/2024 4:59 PM	241203-MNT08959	0:04:24	Monte Verde ST	7th Ave	3
		9	***0:03:39***			
500 & 600 Series (Service Calls)						
Person in distress, other	12/2/2024 12:26 PM	241202-MNT08925	0:05:01	DOLORES ST	10TH AVE	2
Water problem, other	12/25/2024 8:31 AM	241225-MNT09663	0:06:56	CASANOVA ST	9TH AVE	2
Water or steam leak	12/29/2024 11:45 AM	241229-MNT09815	0:05:03	NW GUADALUPE ST	2ND AVE	2
Smoke or odor removal	12/18/2024 8:06 AM	241218-MNT09473	0:02:48	CARPENTER ST	2ND AVE	3
Public service assistance, other	12/14/2024 9:14 AM	241214-MNT09315	0:00:00	SAN CARLOS ST	SANTA LUCIA AVENUE	2
Public service assistance, other	12/14/2024 9:15 AM	241214-MNT09328	0:01:04	LINCOLN ST	9TH AVENUE	3
Public service assistance, other	12/26/2024 9:13 AM	241226-MNT09698	0:01:44	3RD AVE	SANTA FE ST	2
Public service assistance, other	12/14/2024 8:47 AM	241214-9327	0:02:47	MISSION	12TH AVENUE	2
Public service assistance, other	12/26/2024 11:05 AM	241226-MNT09702	0:02:51	3RD AVE	SANTA FE ST	2
Public service assistance, other	12/1/2024 5:03 PM	241201-MNT08910	0:04:00	CARMELO ST	11TH AVE	2
Police matter	12/2/2024 7:47 PM	241202-MNT08934	0:05:51	OCEAN AVE	SAN CARLOS ST	2
Public service	12/14/2024 5:27 AM	241214-MNT09259	0:05:40	LINCOLN ST	11TH AVE	2
Assist invalid	12/3/2024 8:16 AM	241203-MNT08941	0:02:31	DOLORES ST	4TH AVE	3
Assist invalid	12/28/2024 9:51 PM	241228-MNT09801	0:03:39	CASANOVA ST	8TH AVE	2
Assist invalid	12/23/2024 8:50 PM	241223-MNT09631	0:06:26	25995 RIDGEWOOD RD		2
No incident found on arrival at dispatch address	12/14/2024 8:59 AM	241214-MNT09314	0:01:37	CASANOVA ST	8TH AVENUE	2
No incident found on arrival at dispatch address	12/5/2024 5:51 PM	241205-MNT09011	0:02:24	SAN CARLOS ST	1ST AVE	3
No incident found on arrival at dispatch address	12/3/2024 7:46 PM	241203-MNT08964	0:02:38	SAN CARLOS ST	6TH AVE	3
No incident found on arrival at dispatch address	12/6/2024 5:26 PM	241206-MNT09043	0:04:05	SANTA FE ST	6TH AVE	2
No incident found on arrival at dispatch address	12/10/2024 11:39 AM	241210-MNT09157	0:04:06	SANTA FE ST	4TH AVE	3
No incident found on arrival at dispatch address	12/7/2024 2:45 PM	241207-MNT09068	0:04:51	GUADALUPE ST	7TH AVE	3
No incident found on arrival at dispatch address	12/27/2024 12:51 PM	241227-MNT09743	0:05:22	SCENIC RD	12TH AVE	2
No incident found on arrival at dispatch address	12/2/2024 8:14 PM	241202-MNT08937	0:06:25	CARPENTER ST	OCEAN AVE	2

Incident	Alarm Date	Incident Number	Response Time	Combined Address	Cross Street	Priority
500 & 600 Series (Service Calls) cont.						
Smoke scare, odor of smoke	12/10/2024 3:17 PM	241210-MNT09162	0:02:42	DOLORES ST	5TH AVE	3
EMS call, party transported by non-fire agency	12/3/2024 8:03 PM	241203-MNT08965	0:03:28	JUNIPERO AVE	5TH AVE	3
		25	***0:03:46***			
700 Series (False Alarms)						
System malfunction, other	12/26/2024 6:28 AM	241226-MNT09692	0:04:40	OCEAN AVE	LINCOLN ST	3
Smoke detector activation due to malfunction	12/2/2024 9:33 AM	241202-MNT08918	0:03:54	OCEAN AVE	LINCOLN ST	3
Smoke detector activation due to malfunction	12/30/2024 11:33 PM	241230-MNT09858	0:05:03	SANTA FE ST	5TH AVE	2
Heat detector activation due to malfunction	12/19/2024 4:37 PM	241219-MNT09510	0:03:00	MISSION ST	OCEAN AVE	3
Alarm system sounded due to malfunction	12/5/2024 3:46 PM	241205-MNT09009	0:02:08	OCEAN AVE	LINCOLN ST	3
Alarm system sounded due to malfunction	12/15/2024 5:40 PM	241215-MNT09409	0:03:06	JUNIPERO AVE	OCEAN AVE	3
Alarm system sounded due to malfunction	12/5/2024 1:46 PM	241205-MNT09003	0:03:57	SANTA RITA ST	3RD AVE	3
Alarm system sounded due to malfunction	12/14/2024 3:37 AM	241214-MNT09257	0:04:08	OCEAN AVE	LINCOLN ST	2
Alarm system sounded due to malfunction	12/24/2024 12:52 PM	241224-MNT09646	0:04:12	OCEAN AVE	LINCOLN ST	2
Alarm system sounded due to malfunction	12/19/2024 9:56 AM	241219-MNT09498	0:04:20	OCEAN AVE	LINCOLN ST	3
Alarm system sounded due to malfunction	12/15/2024 1:16 PM	241215-MNT09397	0:04:23	OCEAN AVE	LINCOLN ST	3
Alarm system sounded due to malfunction	12/13/2024 1:54 PM	241213-MNT09241	0:04:30	OCEAN AVE	LINCOLN ST	2
Alarm system sounded due to malfunction	12/16/2024 12:13 PM	241216-MNT09428	0:04:46	OCEAN AVE	LINCOLN ST	3
Alarm system sounded due to malfunction	12/12/2024 12:17 PM	241212-MNT09213	0:01:10	OCEAN AVE	LINCOLN ST	3
Smoke detector activation, no fire - unintentional	12/2/2024 11:30 AM	241202-MNT08923	0:05:18	SAN ANTONIO AVE	OCEAN AVE	2
Detector activation, no fire - unintentional	12/29/2024 8:49 PM	241229-MNT09829	0:03:53	8TH AVE	CASANOVA ST	3
Alarm system activation, no fire - unintentional	12/14/2024 10:54 AM	241214-MNT09272	0:03:51	OCEAN AVE	LINCOLN ST	2
Alarm system activation, no fire - unintentional	12/17/2024 12:24 PM	241217-MNT09451	0:04:35	8TH AVE	CAMINO REAL ST	2
Medical Alarm Device Activation - unintentional	12/4/2024 11:46 AM	241204-MNT08983	0:04:14	LOBOS ST	1ST AVE	3
		19	***0:03:57***			

Over 5 Minute Response Times Cause of Delay: Code 3 Responses

241210-MNT09144 E15 delayed due to distance

241214-MNT09261 E15 delayed due to weather

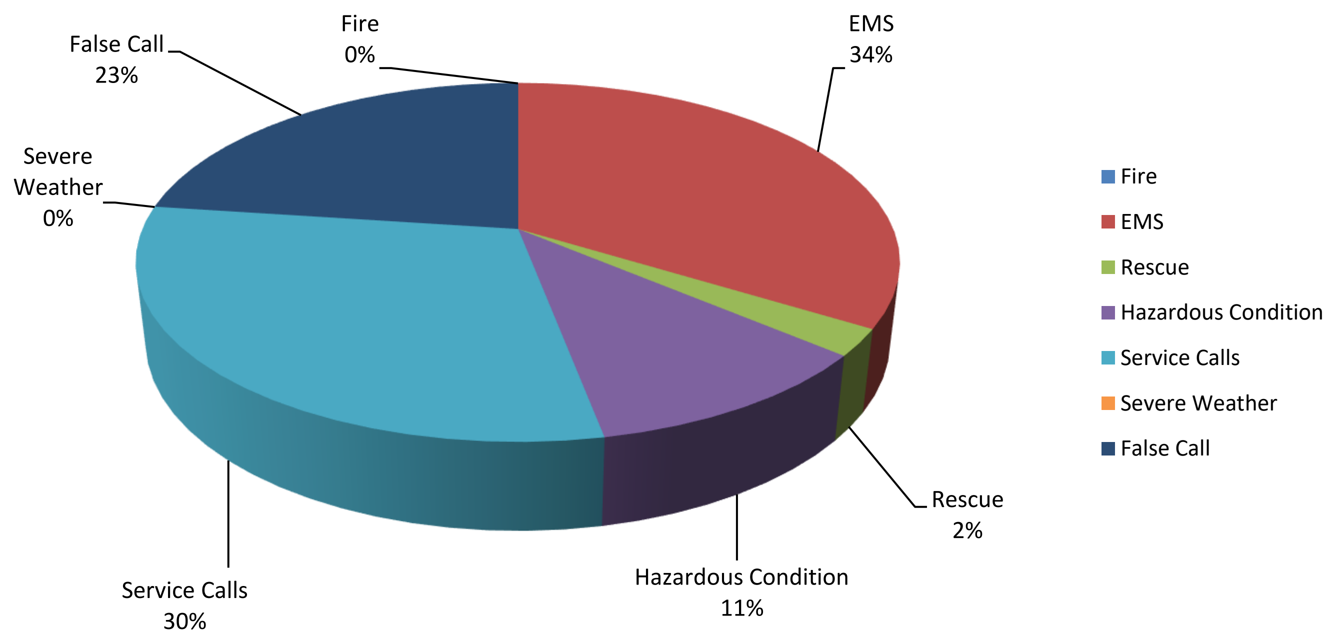
Code 2 Calls	**28**
Code 3 Calls	**55**
Total # of Incidents	**83**
% Under 5 Minute Response Time	**96%**

CARMEL-BY-THE-SEA

DECEMBER 2024

Response Summary Report by Incident Type

Type of Call	Number	Average Response Time
Fire	0	0:00
EMS	28	3:12
Rescue	2	3:16
Hazardous Condition	9	3:39
Service Calls	25	3:46
Severe Weather	0	0:00
False Call	19	3:57
Total Responses	83	3:34



Total Code 3 Calls: 55

Response Times for Code 3 Calls ≤ 5 minutes: 96%

RESPONSE SUMMARY REPORT BY INCIDENT TYPE
27015 CARMEL-BY-THE-SEA FIRE AMBULANCE
Alarm Date From: 12/01/2024 To: 12/31/2024

Incident	Alarm Date	Incident Number	Response Time	Combined Address	Cross Street	Priority
100 Series (Fires)						
Chimney or flue fire, confined to chimney or flue	12/18/2024 08:07 AM	241218-CFA01338	00:02:57	CARPENTER ST	2ND AVE	3
Passenger vehicle fire	12/10/2024 03:18 PM	241210-CFA01309	00:02:32	DOLORES ST	5TH AVE	3
		2	***0:02:45***			
300-321 Series (EMS)						
EMS call, excluding vehicle accident with injury	12/01/2024 10:17 AM	241201-CFA01273	00:03:06	MONTE VERDE ST	6TH AVE	3
EMS call, excluding vehicle accident with injury	12/03/2024 08:16 AM	241203-CFA01278	00:02:44	DOLORES ST	4TH AVE	3
EMS call, excluding vehicle accident with injury	12/03/2024 08:05 PM	241203-CFA01283	00:02:59	JUNIPERO AVE	5TH AVE	3
EMS call, excluding vehicle accident with injury	12/04/2024 09:39 AM	241204-CFA01285	00:02:32	6TH AVE	MONTE VERDE ST	3
EMS call, excluding vehicle accident with injury	12/08/2024 12:28 PM	241208-CFA01300	00:02:44	OCEAN AVE	GUADALUPE ST	3
EMS call, excluding vehicle accident with injury	12/10/2024 02:51 AM	241210-CFA01306	00:05:17	DOLORES ST	13TH AVE	3
EMS call, excluding vehicle accident with injury	12/12/2024 03:02 AM	241212-CFA01313	00:04:41	SW CORNER 2ND AVE	CASANOVA AVE	3
EMS call, excluding vehicle accident with injury	12/14/2024 12:26 AM	241214-CFA01317	00:03:33	MISSION ST	7TH AVE	3
EMS call, excluding vehicle accident with injury	12/14/2024 06:30 AM	241214-CFA01320	00:05:46	CAMINO REAL ST	10TH AVE	3
EMS call, excluding vehicle accident with injury	12/14/2024 04:32 PM	241214-CFA01322	00:02:33	DOLORES ST	5TH AVE	3
EMS call, excluding vehicle accident with injury	12/14/2024 06:36 PM	241214-CFA01328	00:02:37	LINCOLN ST	7TH AVE	3
EMS call, excluding vehicle accident with injury	12/15/2024 03:42 PM	241215-CFA01333	00:03:49	CARMELO ST	11TH AVE	3
EMS call, excluding vehicle accident with injury	12/18/2024 02:06 PM	241218-CFA01341	00:02:12	GUADALUPE ST	2ND AVE	3
EMS call, excluding vehicle accident with injury	12/18/2024 03:17 PM	241218-CFA01342	00:02:38	CAMINO REAL ST	4TH AVE	3
EMS call, excluding vehicle accident with injury	12/19/2024 02:10 PM	241219-CFA01344	00:03:10	CAMINO REAL ST	4 SW OF 10TH AVE	3
EMS call, excluding vehicle accident with injury	12/23/2024 11:49 AM	241223-CFA01355	00:02:59	GUADALUPE ST	5TH AVE	3
EMS call, excluding vehicle accident with injury	12/23/2024 08:35 PM	241223-CFA01357	00:03:56	SAN CARLOS ST	VISTA AVE	3
EMS call, excluding vehicle accident with injury	12/25/2024 11:26 AM	241225-CFA01360	00:05:00	SANTA FE ST	1ST AVE	3
EMS call, excluding vehicle accident with injury	12/25/2024 12:17 PM	241225-CFA01361	00:04:00	OCEAN AVE	SCENIC RD	3
EMS call, excluding vehicle accident with injury	12/25/2024 06:20 PM	241225-CFA01384	00:04:58	11TH AVE	CARMELO ST	3
EMS call, excluding vehicle accident with injury	12/26/2024 01:30 PM	241226-CFA01364	00:06:38	3640 RIO RD		3
EMS call, excluding vehicle accident with injury	12/28/2024 01:48 PM	241228-CFA01371	00:03:42	OCEAN AVE	MISSION ST	3
EMS call, excluding vehicle accident with injury	12/28/2024 02:39 PM	241228-CFA01372	00:02:53	OCEAN AVE	SCENIC RD	3
EMS call, excluding vehicle accident with injury	12/28/2024 09:20 PM	241228-CFA01376	00:02:48	CAMINO REAL ST	8TH AVE	3
EMS call, excluding vehicle accident with injury	12/29/2024 03:48 PM	241229-CFA01379	00:04:07	SAN ANTONIO AVE	10TH AVE	3
EMS call, excluding vehicle accident with injury	12/29/2024 06:34 PM	241229-CFA01380	00:03:01	SAN CARLOS ST	13TH AVE	3
EMS call, excluding vehicle accident with injury	12/30/2024 03:45 AM	241230-CFA01382	00:03:27	DOLORES ST	5TH AVE	3

Incident	Alarm Date	Incident Number	Response Time	Combined Address	Cross Street	Priority
300-321 Series (EMS) cont.						
EMS call, excluding vehicle accident with injury	12/30/2024 01:01 PM	241230-CFA01383	00:01:30	NW CORNER MISSION ST	6TH AVE	3
		28	***0:03:33***			
322-399 Series (Rescues)						
Removal of victim(s) from stalled elevator	12/13/2024 10:51 PM	241213-CFA01316	00:03:21	MISSION ST	4TH AVE	2
Water & ice-related rescue, other	12/28/2024 04:11 PM	241228-CFA01373	00:02:14	OCEAN AVE	SCENIC RD	3
		2	***0:02:47***			
400 Series (Hazardous Material)						
Hazardous condition, other	12/03/2024 07:48 PM	241203-CFA01282	00:02:20	SAN CARLOS ST	6TH AVE	3
Hazardous condition, other	12/14/2024 05:28 AM	241214-CFA01319	00:06:09	LINCOLN ST	11TH AVE	3
Hazardous condition, other	12/14/2024 07:28 AM	241214-CFA01324	00:01:39	OCEAN AVE	TORRES ST	3
Hazardous condition, other	12/14/2024 08:31 AM	241214-CFA01325	00:01:56	MONTE VERDE ST	12TH AVE	3
Hazardous condition, other	12/14/2024 08:22 AM	241214-CFA01323	00:01:00	8TH AVE	MISSION ST	3
		5	***0:02:37***			
500 & 600 Series (Service Calls)						
Service Call, other	12/01/2024 05:03 PM	241201-CFA01276	00:03:56	CARMELO ST	11TH AVE	2
Water or steam leak	12/06/2024 05:27 PM	241206-CFA01295	00:04:15	SANTA FE ST	6TH AVE	2
Public service assistance, other	12/26/2024 11:05 AM	241226-CFA01363	00:05:28	3RD AVE	SANTA FE ST	2
Assist invalid	12/23/2024 08:51 PM	241223-CFA01358	00:06:19	25995 RIDGEWOOD RD		2
Assist invalid	12/26/2024 09:14 AM	241226-CFA01362	00:03:47	3RD AVE	SANTA FE ST	2
Vicinity alarm (incident in other location)	12/15/2024 05:41 PM	241215-CFA01335	00:03:15	JUNIPERO AVE	OCEAN AVE	3
		5	***0:04:30***			
700 Series (False Alarms)						
False alarm or false call, other	12/05/2024 01:47 PM	241205-CFA01289	00:03:58	SANTA RITA ST	3RD AVE	3
Alarm system activation, no fire - unintentional	12/12/2024 12:18 PM	241212-CFA01315	00:03:05	OCEAN AVE	LINCOLN ST	3
Alarm system activation, no fire - unintentional	12/29/2024 08:50 PM	241229-CFA01381	00:03:55	8TH AVE	CASANOVA ST	3
		3	***0:03:39***			

Over 5 Minute Response Times Cause of Delay: Code 3 Responses

241210-CFA01306 Delayed due to distance.
241214-CFA01320 Delayed due to distance.
241214-CFA01319 Delayed due to distance.

Code 2 Calls	**6**
Code 3 Calls	**40**
Total # of Incidents	**46**
% Under 5 Minute Response Time	**93%**
Total Average Response Time	**0:03:18**

RESPONSE SUMMARY REPORT BY DISTRICT
27015 CARMEL-BY-THE-SEA FIRE AMBULANCE
Alarm Date From: 12/01/2024 To: 12/31/2024

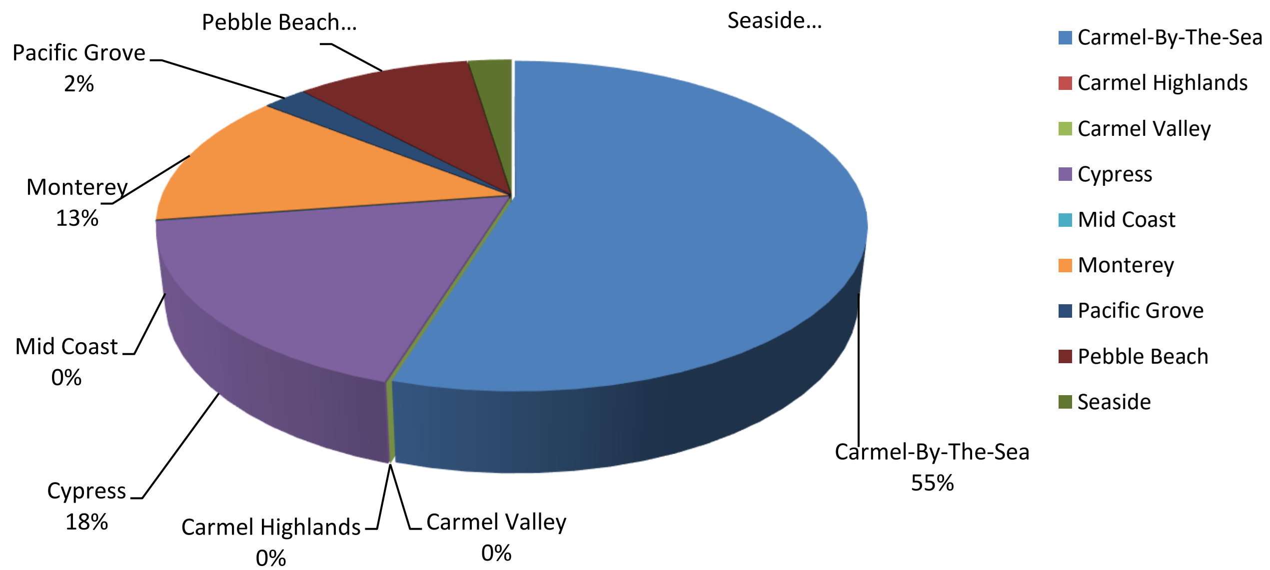
Incident	Alarm Date	Incident Number	Response Time	Combined Address	Cross Street	Priority
CYPRESS						
EMS call, excluding vehicle accident with injury	12/1/2024	241201-CFA01275	00:05:38	26245 CARMEL RANCHO BLVD		3
EMS call, excluding vehicle accident with injury	12/1/2024	241201-CFA01277	00:07:09	3479 LAZARRO DR		3
EMS call, excluding vehicle accident with injury	12/3/2024	241203-CFA01281	00:05:46	24750 LOWER TRL		3
EMS call, excluding vehicle accident with injury	12/7/2024	241207-CFA01299	00:04:58	26208 ATHERTON DR		3
EMS call, excluding vehicle accident with injury	12/11/2024	241211-CFA01312	00:03:45	3470 RIO RD		3
EMS call, excluding vehicle accident with injury	12/15/2024	241215-CFA01334	00:05:55	143 CROSSROADS MALL		3
EMS call, excluding vehicle accident with injury	12/18/2024	241218-CFA01339	00:04:23	25915 S CARMEL HILLS DR		3
EMS call, excluding vehicle accident with injury	12/23/2024	241223-CFA01353	00:09:31	4000 RIO RD		2
EMS call, excluding vehicle accident with injury	12/26/2024	241226-CFA01364	00:06:38	3640 RIO RD		3
EMS call, excluding vehicle accident with injury	12/27/2024	241227-CFA01367	00:07:10	26245 CARMEL RANCHO BLVD		2
EMS call, excluding vehicle accident with injury	12/23/2024	241223-CFA01354	00:08:33	25517 HACIENDA PL		3
EMS call, excluding vehicle accident with injury	12/28/2024	241228-CFA01374	00:05:26	24342 SAN JUAN RD		3
Motor vehicle accident with injuries	12/23/2024	241223-CFA01359	00:09:33	25085 PINE HILLS DR		3
Motor vehicle/pedestrian accident (MV Ped)	12/3/2024	241203-CFA01279	00:05:19	555 CARMEL RANCHO SHOPPING CENTER		3
Motor vehicle accident with no injuries.	12/9/2024	241209-CFA01304	00:06:22	118 CROSSROADS BLVD		3
		15	***0:06:24***			
MONTEREY						
EMS call, excluding vehicle accident with injury	12/3/2024	241203-CFA01280	00:05:12	200 IRIS CANYON RD		3
EMS call, excluding vehicle accident with injury	12/4/2024	241204-CFA01287	00:11:01	200 IRIS CANYON RD		3
EMS call, excluding vehicle accident with injury	12/9/2024	241209-CFA01303	00:12:07	1533 MTY SNS HWY		3
EMS call, excluding vehicle accident with injury	12/9/2024	241209-CFA01305	00:12:18	600 MUNRAS AVE		3
EMS call, excluding vehicle accident with injury	12/12/2024	241212-CFA01314	00:14:56	715 CARMEL AVE		3
EMS call, excluding vehicle accident with injury	12/15/2024	241215-CFA01330	00:06:38	1100 ALAMEDA ST		3
EMS call, excluding vehicle accident with injury	12/26/2024	241226-CFA01365	00:12:00	PEARL ST	TYLER ST	2
EMS call, excluding vehicle accident with injury	12/27/2024	241227-CFA01369	00:09:52	2 UPPER RAGSDALE DR		3
EMS call, excluding vehicle accident with injury	12/28/2024	241228-CFA01377	00:09:11	100 BARNET SEGAL LN		3
Removal of victim(s) from stalled elevator	12/15/2024	241215-CFA01336	00:05:00	200 GLENWOOD CIRCLE		3
Assist invalid	12/10/2024	241210-CFA01310	00:14:25	399 DRAKE AVE		2
		11	***0:10:15***			
PACIFIC GROVE						
EMS call, excluding vehicle accident with injury	12/14/2024	241214-CFA01327	00:10:15	1229 DAVID AVE		3
EMS call, excluding vehicle accident with injury	12/22/2024	241222-CFA01350	00:11:06	651 SINEX AVE		3
		2	***0:10:41***			

Incident	Alarm Date	Incident Number	Response Time	Combined Address	Cross Street	Priority
PEBBLE BEACH						
EMS call, excluding vehicle accident with injury	12/4/2024	241204-CFA01288	00:08:05	1500 CYPRESS DR		3
EMS call, excluding vehicle accident with injury	12/8/2024	241208-CFA01302	00:11:33	1556 VISCAINO RD		3
EMS call, excluding vehicle accident with injury	12/10/2024	241210-CFA01311	00:09:07	1445 RIATA RD		3
EMS call, excluding vehicle accident with injury	12/14/2024	241214-CFA01329	00:13:20	3058 SLOAT RD		3
EMS call, excluding vehicle accident with injury	12/17/2024	241217-CFA01337	00:08:13	1471 RIATA RD		3
EMS call, excluding vehicle accident with injury	12/21/2024	241221-CFA01348	00:09:50	3210 MACOMBER DR		3
EMS call, excluding vehicle accident with injury	12/23/2024	241223-CFA01356	00:12:59	2700 SEVENTEEN MILE DR		3
EMS call, excluding vehicle accident with injury	12/28/2024	241228-CFA01375	00:08:21	1518 CYPRESS DR		3
		8	***0:10:11***			
SEASIDE						
EMS call, excluding vehicle accident with injury	12/6/2024	241206-CFA01296	00:13:46	1055 FREMONT BLVD		2
EMS call, excluding vehicle accident with injury	12/18/2024	241218-CFA01343	00:16:00	1600 CANYON DEL REY BLVD		3
		2	***0:14:53***			

Code 2 Calls	**5**
Code 3 Calls	**33**
Total # of Incidents	**38**
Total Average Response Time	**0:10:29**

CITY OF CARMEL - FIRE AMBULANCE DEPARTMENT
DECEMBER 2024
Response Summary Report by District Type

District Response	Number	Average Response Time
Carmel-By-The-Sea	46	3:18
Carmel Highlands	0	0:00
Carmel Valley	0	0:00
Cypress	15	6:24
Mid Coast	0	0:00
Monterey	11	10:15
Pacific Grove	2	10:41
Pebble Beach	8	10:11
Seaside	2	14:53
Total Responses	84	9:17



Total Code 3 Calls: 40

CFA Response Times for Code 3 Calls ≤ 5 minutes: 93%

Attachment 3

City Clerk PRA Log
December 2024

request number	Date Requested	10-day response date	14-day extension due date	records requested	requestor	date completed	notes
2024-120	12/9/2024	12/19/2024		an electronic copy of the lease/purchase/rental agreement(s) via email for the mailing equipment/postage meeter used by the City of Carmel.	Chistina Sparks	12/10/20214	records sent.
2024-121	12/12/2024	12/23/2025	1/16/2025	all checks, payment, spends that the city of Carmel has made pertaining to the Flanders mansion in the past 25 years. This could be lawsuit payments, environmental reports, and business expense related to the Flanders mansion.	Robert Knight	on-going	requested clarification from requester on 12/12/2024. No response received 10 days later. PRA deadline extended due to GC 7922.535(c)(2). First set of records sent on 1/17/2025, and will continue to send records on a rolling basis.
2024-122	12/16/2024	12/26/2024		Copy of police report from a trip and fall on 10/30/24.	Edwin Joseph Exkert	12/18/24 (sent to PD)	sent request to the Police Department. Notified requester on 12/18/24 that police reports are requested throught the PD records dept. and provided contact info.
2024-123	12/16/2024	12/26/2024		property records on San Carlos 5 SW of 10th	Diana Mercer, Compass	12/18/2024	records are digitized and available online. Sent link to records on 12/18/24.
2024-124	12/19/2024	12/30/2024		Property records re: Carmel Valley Ranch, located at 1 Old Ranch Road Carmel by the Sea, CA	Dana Cikankova, Bureau Veritas	12/23/2024	no records exist (location in the County). Sent contact info for the County to the requester.
2024-125	12/23/2024	1/2/2025	1/10/2025	the obligations of your local/state government to list the name and annual salary of your employees; [2] the mechanism and the website in use by your local/state government for the purpose of listing the name and annual salary of your employees; [3] the decision of the Missouri state government to identify Michael A. Ayele (a.k.a) W as a former employee of the Missouri Department of Mental Health (MODMH) Fulton State Hospital (FSH) who has earned approximately (i) $19,189 (nineteen thousand one hundred and eighty-nine American dollars) in Calendar Year 2013; (ii) $2,322 (two thousand three hundred and twenty two American dollars) in Calendar Year 2014; ....(see request 100+ pages)	Michael A. Ayele	1/6/2025	PRA is 155 pages long. Request deadline extended to 1/10/2025 due to office closure 12/23/24 through 1/1/2025. Sent response to requester on 1/6/2025.

Attachment 3

City Clerk PRA Log (Continued)

request number	Date Requested	10-day response date	14-day extension due date	records requested	requestor	date completed	notes
2024-126	12/16/2024	12/26/2024	1/6/2025	Please provide me with Residential Building Permit info for: 1- ALL New SFD's issued permits; 2- ALL residential additions, remodels exceeding $100,000 in job value; 3- ALL Swimming Pool projects AND Outdoor Kitchens; 4- from DEC 1 2024, through DEC 15 2024	Steve Kenny	1/6/2025	Request deadline extended to 1/6/2025 due to office closure 12/24/24 - 1/2/2025. Records sent 1/6/2025
2024-127	12/17/2024	1/2/2025	1/16/2025	all communications between and among the Planning Commission (who permitted the project), the Forest and Beach Commission (who manages the urbanized forest), the City Council (who oversees the Commissions), and the staff who would be involved in such communications, if any, regarding the illegal trenching that damaged tree roots during construction of the "San Carlos 3NE of First Homes".	Charles Najarian	1/3/2025	Request deadline extended to 1/16/2025 due to office closure and per GC 7922.535(c)(2). Sent first batch of responsive records to requester on 1/3/2025. Will let requester know if we find anything else.
2024-128	12/29/2024	1/8/2025	1/20/2025	all Vendors used by Public Works, and all purchase orders by public works from 01-01-2022 through present, and "all invoices" paid by public works, 1-1-2022 to present.	Justin Cunningham, Zipbuffalo.com	1/9/2025	Request deadline extended to 1/16/2025 due to office closure 12/24/24 - 1/2/2025. Records sent on 1/9/2025.

Attachment 3

Police Records Request Log
December 2024

Request No.	Request Date & Received By	10-Day Due Date	Info Requested	Requestor	Date Completed by PSO	Status	Date & PSO Mailed
2024-0001	12/02/2024 NS	12/12/2024	CG2400523	Metropolitan Reporting Bureau	12/02/2024 NS	Completed	Mailed 12/02/2024 NS
2024-0002	12/02/2024 NS	12/12/2024	CA2400570	Lisa Getline	12/03/2024 NS	Completed	Picked up 12/03/2024 NS
2024-0003	12/3/2024 NS	12/13/2024	CA2400565	Charles Leonard	12/04/24 mw	Completed	Mailed
2024-0004	12/3/2024 NS	12/13/2024	8/18 Guad/2nd & 911 Calls	Briana Ruiz - David Ricks Law	12/06/24 mw	Completed	Mailed mw
2024-0005	12/04/24 mw	12/14/2024	CC2400462	Lexis Nexis	12/06/24 mw	Completed	Mailed mw
2024-0006	12/5/2024 AI	12/15/2024	CG2400499	Steven Read/prop owner	12/09/24 mw	denial letter mailed	mailed mw
2024-0007	12/06/24 mw	12/16/2024	CA2300015 report photos	Doyle Law, APC / Lemmon	12/23/24 mw	Completed	mailed
2024-0008	12/9/2024 NS	12/19/2024	CA2400562	Alex Rodriguez	12/9/2024 NS	Completed	Picked up 12/9/2024 NS
2024-0009	12/09/24 mw	12/19/2024	CA2400371	makkabilaw	12/09/24 mw	Completed	mailed
2024-0010	12/13/2024 AI	12/23/2024	CA2400553/redacted	Kalin, Nickolas	12/24/24 mw	Canceled request	spoke w/ wife of Nickolas Kalin who advd no longer needed insurance co settled. ALI 01-06-2025
2024-0012	12/17/2024 JK	12/27/2024	CA2400570 redacted	Lexis Nexis	12/23/2024 AI	Completed	Mailed 12/23/2024 AI
2024-0013	12/17/2024	12/27/2024	CG2400465	Lexis Nexis	12/23/24 mw	not releasable -	mailed
2024-0014	12/16/2024	12/26/2024	CG2400460 redacted	T. Hill	12//23/24 mw	Completed	Mailed
2024-0015	12/18/24 mw	12/28/2024	CG2400532	Edwin Eckert	12/24/24 mw	Completed	mailed
2024-0016	12/20/24 mw	12/30/2024	Hate Crimes (2021-2024)	KAZU, Elena Neale-Sacks	14-day extension to 1/12/2025. 01/13/25 mw	Completed	emailed
2024-0017	12/27/2024 JK	1/6/2025	no report	Lexis Nexis	12/29/24 JK	Completed	mailed
2024-0018	12/29/24 mw	1/8/2025	Vendors/PO	Justin Cunnigham FOIA request	1/6/2025	sent to City Clerk	City Clerk responded

Attachment 4

CITY OF CARMEL-BY-THE-SEA

Public Works Department
December 2024 Report

TO:	Honorable Mayor and City Council Members
SUBMITTED BY:	Mary Bilse, Acting Public Works Director
SUBMITTED ON:	January 16, 2025
APPROVED BY:	Chip Rerig, City Administrator

City Council Meeting of December 3, 2024

- Adopted Resolution 2024-098 authorizing the City Administrator to execute a construction contract with Coastal Paving & Excavating, Inc., in an amount, including contingency, of $1,285,185, for Projects #1, 2, and 3 of the Drainage System Repairs Projects.
- Received a Report regarding the Public Works Department Services, Key Accomplishments over the past seven years, and the 2024 Infrastructure Report Card.

Forest and Beach Commission Meeting of December 12, 2024

- Received a Report regarding the Public Works Department Services, Key Accomplishments over the past seven years, and the 2024 Infrastructure Report Card.
- Adopted Interim Pickleball Runes in Forest Hill Park
- Adopted Forest and Beach Commission Meeting Dates for 2025.
- City Forester presented the Forester's Report for November 2024.
- The Public Works Director presented the Public Works Department Report for November 2024.

Carmel Cares, Friends of Mission Trail Nature Preserve and Other Volunteer Groups

- Volunteers from Carmel Cares regularly pick up trash on Carmel Beach and in the Downtown Carmel.
- Garden Club is working to maintain and beautify the City Hall gardens.
- Friends of Mission Trail Nature Preserve have been cleaning brush throughout the Preserve throughout December 2024.

Environmental Programs

- For the MTNP 3 Drainage Projects, reviewed the restoration planting plan and verified final plant count.
- For the Coastal Engineering Study, Phase 2 Project, worked with the consultants to modify the draft Community Survey associated with Sea Level Rise based on feedback received at the November 14th Forest and Beach Commission meeting. Attended meetings to review the adaptation strategies matrix prepared by Integral.
- Reviewed and conducted final stormwater plan checks for private construction sites.
- Worked with Carmel Area Wastewater District to clean out the City's large storm drain Continuous Deflection Separator (CDS) units.
- Coordinated with City Staff regarding the CalRecycle procurement records.
- Continued to update the SB 1383 recycling/organics program's waiver process.

- Coordinated City staff attendance at an annual training event, hosted by the Monterey Regional Stormwater Management Program, regarding implementation of Construction Best Management Practices and Site Inspections.
- Public service messages in Friday Letters included information on the Monterey Regional Stormwater Management Program and Our Water Our World to collaborate to offer less-toxic, eco-friendly products for pest control.

Facility Maintenance

- Upgraded the sump system in the Park Branch Library basement.
- Enhanced the Park Branch emergency generator by adding additional emergency power circuits to the reading room.
- Installed touchless faucets in the main library restrooms at Harrison Memorial Library.
- Replaced the failed retaining wall in the Flanders Mansion basement.
- Completed roof maintenance, including roof tile and gutter work, at Flanders Mansion.
- Replaced flooring and furniture in the Police Department's detective office.
- Upgraded the security access system at the Norton Court parking garage.
- Completed hydro-jetting of all plumbing lines at public restroom facilities.
- Repaired the broken EV charger at Vista Lobos parking lot.
- Repaired storm-damaged roof at Forest Theater stage facility.
- Replaced a failed transfer switch for the Public Works/Police Department emergency generator.
- Upgraded the drinking fountain at Devendorf Park restrooms to ADA-compliant standards.
- Assisted the IT Department with the repair of license plate reader cameras.
- Installed a new wall and electrical circuits in the Park Branch Library Director's office.
- Replaced all damaged window screens at the fire station.

Project Management for the Capital Improvement Program

<u>4 Leaf Projects:</u>

- For the Police Building Project, Council received a report from the Ad Hoc Committee and provided direction on authorizing Indigo/Hammond+Playle Architects to proceed with schematic design concepts to rehabilitate and expand the existing building on-site to accommodate the pragmatic functions of a contemporary police building.

<u>Ausonio, Inc. Projects:</u>

- For the City Hall Roof Replacement Project, contract was awarded to California Constructors in the amount of $175,340, which includes a 10% contingency, is complete. Construction is 99% complete and Contractor is working through their final punch list items.
- The Sunset Center Cottage Window Repairs Project contract in the amount of $161,040, which includes a 10% contingency, to Pro-Ex Construction was awarded at the August City Council Meeting. Construction is 99% complete and Pro-Ex is working through their final punch list items.
- For the San Antonio Pathway Repair Project, Second to Fourth Avenues, contract was awarded at the October 2024 City Council meeting to Sharp Engineering and Construction in the amount of $503,470. Construction on this project began in December 2024 and is now 75% complete.
- For the Sunset Center Retaining Walls Repair Project, ZFA submitted 90% plans and technical specifications. An extra work authorization was issued to ZFA for repairs of two large cracks in another wall in the north parking lot. This project is being reviewed by Public Works staff and will go to Council for additional funding in Spring 2024.

Wallace Group Projects:

- For the FY 2023/2024 City-wide Paving Project, staff is reviewing a proposed contract amendment for the creation of the FY 2024/25 conglomerate paving project approved by Council with a budget of 2.8 million. The design for this project is 95% complete and is expected to go out to bid in spring 2024.
- For the Shoreline Infrastructure Repair Project, the Request for Proposal was issued seeking coastal engineering and environmental firms to design and acquire environmental permitting for the repair of two structurally-damaged beach access stairs, reconstruction of the Fourth Avenue seawall/outfall, and to assess, prioritize, and provide cost estimates for all other shoreline infrastructure identified in the Coastal Engineering Study, Phase 1 Condition Assessment Report. The City selected Moffett and Nichol and are currently working on contract negotiations.

Additional Capital Improvement Projects:

- For the Cal Am Water Dolores Water Main Replacement Project, this project is now complete and the encroachment permit has been closed.
- For the MTNP 3 Drainage Projects, which includes drainage piping near the Rio Road entrance, an 85-foot boardwalk over a bog, and reconstruction of a large swale. This project was awarded to Monterey Peninsula Engineers in the summer of 2024, and construction was completed by the end of 2024.
- For the four City-wide Drainage Improvement Projects, Neill Engineering completed plans and technical specifications. The project was advertised in September 2024 and the contract was awarded to Coastal Paving & Excavation in January 2025. The anticipated start of construction is February 2025.

Street Maintenance

- Assisted CAWD with vacuuming three of our four CDS units.
- Completed painting of curbs associated with AB 413.
- Assisted the Forestry Division for one week with storm clean-up.
- Repaired eight traffic signs damaged during the December storm.
- Completed smog testing on 10 City owned vehicles.
- Removed eight piles of debris from MTNP.
- Finished placing wood chips on Willow Trail in MTNP.
- Continued filing in tree wells in the downtown area with decomposed granite for safety.
- Continued making priority sidewalk repairs.
- Began installing rock-lined drainage channel at San Carlos and Second Avenue to prevent further erosion.

Forestry, Parks, and Beach

- Refer to City Forester's Report (attached).

CITY OF CARMEL-BY-THE-SEA
Monthly Report

City Forester's Report

TO:	Forest and Beach Commissioners
FROM:	Justin Ono, City Forester
SUBJECT:	December 2024 Forester's Report

Forestry, Parks, and Beach Highlights:

Carmel Forest Master Plan (CFMP):

- Staff held interviews with three environmental consulting firms to select a consultant for the CEQA review of the Administrative Draft of the Forest Master Plan. A consultant was selected and is being notified.
- Staff received editable documents from Davey Resource Group (DRG) and officially took over final revision of the master plan. Edits will encompass public feedback from the October 2024 Steering Committee meetings.

Contractors:

- Landscape maintenance contractor Town & Country continues to provide landscape maintenance services along the Scenic Pathway previously funded by Carmel Cares. This contractor also continues their landscape maintenance throughout the city with new task orders issued for the watering of newly planted trees and relocation of an irrigation box on the Scenic Pathway.
- City Contractor Tope's Tree Service continued working on a task order including 40 dead or dying trees for removal or pruning.
- New task orders are being compiled for West Coast Arborists and Community Tree Service and will be sent by late mid/late January.

City Staff and Crews:

- City crew cleared vegetation for facilitation of the San Antonio Pathway reconstruction south of Pebble Beach entrance.

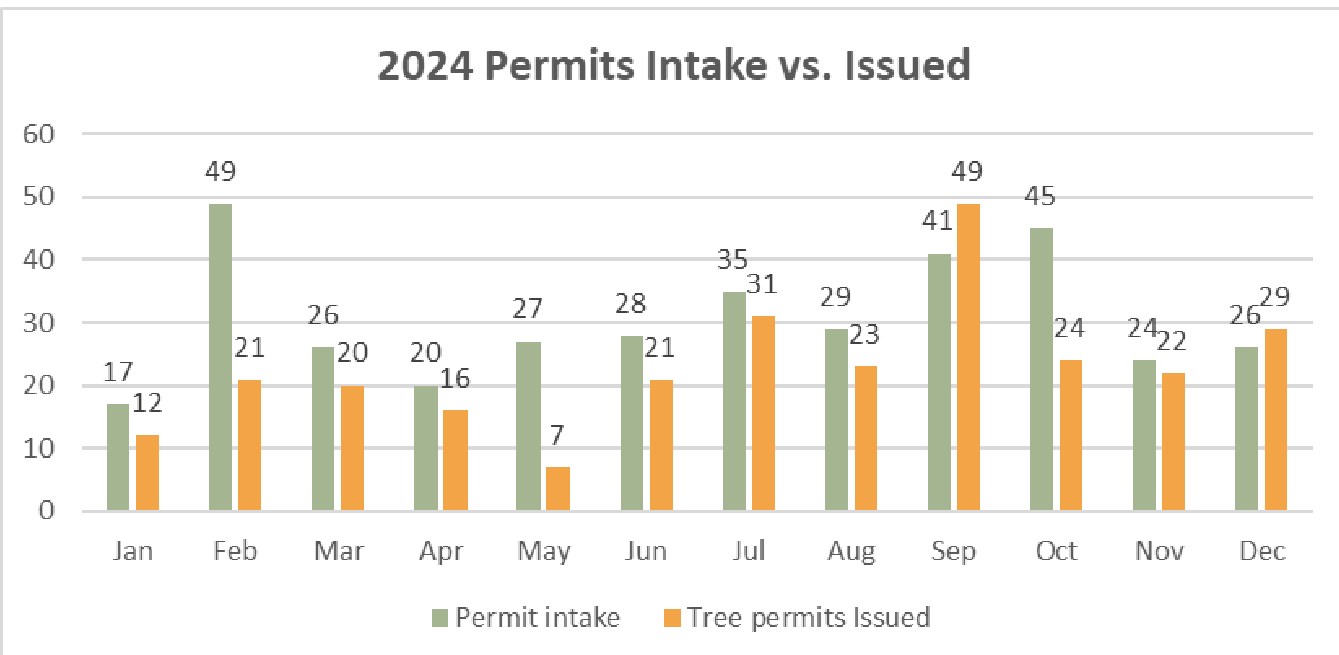
As shown in the following tables and charts, the calendar year 2024 forestry statistics included:

- Number of City trees removed = 193 (5% reduction from 2023)
- Number of City stumps removed = 112 (86% increase – *not including 2023 contractors*)
- Number of City trees pruned = 228 (21% decrease from 2023)
- Number of City trees planted = 174 (67% increase from 2023)
- Number of tree permit applications received = 391 (4% increase from 2023)
- Number of tree permits applications resolved = 336 (16% increase from 2023)
- Number of private trees removed = 231 (32% decrease from 2023)
- Number of private trees required to be replanted = 231 (2% decrease from 2023)
- Private tree removal permit required replant percentage = 100% (31.17% increase)
- Number of Communications (Fresh Desk) tickets received = 2270 (5% increase from 2023)
- Number of Communications (Fresh Desk) tickets resolved = 2619 (24% increase from 2024)

. Permit Information

2024 Permitted removals, pruning, and required planting

	Tree permits received	Tree permits Issued	Site Inspections Performed	Total Prunings	Total Removals	Removal of Upper	Removal of Lower	Required to Plant Upper	Required to Plant Lower	No room for new tree	Meets Density Rec.	Total Number of Trees Required
January	17	12	1	4	8	6	2	5	1	0	2	6
February	49	21	4	6	21	11	10	3	3	0	0	6
March	26	20	3	5	27	14	13	4	7	0	0	11
April	20	16	3	3	15	8	7	5	5	0	0	10
May	27	7	4	3	8	5	3	2	1	0	0	3
June	28	21	8	17	21	5	16	4	5	2	11	9
July	35	31	9	5	16	8	8	11	15	0	1	26
August	29	23	8	13	13	8	5	7	9	0	1	16
September	41	49	15	22	46	16	30	36	25	0	1	61
October	45	24	11	19	21	9	12	11	12	0	2	23
November	24	22	8	12	16	8	8	16	18	0	4	34
December	26	29	9	8	19	12	7	14	12	0	3	26
2024 Totals	**367**	**275**	**83**	**117**	**231**	**110**	**121**	**118**	**113**	**2**	**25**	**231**



Attachment **4**

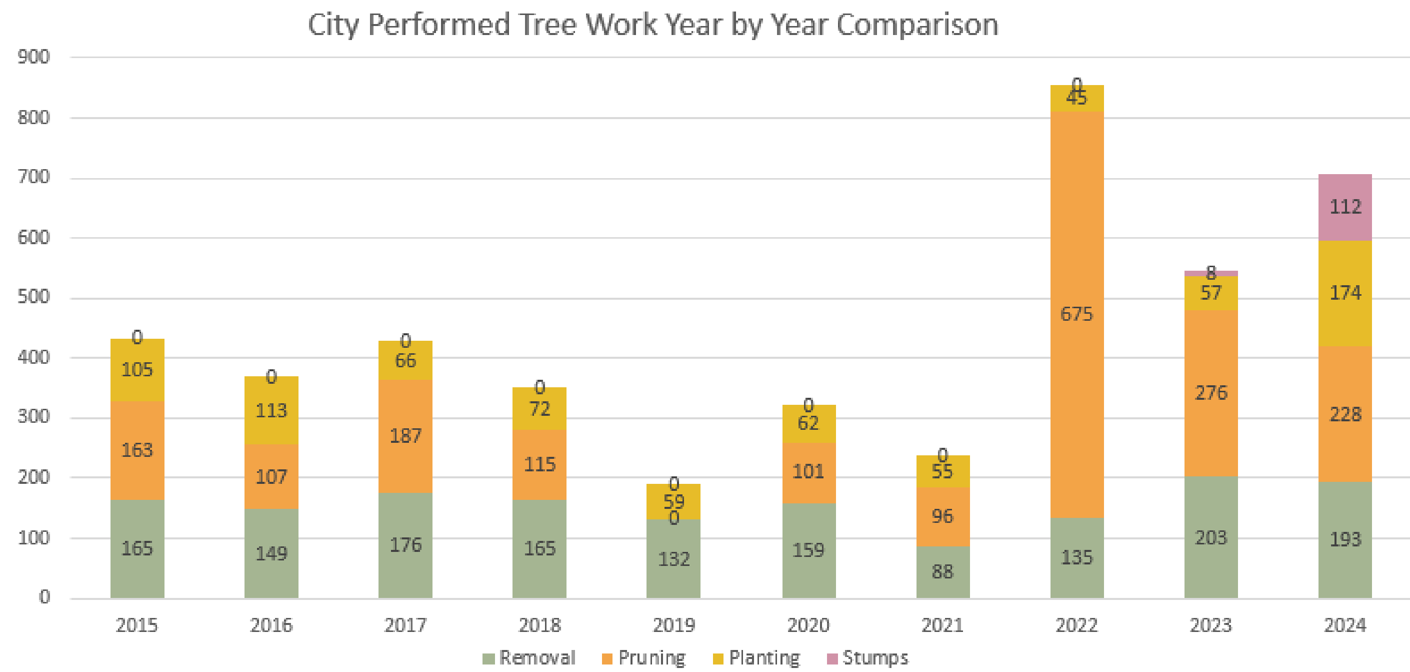
Historic permitted removals and required planting		
	Re-planting of upper	**Re-planting of lower**
2013	31	29
2014	35	20
2017	15	28
2018	1	18
2019	53	63
2020	70	28
2021	81	54
2022	48	37
2023	164	72
2024	118	113

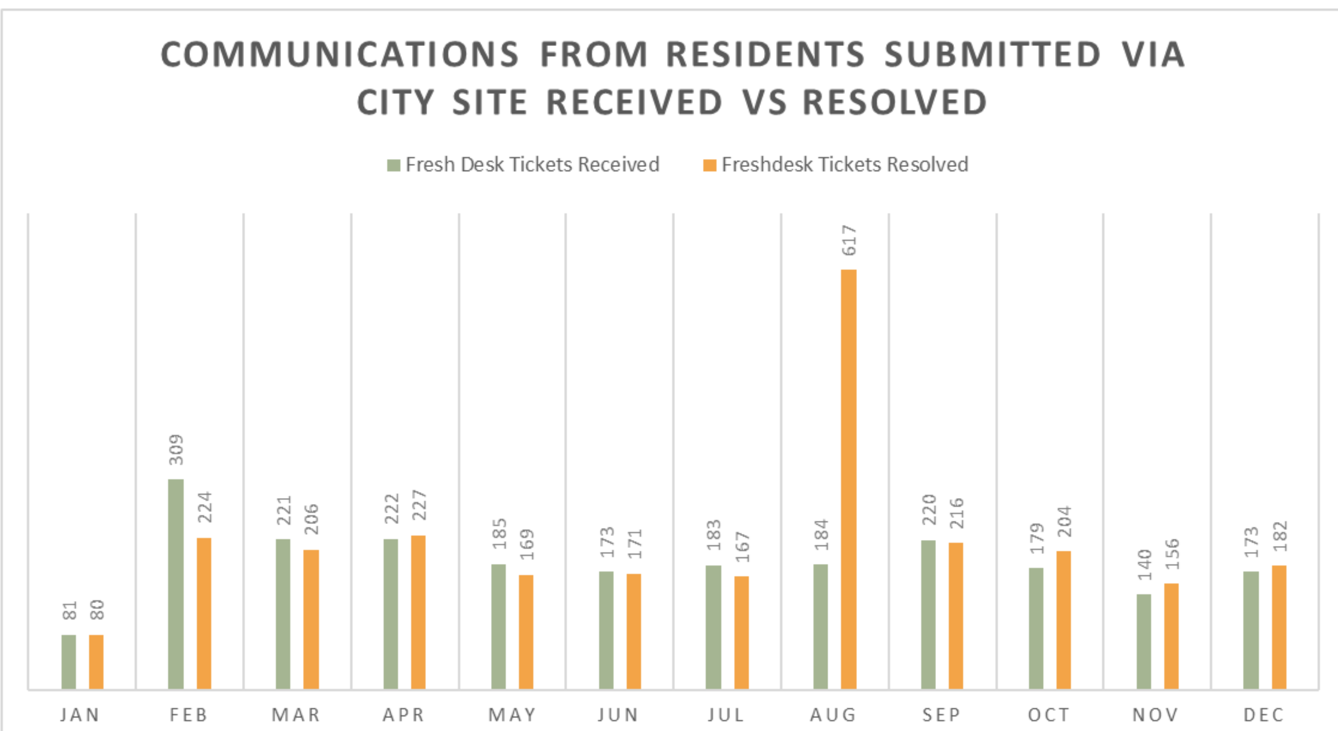
Historic permitted removals and required planting

Year	Permitted removals	Removal of upper	Removal of lower	Replanting Required	Replanting of upper	Replanting of lower	Replanting %	Applications processed
2021	204	81	123	135	81	54	66.18%	213
2022	149	82	67	85	48	37	57.05%	155
2023	324	211	113	223	164	72	68.83%	336
2024	231	110	121	231	118	113	100.00%	391

City Forestry, Parks, and Beach Activities

Attachment 4





*Numbers only represent correspondences received via the City's website and do not incude live calls, voicemails, drop-in visitors, and emails sent directly to employees from residents, nor return calls and emails from staff.

CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL
Staff Report

February 3, 2025
CONSENT AGENDA (Estimated time - 5 min)

TO:	Honorable Mayor and City Council Members
SUBMITTED BY:	Jane Hogan, Accountant
APPROVED BY:	Chip Rerig, City Administrator
SUBJECT:	December 2024 Check Register Summary

RECOMMENDATION:
Approve the check register for December 2024.

BACKGROUND/SUMMARY:
The check register is a financial report generated from the City's financial system (**Attachment 1**). It categorizes checks by the responsible department or function, providing essential information such as the check number, vendor name, purchase description, check issue date, and the check amount.

Per the California Supreme Court's decision in the case of Los Angeles County Board of Supervisors v. Superior Court (Dec. 29, 2016) (2016 WL 7473802), the check register excludes the specific invoice payments for legal services incurred for pending and active investigations, pending and active litigation, as well as recently concluded matters. The Supreme Court has ruled that these specific invoices are protected under attorney-client privilege and therefore are not subject to disclosure under the Public Records Act.

As a supplement to the check register, staff have included information about the contract balances for vendors who received payments during the month of October 2024. This data can be found on the last page of the report.

The check register provides valuable insights into the City's financial transactions, ensuring transparency and accountability in our financial operations. The exclusion of certain legal services payments adheres to the California Supreme Court's guidelines, safeguarding attorney-client privilege. The contract balance information further enhances our financial transparency.

FISCAL IMPACT:
The check register summary for December 2024, totals $1,114,950.14.

PRIOR CITY COUNCIL ACTION:
Council ratified the November 2024 check register at the January 13, 2025 special council meeting.

ATTACHMENTS:

Attachment 1) December 2024 Check Register

December 2024 Check Register

Attachment 1

Check No.	Vendor/Employee	Transaction Description	Date	Amount
Department: 000 ___				
121024001	CALPERS	Health premium - Active premiums	12/10/2024	134,248.78
		Total for Department: 000 ___		134,248.78
Department: 110 City Council				
54722	Carmel High School	Mock Trial Team Discretionary Grant	12/04/2024	1,000.00
54756	Peninsula Messenger LLC	Mail service sorting and delivery	12/10/2024	7,744.00
54870	Petty Cash	Meeting drinks and ice	12/23/2024	16.56
54882	US Bank	Safeway: Election party supplies	12/23/2024	209.96
54882	US Bank	Lucky: Election party supplies	12/23/2024	86.93
54882	US Bank	League of Ca Cities: conference fee	12/23/2024	1,350.00
		Total for Department: 110 City Council		10,407.45
Department: 111 City Administration				
54736	Alhambra	Water service-City Hall	12/10/2024	164.37
54738	Amazon Web Services Inc	Data and cloud storage fees	12/10/2024	503.62
54740	AT&T	Telephone service citywide	12/10/2024	2,443.62
54741	Benefit Coordinators Corporation (BCC)	Cobra Monthy Admin Fee	12/10/2024	83.60
54744	Chavan and Associates, LLC	Financial auditing services	12/10/2024	6,825.00
54745	Comcast	City Hall cable service	12/10/2024	68.52
54746	Digital Deployment	Website support agreement:Maint, training, security and updates	12/10/2024	700.00
54747	FedEx	Shipping fees: Volume Study, CP&B Dept.	12/10/2024	7.71
54748	Grasings/The Carmel Restaurant Group	Catering-City Christmas party 12/19/2024	12/10/2024	4,600.00
54749	Iron Mountain	Records storage and management services	12/10/2024	621.24
54760	T-Mobile	Monthly cell service, usage and purchases	12/10/2024	1,028.44
54765	AT&T	Telephone service citywide	12/13/2024	1,053.09
54779	Complete Paperless Solutions	Laserfiche Cloud services-Annual renewal	12/13/2024	3,255.00
54810	SRS Private Investigations	Pre-employment report services	12/13/2024	145.00
54821	Verizon Wireless	Cell phone sales and usage	12/13/2024	6,435.79
54826	AT&T	Telephone service Citywide	12/19/2024	1,025.70
54828	Comcast Business	NonNGEN internet and recurring charges	12/19/2024	1,288.80
54829	IAMP Pro Audio/Anthony J. Nocita	Set-up, live production, associated support of city meetings and	12/19/2024	2,850.00
54830	James Pingree	Employee appreciation	12/19/2024	400.00
54832	Office Depot, Inc.	Office supplies Admin	12/19/2024	629.53
54835	Regional Government Services	Payroll services	12/19/2024	5,681.00
54839	US Bank	New York Times: Digital subscription	12/19/2024	23.00
54839	US Bank	Terry's Lounge: Employee appreciation lunches	12/19/2024	127.86
54839	US Bank	Terry's Lounge: Employee appreciation lunches	12/19/2024	69.68
54839	US Bank	Carmel Drug Store: Office supplies	12/19/2024	5.54
54839	US Bank	Grasings: Employee appreciation lunches	12/19/2024	47.53
54841	Xerox Financial Services	Xerox copier leases citywide	12/19/2024	2,905.06
54856	Amazon Capitol Services	IT Supplies and Equipment	12/23/2024	33.85
54858	Benefit Coordinators Corporation (BCC)	Admin fees	12/23/2024	83.60
54870	Petty Cash	HR lunch meeting - pre employment	12/23/2024	21.72
54870	Petty Cash	HR printing lamination	12/23/2024	23.21
54870	Petty Cash	HR conference parking	12/23/2024	24.00
54870	Petty Cash	HR panel lunch	12/23/2024	89.84
54882	US Bank	Winner Awards: Outgoing Councilmember plaques	12/23/2024	360.53
54882	US Bank	Rite Aid: Gift bags	12/23/2024	28.27
54882	US Bank	Microsoft - Azure monthly subscription	12/23/2024	896.94
54882	US Bank	Junction Networks - OnSip telephone	12/23/2024	879.77
54882	US Bank	Junction Networks - OnSip telephone	12/23/2024	382.74
54882	US Bank	FreshWorks - monthly subscription	12/23/2024	750.00
54882	US Bank	Bitwarden - Password manager subscription	12/23/2024	30.00
54882	US Bank	Zoom - monthly subscription	12/23/2024	667.84
54882	US Bank	Metrofax - monthly subscription	12/23/2024	11.95
54882	US Bank	Adobe - monthly subscription	12/23/2024	775.12
54882	US Bank	BackBlaze - Cloud storage subscription	12/23/2024	79.01
54882	US Bank	Google Cloud	12/23/2024	2.31
54882	US Bank	Junction Networks - OnSip telephone	12/23/2024	382.17
121024001	CALPERS	Health premium - Admin Fees	12/10/2024	411.76
		Total for Department: 111 City Administration		48,923.33
Department: 112 City Attorney				
54759	Sloan Sakai Yeung & Wong	Legal services - Classifications Study	12/10/2024	3,587.00
54767	Best Best & Krieger, Attorney At Law	Legal services - Telecommunications Issue	12/13/2024	2,178.50

54827	Burke,Williams & Sorensen, LLP	City Attorney services	12/19/2024	33,873.00

Attachment 1

		Total for Department: 112 City Attorney		39,638.50

Department: 115 Community Planning & Building

54754	Minuteman Press	Postcard and business card printing	12/10/2024	782.44
54770	California Building Officials	CALBO Education Week: Duane D., Jermel L.	12/13/2024	900.00
54784	EMC Planning Group, Inc	FY 24-25: REAP Grant - - 6th Cycle Housing Element	12/13/2024	16,417.08
54787	Granicus, Inc.	EHQ Basic	12/13/2024	148.04
		Total for Department: 115 Community Planning & Bu		18,247.56

Department: 116 Police

54737	Amazon Capitol Services	PD Supplies and Equipment	12/10/2024	52.42
54750	Jacob Clifford	Training Expense:SU Session 12/16/2024	12/10/2024	876.20
54761	Wayside Garage	Auto repairs PD	12/10/2024	3,182.85
54763	Alhambra	Water service-Police Dept	12/13/2024	183.05
54766	Axon Enterprise, Inc	PD: Bundled services Tech Assurance-Body Cameras	12/13/2024	19,775.65
54775	Chaplin and Hill Investigative	Investigative services	12/13/2024	4,336.16
54781	County of Monterey, Dept of Emerg Communications	NGEN Operations and maintenance Q3 FY 24-25	12/13/2024	6,036.00
54788	JD Repairs, Inc	PD Auto repair services	12/13/2024	450.00
54812	Swift Car Wash	Car washes Police Dept	12/13/2024	160.00
54813	T2 Systems Canada Inc.	Repairs and battery replacement	12/13/2024	595.37
54814	T2 Systems, Inc	Citation collection services-Mobil Pay Subs Nov 24	12/13/2024	196.24
54817	Transunion Risk & Alterna	PD: Monthly fee for information services	12/13/2024	75.00
54823	Winners Awards	Retirement plaque-Johnson	12/13/2024	217.41
54837	Solutions Office Interiors, Inc	Pre-owned office furniture for Police Station	12/19/2024	3,368.88
54855	Alhambra	Water service-Police Dept	12/23/2024	192.82
54863	Comcast	Cable service PD	12/23/2024	39.31
54865	Department of Justice/Accounting Office	PD:Fingerprinting services	12/23/2024	160.00
54873	Office Depot, Inc.	PD Office supplies	12/23/2024	350.90
		Total for Department: 116 Police		40,248.26

Department: 117 Fire

54763	Alhambra	Water service-Fire Dept	12/13/2024	186.65
54764	American Supply Company	Fire Dept janitorial supplies	12/13/2024	380.08
54777	City Of Monterey	Fire Dept Vehicle repairs	12/13/2024	273,127.85
54781	County of Monterey, Dept of Emerg Communications	Dispatch Service Q3 FY 234-25	12/13/2024	6,556.00
54794	Mission Linen Service	Fire Dept laundry service	12/13/2024	540.95
		Total for Department: 117 Fire		280,791.53

Department: 118 Ambulance

54768	Bound Tree Medical LLC	Medical supplies	12/13/2024	245.11
54777	City Of Monterey	Ambulance Administration fee	12/13/2024	2,268.50
54786	Golden State Truck & Trailer	Ambulance repairs	12/13/2024	6,127.46
54801	Peninsula Welding & Medical Supply, inc.	Ambulance Dept-Oxygen/hazardous materials transport service	12/13/2024	90.30
54862	City Of Monterey	Ambulance overtime reimbursement for staffing by Monterey Fire	12/23/2024	4,477.20
		Total for Department: 118 Ambulance		13,208.57

Department: 119 Public Works

54762	Ailing House Pest Control	FM Pest control services Citywide	12/13/2024	359.00
54763	Alhambra	Water for PW	12/13/2024	241.29
54771	California Marine Sanctuary Foundation	Water quality monitring 11/25/24 #1222	12/13/2024	2,472.00
54772	California Premier Restoration	Vista Lobos Offices 11/13/24 #241036.1	12/13/2024	15,000.00
54773	Caltronics Business Systems	Removal of lease return PW Dept C364E ASC011025103	12/13/2024	350.00
54774	Carmel Towing & Garage	Fuel for PW vehicles	12/13/2024	2,758.63
54776	Cintas Corporation	Uniform Services	12/13/2024	688.37
54778	Community Tree Service	Tree work in City	12/13/2024	8,545.00
54780	Consolidated Electrical Dist., Inc	Parts for Devendorf Park electical emergency. 12/5/24 #4914-1051	12/13/2024	390.14
54789	Legacy Roofing and Waterproofing Inc	FM Roof repairs Citywide	12/13/2024	550.00
54793	David Sollid Marina Backflow Company	FM Backflow services	12/13/2024	2,598.50
54795	Monterey Bay Telecomm, Inc	Trouble shhot alarm 12/9/24 #25342	12/13/2024	206.25
54797	Municipal Maintenance Equipment	6 gutter brooms for sweeper.	12/13/2024	1,913.43
54799	On Point Generators	FM Generator services	12/13/2024	3,224.67
54800	Pacific Smog	Smog certificates	12/13/2024	279.75
54803	Poe's Plumbing & Backflow	FM Plumbing services Citywide	12/13/2024	927.50
54805	Robert Half	Temp help in Forestry	12/13/2024	9,710.62
54806	Scarborough Lumber & Building	Public Works Streets supplies	12/13/2024	229.60
54808	Sherwin-Williams Co.	PW Paint and paint supplies	12/13/2024	311.92
54809	Solutions Office Interiors, Inc	Office design/furniture for Vista Lobos 75%deposti and 25%when c	12/13/2024	8,617.28
54811	State Water Resources Control Board (SWRCB)	Annual Permit Fee - #SW-0296689 Index # 611520	12/13/2024	7,279.00
54818	Tree Stuff Lockbox No 639707	Forestry Supplies	12/13/2024	41.77
54819	Uline Inc.	Uline	12/13/2024	1,904.96

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54820	Val Gaino	Mileage - Salinas Courthouse, NOE	12/13/2024	34.49
54824	Yvette Culver	Mileage for NOC-Salinas recorders Office	12/13/2024	26.13
54854	Ailing House Pest Control	FM Pest control services Citywide	12/23/2024	305.00
54855	Alhambra	Water for PW	12/23/2024	202.84
54857	Ausonio, Inc	On-call services	12/23/2024	803.26
54859	California Fire Protection, Inc.	Annual fire inspection, extinguishers	12/23/2024	300.00
54860	California Premier Restoration	Vista Lobos Office Project 241036.2 12/16/24	12/23/2024	8,075.00
54861	Cintas Corporation	Uniform Services	12/23/2024	197.83
54864	Community Tree Service	Tree work in City	12/23/2024	7,010.78
54866	Edges Electrical Group	FM Plumbing/elec supplies	12/23/2024	552.28
54867	Granite Rock Company	Supplies for PW Streets	12/23/2024	1,722.27
54870	Petty Cash	Monterey County permit fees	12/23/2024	52.00
54871	Monterey Regional Waste Management District	Annual Porportionate Share of costs 01-SB13832425	12/23/2024	5,613.00
54872	Monterey Signs	Plaza tour bus signs	12/23/2024	10,020.96
54874	On Point Generators	FM Generator services	12/23/2024	3,781.08
54875	Poe's Plumbing & Backflow	FM Plumbing services Citywide	12/23/2024	460.00
54876	PSTS, Inc.	Oil - Water separator	12/23/2024	990.00
54877	Pureserve Building Service	FM Janitiorial services Citywide	12/23/2024	22,428.86
54878	Robert Half	Temp help in Forestry	12/23/2024	1,423.93
54879	Scarborough Lumber & Building	Public Works Streets supplies	12/23/2024	60.26
54880	Sherwin-Williams Co.	FM Paint, supplies for City facilities	12/23/2024	37.33
54881	State Water Resources Control Board (SWRCB)	Annual Permit Fee Index #625021 #WD-0275591	12/23/2024	2,913.00
54882	US Bank	Home Depot - burlap sand bags	12/23/2024	144.17
54882	US Bank	Home Depot - electrical supplies and batteries	12/23/2024	229.73
54882	US Bank	Home Depot - Chlorine tabs	12/23/2024	173.71
54882	US Bank	Floors for Less - green carpet tiles for Park Branch Library	12/23/2024	1,070.48
54882	US Bank	Amazon - air purifier replacement filters	12/23/2024	569.81
54882	US Bank	Amazon - air purifier replacement filters	12/23/2024	275.00
54883	Zumar Industries, Inc.	ADA van accessible signs	12/23/2024	130.00
		Total for Department: 119 Public Works		138,202.88

Department: 120 Library

54755	Pacific Grove Self Storage	Storage Unit - Document storage	12/10/2024	407.00
		Total for Department: 120 Library		407.00

Department: 121 Community Activities

54723	Golden State Portables	portable restrooms for Homecrafters	12/04/2024	1,011.56
54724	US Bank	Target: Blue tooth speaker	12/04/2024	109.24
54724	US Bank	Displays2go: Santa line stanchions	12/04/2024	310.53
54724	US Bank	Smart&Final: Halloween event food	12/04/2024	178.50
54724	US Bank	Brunos: Pumpkin Roll food	12/04/2024	97.50
54724	US Bank	Vistaprint: Homecrafters' posters and directional signs	12/04/2024	241.38
54724	US Bank	Home Depot: red carpet runner	12/04/2024	16.44
54742	Bliss Point Productions	Stage rental for Holiday Celebration	12/10/2024	3,000.00
54743	Carmel Pine Cone	Craft Fair Saturday ad - 11.15.2024	12/10/2024	850.00
54785	Glastonbury Inc	sound and lighting for Holicay Celebration	12/13/2024	4,860.00
54790	Hans Lehmann	Santa for Holiday Celebration	12/13/2024	570.00
54816	Tigerlilly Florist&Gifts	Veteran's Day flowers	12/13/2024	458.86
		Total for Department: 121 Community Activities		11,704.01

Department: 122 Economic Revitalization

54758	See Monterey	Destinatin Marketing Jurisdiction Quarter 2 10/1/-12/31/2024	12/10/2024	56,574.25
		Total for Department: 122 Economic Revitalization		56,574.25

Department: 130 Non-Departmental

54757	PG&E	Citywide gas and electric services	12/10/2024	904.45
54833	PG&E	Citywide gas and electric services	12/19/2024	3,783.82
54834	Prism Public Risk Innovation	Deductible billing Q1 Jul-Sep 2024	12/19/2024	14,365.60
121024001	CALPERS	Health premium - Retired	12/10/2024	7,065.00
		Total for Department: 130 Non-Departmental		26,118.87

Department: 311 Capital Projects

54783	Disaster Kleenup Specialists	CH Roof Water Mitigation - 10/15/24 #SI-54700-Roof leaks from r	12/13/2024	27,486.37
54784	EMC Planning Group, Inc	Outreach Adaptation Pathway Development	12/13/2024	12,419.66
54791	M3 Environmental Consulting	Hazardous Materials Abatement	12/13/2024	6,787.30
54796	Monterey Peninsula Engineering	All equipment, material and labor to complete MTNP, 3 Stream/Dra	12/13/2024	37,419.57
54798	Nicole Nedeff	Consulting various city projects	12/13/2024	677.50
54807	Sharp Engineering and Construction, Inc	Construction services:San Antonio Ave Walkway repairs per contra	12/13/2024	105,592.50
54815	Ten Over Studio, Inc	Sunset Center Cottage Windows	12/13/2024	7,335.50
54822	Wallace Group	Streets Resurfacing	12/13/2024	1,265.00
54825	ZFA Structural Engineering	Stuctural engineering design services: Lincoln Street Bridge	12/13/2024	8,300.00

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54842	PG&E	Vista Lobos 3EV Charge/Electric Panel Notification # 128457092,	12/19/2024	1,567.44
54852	4Leaf, Inc	Project Management Services:PD/PW Building projects per contract	12/23/2024	2,430.84
54857	Ausonio, Inc	San Antonio Ave. Pedestrian Trail	12/23/2024	39,808.13
54868	Ifland Engineers, Inc	Professional services Police Station renovation	12/23/2024	26,920.00
54869	Indigo/Hammon & Playle Architects, LLP	Prep functional program report, concept drawings and cost estima	12/23/2024	14,661.33
54882	US Bank	Global Industrial: ADA outdoor wall mount drinking fountain	12/23/2024	1,453.01

Total for Department: 311 Capital Projects	294,124.15

Department: 411 Debt Service

54838	US Bank	Public Improv Auth-2020 Refunding Lease Sunset Cult Center	12/19/2024	2,105.00

Total for Department: 411 Debt Service	2,105.00

Grand Total	1,114,950.14

CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL
Staff Report

February 3, 2025
CONSENT AGENDA (Estimated time - 5 min)

TO:	Honorable Mayor and City Council Members
SUBMITTED BY:	Chip Rerig, City Administrator
APPROVED BY:	Chip Rerig, City Administrator
SUBJECT:	Resolution 2025-09 rescinding and replacing Resolution 2024-094, authorizing the City Administrator to establish and adopt the new class specification and salary schedule of Library Associate, adopt revisions to the current Librarian I and II classes and new salary schedules in accordance with Municipal Code 2.52.590(B)

RECOMMENDATION:

Adopt Resolution 2025-09 rescinding and replacing Resolution 2024-094, authorizing the City Administrator to establish and adopt the new class specification and salary schedule of Library Associate, adopt revisions to the current Librarian I and II classes and new salary schedules in accordance with Municipal Code 2.52.590(B).

BACKGROUND/SUMMARY:

BACKGROUND

On December 3, 2024, the City Council approved Resolution 2024-094, adopting changes to the Library's job classifications, new classes, and new salary ranges for some classes. Resolution 2024-094 contained an incorrect reference with respect to salary placement citing Municipal Code Section 2.52.570 Salary Determination – Promotions. The City Council item should have cited Municipal Code Section **2.52.590 Salary Determination – Reclassification of Position**, Section B, which is applicable to this action and states:

> B. An employee reclassified to a higher classification will receive a salary rate advancement to the same step in the new range. (Ord. 87-1 § 2, 1987).

For clarity, a redlined version of Resolution 2024-094 with exhibits is included as **Attachment 2,** showing the correct Municipal Code Section reference, and the Staff Report to Council from December 3, 2024, is included as **Attachment 3**.

RECOMMENDATION

To ensure accurate implementation of the approved salary changes and align with the correct Municipal Code provision, staff recommends that the City Council adopt Resolution 2025-09 (**Attachment 1**). This resolution will:

- Rescind Resolution 2024-094.
- Adopt a corrected Resolution with the proper Municipal Code citation (Section 2.52.590(B)). The remainder of the Resolution remains accurate.
- Job Descriptions for Supervising Librarian, Library Associate, Library Assistant, and Librarian, are included and labeled as Resolution 2025-09 Exhibits A, B, C, and D respectively.

FISCAL IMPACT:

There are no additional costs associated with this correction.

PRIOR CITY COUNCIL ACTION:

Resolution 2024-094 adopted the new and revised job classes and salary changes for the Library on December 3, 2024.

ATTACHMENTS:

Attachment 1) Resolution 2025-09 with Exhibits A, B, C, and D (CLEAN VERSION FOR ADOPTION)
Attachment 2) Resolution 2024-094 – REDLINED
Attachment 3) December 3, 2024, Staff Report

Attachment 1

CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL

RESOLUTION NO. 2025-09

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA RESCINDING AND REPLACING RESOLUTION NO. 2024-094, AUTHORIZING THE CITY ADMINISTRATOR TO ESTABLISH AND ADOPT THE NEW CLASS SPECIFICATION AND SALARY SCHEDULE OF LIBRARY ASSOCIATE, ADOPT REVISIONS TO THE CURRENT LIBRARIAN I AND II CLASSES AND NEW SALARY SCHEDULES IN ACCORDANCE WITH MUNICIPAL CODE 2.52.590(B)

WHEREAS, Council previously took action on December 3, 2024, to revise existing classes and adopt new classes and salary ranges for certain Library classes through adoption of Resolution No. 2024-094; and

WHEREAS, the section of the Municipal Code section referenced in Resolution No. 2024-094 for salary step placement for affected employees on December 3, 2024 was incorrectly referenced; and

WHEREAS, Municipal Code 2.52.590(B) Salary Determination – Reclassification of Position is the correct Municipal Code section for the previously approved Council actions; and

WHEREAS, to remedy the situation, the City Council hereby rescinds and replaces Resolution 2024-094 adopted on December 3, 2024, with Resolution No. 2025-09.

NOW THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA DOES HEREBY RESCIND RESOLUTION NO. 2024-094 AND REPLACE IT WITH THE FOLLOWING RECITALS:

WHEREAS, there is a Memorandum of Understanding (MOU) between the City and general employees represented by the Laborers' International Union of North America, United Public Employees of California; and

WHEREAS, in December 2019 the City of Carmel-by-the-Sea approved a new MOU with the Laborers' International Union of North America, United Public Employees of California (LiUNA/UPEC), and two side letters committing the City to undertake two classification studies including Public Works Maintenance classes and Library classes; and

WHEREAS, after pandemic delays the Public Works study was completed in late 2022 and the Library study has been ongoing since 2023; and

WHEREAS, the City has the goal of compensating its employees at a competitive and fair level considering the relevant labor market, while encouraging employees to maintain long-term employment with the City to provide knowledgeable and first-class municipal services to the City's residents and visitors; and

WHEREAS, the City and LiUNA/UPEC have reached an agreement which is embodied in the attached Memorandum of Understanding for the period of July 1, 2022 through June 30, 2024; and

WHEREAS, **Municipal Code 2.52.590(B)** and amendments thereto provide, among other things that the City Council establish the legal current salary range from the salary schedule for each class of position; and

WHEREAS, the salary resolution is adopted annually or periodically by the City Council upon review and recommendation of the City Administrator; and

WHEREAS, the California Public Employee's Retirement Law, at Section 570.5 of the California Code of Regulations Title 2, requires the City to publish pay rates and ranges on the City's internet site and the City Council to approve the pay rates and range in its entirety each time a modification is made; and

WHEREAS, staff recommends that the City Council adopt the current City pay rates and ranges for General Unit classifications be amended.

NOW THEREFORE, BE IT FURTHER RESOLVED THAT THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA DOES HEREBY:

1. Authorize and approve the City Administrator to establish the new Supervising Librarian and Library Associate job descriptions (Exhibits A & B), and revised job descriptions for Library Assistant and Librarian (Exhibits C & D); and

2. Authorize and approve the City Administrator to establish the salary ranges below:

Library Assistant *(no change)*	G-204	Hourly:	$28.13	$29.54	$31.01	$32.56	$34.20
		Monthly:	$4,875.87	$5,120.27	$5,375.07	$5,643.73	$5,928.00
		Annual:	$58,510.40	$61,443.20	$64,500.80	$67,724.80	$71,136.00
Library Associate	G-234	Hourly:	$30.94	$32.49	$34.12	$35.83	$37.62
		Monthly:	$5,362.93	$5,631.60	$5,914.13	$6,210.53	$6,520.80
		Annual:	$64,355.20	$67,579.20	$70,969.60	$74,526.40	$78,249.60

Librarian	G-254	Hourly:	$36.67	$38.50	$40.43	$42.45	$44.57
		Monthly:	$6,356.13	$6,673.33	$7,007.87	$7,358.00	$7,725.47
		Annual:	$76,273.60	$80,080.00	$84,094.40	$88,296.00	$92,705.60

Supervising Librarian	G-254	Hourly:	$40.34	$42.35	$44.47	$46.69	$49.03
		Monthly:	$6,992.27	$7,340.67	$7,708.13	$8,092.93	$8,498.53
		Annual:	$83,907.20	$88,088.00	$92,497.60	$97,115.20	$101,982.40

3. Adopt revisions to the current Library Assistant, Librarian I, and Librarian II classes and retitle the Librarian I as Librarian and Librarian II as Supervising Librarian;

4. Reallocate four (4) of the current full-time Library Assistant positions to the newly adopted Library Associate class;

5. Place employees in the new/revised class at salary steps in accordance with **Carmel Municipal Code 2.52.590(B) Salary Determination – Reclassification of position;**

6. Modify the LiUNA Management Unit to add the class of Supervising Librarian and modify the LiUNA General Unit to delete the class of Librarian II.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA this 3rd day of February, 2025 by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED: ATTEST:

______________________________ ______________________________
Dale Byrne, Mayor Nova Romero, MMC, City Clerk

Attachments:

Exhibit A – Supervising Librarian Job Description

Exhibit B – Library Associate Job Description

Exhibit C – Library Assistant Job Description

Exhibit D – Librarian Job Description

Attachment 2

REDLINE VESRION OF RESO 2024-094 TO SHOW CORRECTION

CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL

RESOLUTION NO. 2024-094

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA AUTHORIZING THE CITY ADMINISTRATOR TO ESTABLISH AND ADOPT THE NEW CLASS SPECIFICATION AND SALARY SCHEDULE OF LIBRARY ASSOCIATE, ADOPT REVISIONS TO THE CURRENT LIBRARIAN I AND II CLASSES AND NEW SALARY SCHEDULES IN ACCORDANCE WITH MUNICIPAL CODE 2.52.590(B)

WHEREAS, there is a Memorandum of Understanding (MOU) between the City and general employees represented by the Laborers' International Union of North America, United Public Employees of California; and

WHEREAS, in December 2019 the City of Carmel-by-the-Sea approved a new MOU with the Laborers' International Union of North America, United Public Employees of California (LiUNA/UPEC), and two side letters committing the City to undertake two classification studies including Public Works Maintenance classes and Library classes; and

WHEREAS, after pandemic delays the Public Works study was completed in late 2022 and the Library study has been ongoing since 2023; and

WHEREAS, the City has the goal of compensating its employees at a competitive and fair level considering the relevant labor market, while encouraging employees to maintain long-term employment with the City to provide knowledgeable and first-class municipal services to the City's residents and visitors; and

WHEREAS, the City and LiUNA/UPEC have reached an agreement which is embodied in the attached Memorandum of Understanding for the period of July 1, 2022 through June 30, 2024; and

WHEREAS, Municipal Code **2.52.590(B)** and amendments thereto provide, among other things that the City Council establish the legal current salary range from the salary schedule for each class of position; and

WHEREAS, the salary resolution is adopted annually or periodically by the City Council upon review and recommendation of the City Administrator; and

WHEREAS, the California Public Employee's Retirement Law, at Section 570.5 of the California Code of Regulations Title 2, requires the City to publish pay rates and ranges on the City's internet site and the City Council to approve the pay rates and range in its entirety each time a modification is made; and

WHEREAS, staff recommends that the City Council adopt the current City pay rates and ranges for General Unit classifications be amended.

NOW THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA DOES HEREBY:

1. Authorize and approve the City Administrator to establish the new Supervising Librarian and Library Associate job descriptions **(Exhibits A & B), and revised job descriptions for Library Assistant and Librian (Exhibits C & D)**

2. Authorize and approve the City Administrator to establish the salary ranges below:

Library Assistant *(no change)*	G-204	Hourly:	$28.13	$29.54	$31.01	$32.56	$34.20
		Monthly:	$4,875.87	$5,120.27	$5,375.07	$5,643.73	$5,928.00
		Annual:	$58,510.40	$61,443.20	$64,500.80	$67,724.80	$71,136.00
Library Associate	G-234	Hourly:	$30.94	$32.49	$34.12	$35.83	$37.62
		Monthly:	$5,362.93	$5,631.60	$5,914.13	$6,210.53	$6,520.80
		Annual:	$64,355.20	$67,579.20	$70,969.60	$74,526.40	$78,249.60

Librarian	G-254	Hourly:	$36.67	$38.50	$40.43	$42.45	$44.57
		Monthly:	$6,356.13	$6,673.33	$7,007.87	$7,358.00	$7,725.47
		Annual:	$76,273.60	$80,080.00	$84,094.40	$88,296.00	$92,705.60

Supervising Librarian	G-254	Hourly:	$40.34	$42.35	$44.47	$46.69	$49.03
		Monthly:	$6,992.27	$7,340.67	$7,708.13	$8,092.93	$8,498.53
		Annual:	$83,907.20	$88,088.00	$92,497.60	$97,115.20	$101,982.40

3. Adopt revisions to the current Library Assistant, Librarian I, and Librarian II classes and retitle the Librarian I as Librarian and Librarian II as Supervising Librarian.

4. Reallocate four (4) of the current full-time Library Assistant positions to the newly adopted Library Associate class.

5. Place employees in the new/revised class at salary steps in accordance with Carmel Municipal Code **2.52.590(B)** Salary Determination – **Reclassification of Position;**

6. Modify the LiUNA Management Unit to add the class of Supervising Librarian and modify the LiUNA General Unit to delete the class of Librarian II.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA this 3rd day of December, by the following roll call vote:

AYES: Councilmembers Baron, Dramov, Ferlito, Richards, and Mayor Potter

NOES: None

ABSENT: None

ABSTAIN: None

APPROVED:

____
Dave Potter, Mayor

ATTEST:

____
Nova Romero, MMC, City Clerk

CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL
Staff Report

December 3, 2024
CONSENT AGENDA

TO:	Honorable Mayor and City Council Members
SUBMITTED BY:	Brandon Swanson, Assistant City Administrator
APPROVED BY:	Chip Rerig, City Administrator
SUBJECT:	Resolution 2024-094 authorizing the City Administrator to establish and adopt the new class specification and salary schedule of Library Associate, adopt revisions to the current Librarian I and II classes and new salary schedules.

RECOMMENDATION:

Adopt Resolution 2024-094 authorizing the City Administrator to establish and adopt the new class specification and salary schedule of Library Associate, adopt revisions to the current Librarian I and II classes and new salary schedules.

BACKGROUND/SUMMARY:

In December 2019, the City approved a new MOU for LiUNA/UPEC and two side letters committing the City to undertake two classification studies including Public Works Maintenance classes and Library classes. The 2019 Library Side Letter is **Attachment 4**. It was anticipated that the studies would be completed within a year of the MOU approval. Due to the pandemic the studies were delayed. The Public Works study was completed in late 2022. The Library study has been ongoing since 2023.

The Library Classification Study Report (**Attachment 5**) recommends adopting a new paraprofessional class specification for some of the current Library Assistants and a re-titling and revising of the Librarian I and Librarian II classes. The updated job descriptions for Supervising Librarian and Library Associate are included as **Attachments 2 & 3**. The compensation study indicated that the Librarian class was more than twelve percent (12%) below the market median of other nearby communities (**Attachment 6**).

Pay Schedule for General Employees Unit (affiliated unit of LiUNA) Classifications:

Establish the salary of the Library Associate Class at ten percent (10%) above the salary of the current Library Assistant class:

Library Assistant *(no change)*	G-204	Hourly:	$28.13	$29.54	$31.01	$32.56	$34.20
		Monthly:	$4,875.87	$5,120.27	$5,375.07	$5,643.73	$5,928.00
		Annual:	$58,510.40	$61,443.20	$64,500.80	$67,724.80	$71,136.00
Library Associate	G-234	Hourly:	$30.94	$32.49	$34.12	$35.83	$37.62
		Monthly:	$5,362.93	$5,631.60	$5,914.13	$6,210.53	$6,520.80

(pending approval)		Annual:	$64,355.20	$67,579.20	$70,969.60	$74,526.40	$78,249.60

Revise the pay schedule for the newly re-titled Librarian class with a top step of $7,726/month which is the market median of the surrounding agencies:

Librarian *(pending approval)*	G-254	Hourly:	$36.67	$38.50	$40.43	$42.45	$44.57
		Monthly:	$6,356.13	$6,673.33	$7,007.87	$7,358.00	$7,725.47
		Annual:	$76,273.60	$80,080.00	$84,094.40	$88,296.00	$92,705.60

Pay Schedule for Management Employees Unit (affiliated unit of LiUNA) Classifications:

Revise the pay schedule for the newly re-titled class of Supervising Librarian with a top step of $8,498/month which is ten percent (10%) above the Librarian top step:

Supervising Librarian *(pending approval)*	G-254	Hourly:	$40.34	$42.35	$44.47	$46.69	$49.03
		Monthly:	$6,992.27	$7,340.67	$7,708.13	$8,092.93	$8,498.53
		Annual:	$83,907.20	$88,088.00	$92,497.60	$97,115.20	$101,982.40

The LiUNA Management Employees Unit is more appropriate to represent the Supervising Librarian class. A Tentative Agreement between LiUNA General, LiUNA Management, and the City is included as **Attachment 7**.

The Resolution included as **Attachment 1** will adopt the recommendations which align with the City's goals of compensating its employees at a competitive and fair level considering the relevant labor market, while encouraging employees to maintain long-term employment with the City to provide knowledgeable and first-class municipal services to the City's residents and visitors.

FISCAL IMPACT:

The cost of these recommendations for the remainder of the fiscal year is estimated to be $63,725. The current budget has sufficient appropriations for the revised salary schedule. The FY 2025/26 budget will be developed to accommodate these increases.

PRIOR CITY COUNCIL ACTION:

Resolution 2019-08 adopted a new MOU for LiUNA on December 3, 2019, which included the side letters for the Library and Public Works studies.

ATTACHMENTS:

Attachment 1) Resolution 2024-094
Attachment 2) Exhibit A Supervising Librarian Job Description
Attachment 3) Exhibit B Library Associate Job Description
Attachment 4) Library Side Letter
Attachment 5) Carmel Classification Study Report
Attachment 6) Library Salary Survey
Attachment 7) Library Tentative Agreement signed

CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL
Staff Report

February 3, 2025
CONSENT AGENDA (Estimated time - 5 min)

TO:	Honorable Mayor and City Council Members
SUBMITTED BY:	Ashlee Wright, Director, Libraries & Community Activities
APPROVED BY:	Chip Rerig, City Administrator
SUBJECT:	Resolution 2025-010 authorizing the consumption of alcohol at the Farmers' Market Third Thursday events in 2025

RECOMMENDATION:

Adopt Resolution 2025-010 authorizing the consumption of alcohol at the Farmers' Market Third Thursday events in 2025.

BACKGROUND/SUMMARY:

The Farmers' Market is held every Thursday (holidays and Car Week notwithstanding) from 10:00 a.m. to 2:00 p.m. on Mission Street between Ocean and Sixth Avenues, and Sixth Avenue between Mission and Junipero Streets.

Good Roots Events, Inc. has been managing the market since early 2020 and has done an admirable job making improvements to the Farmers' Market operation, ensuring that the Village now has a vibrant market at which the community can gather each week. Good Roots, continues to make efforts to provide compostable bags to the vendors and improve sustainability practices at the market; and they also continue to work to enforce the Health Department's regarding dogs being restricted from the market.

Third Thursdays

When the Farmers' Market was first implemented over 10 years ago, once monthly evening events were proposed that showcased Village chefs, local produce, arts and music. This idea was finally implemented in 2022 with events in September and October. Third Thursday events were subsequently held April through October 2023 and March through October 2024.

Third Thursdays features, Farmers' Market vendors, artist demonstrations, fun games and activities for children, and music sponsored by Sunset Center. These events are attended by all-ages of locals and visitors and often have a theme reflecting the time of the year.

Early on attendees requested that alcohol be served at the event. Initially, the Carmel Youth Center and Carmel Residents' Association provided alcohol as an opportunity for fundraising. However, this proved to not be sustainable for either group on a regular basis, and in 2024, Good Roots partnered with Vesuvio to provide alcohol at Third Thursdays which has proven successful.

Staff is requesting that Council again approve the serving of alcohol at Third Thursday events for 2025. Per Carmel Municipal Code section 9.20.020, it is unlawful for any person to drink any alcoholic beverage in or upon any public place within the City. The City Council may, however authorize exceptions to the code for specific events of limited duration by adopting a resolution.

The Council adopted Resolutions approving the serving of alcohol for both the 2023 and 2024 seasons of Thirds Thursdays.

FISCAL IMPACT:

There is no fiscal impact to the City to adopt a resolution approving the serving of alcohol at Third Thursday events.

PRIOR CITY COUNCIL ACTION:

At the January 2023 regular meeting Council adopted Resolution 2023-007 authorizing the serving of alcohol at all Third Thursday events in 2023.

ATTACHMENTS:

Attachment 1) Resolution 2025-010

CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL

RESOLUTION NO. 2025-010

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA AUTHORIZING THE CONSUMPTION OF ALCOHOL AT THE FARMERS' MARKET THIRD THURSDAY EVENTS TO BE HELD MARCH THROUGH OCTOBER 2025

WHEREAS, the City entered into a contract in 2020 with Good Roots Events, Inc. due to their understanding of the Carmel-by-the-Sea community, their vision for the Market, and their overall experience managing Farmers' Markets and special events; and

WHEREAS, when the Farmers' Market was created in Carmel-by-the-Sea in 2014 a monthly evening component of the Market was an important component; and

WHEREAS, the Third Thursday events extends the Farmers' Market once monthly through October and will feature, artists, musicians, food, and potentially alcoholic beverages; and

WHEREAS, Chapter 9.20 of the Carmel-by-the-Sea Municipal Code states that it is unlawful for any person to drink any alcoholic beverage in or upon any public place, but that the City Council has the right, through adoption of a resolution, to make exceptions to the regulation for specific events of limited duration.

NOW THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF CARMEL- BY-THE-SEA DOES HEREBY:

Authorize the consumption of alcohol at the Third Thursday events to be held March through October 2025.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA this 3rd day of February, 2025, by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

SIGNED: ATTEST:

Dale Byrne, Mayor

Nova Romero, MMC, City Clerk

CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL
Staff Report

February 3, 2025
CONSENT AGENDA (Estimated time - 5 min)

TO:	Honorable Mayor and City Council Members
SUBMITTED BY:	Ashlee Wright, Director, Libraries & Community Activities
APPROVED BY:	Chip Rerig, City Administrator
SUBJECT:	Resolution 2025-011, authorizing the serving of alcohol on public property, and the erection of tents on public property for the Carmel Art Festival

RECOMMENDATION:

Adopt Resolution 2025-011, authorizing the serving of alcohol on public property, and the erection of tents on public property for the Carmel Art Festival

BACKGROUND/SUMMARY:

Carmel Art Festival

The 32nd Annual Carmel Art Festival is scheduled to take place from Friday, May 16 through Sunday, May 18, 2025. The event featuring exhibits from Carmel art galleries, a live sculpture demonstration, live music, a kids art program, and a VIP wine reception. The event will take place in Devendorf Park over the course of three days, and in addition to the VIP wine reception will include the erection of a 8 x 20 tents to house the art exhibits.

Because this event proposes to serve alcohol on public property and erect of tents on public property or some combination thereof, further approval is required by City Council as follows:

- Per Carmel Municipal Code section 9.20.020, it is unlawful for any person to drink any alcoholic beverage in or upon any public place within the City. The City Council may, however authorize exceptions to the code for specific events of limited duration by adopting a resolution.

- Per Carmel Municipal Code section 12.32.060, it is unlawful to construct or erect any tent upon any public property. The City Council may, however authorize exceptions to the code for specific events of limited duration by adopting a resolution.

FISCAL IMPACT:

There is no fiscal impact associated with adopting the resolution.

PRIOR CITY COUNCIL ACTION:

This is an annual event for which the Council routinely provides approval for the serving of alcohol and the erection of tents on public property.

ATTACHMENTS:

Attachment 1) Resolution 2025-011

Attachment 1

CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL

RESOLUTION NO. 2025-011

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA AUTHORIZING THE CONSUMPTION OF ALCOHOL ON PUBLIC PROPERTY AND THE ERECTION OF TENTS ON PUBLIC PROPERTY FOR THE CARMEL ART FESTIVAL TO BE HELD MAY 16-18, 2025

WHEREAS, the 32nd Annual Carmel Art Festival will be held May 16th through May 18th, 2025; and

WHEREAS, the event featuring exhibits from Carmel art galleries, a live sculpture demonstration, live music, a kids art program, and a VIP wine reception; and

WHEREAS, the Carmel Art Festival will take place in Devendorf Park over the course of three days, and in addition to the VIP wine reception will include the erection of a 8 x 20 tents to house the art exhibits; and

WHEREAS, Chapter 9.20 of the Carmel-by-the-Sea Municipal Code states that it is unlawful for any person to drink any alcoholic beverage in or upon any public place, but that the City Council has the right, through adoption of a resolution, to make exceptions to the regulation for specific events of limited duration; and

WHEREAS, Chapter and section 12.32.060, it is unlawful to construct or erect any tent upon any public property, but that the City Council may, however, authorize exceptions to the code for specific events of limited duration by adopting a resolution.

NOW THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA DOES HEREBY:

Authorize the consumption of alcohol and the erection of an 8 x 20 tents to house the art exhibits for the 32nd Annual Carmel Art Festival in Devendorf Park Friday, May 16th through Saturday May 18th, 2024.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA this 3rd day of February 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED: ATTEST:

______________________________ ______________________________

Dale Byrne, Mayor _ Nova Romero, MMC, City Clerk

CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL
Staff Report

February 3, 2025
CONSENT AGENDA (Estimated time - 5 min)

TO:	Honorable Mayor and City Council Members
SUBMITTED BY:	Marnie R. Waffle, AICP, Principal Planner
APPROVED BY:	Chip Rerig, City Administrator
SUBJECT:	Resolution 2025-012 Authorizing a refund of Design Study application fees, associated with DS 24-331 (Susko), in the amount of $1,869.75 to Holdren Lietzke Architecture

RECOMMENDATION:

Adopt Resolution 2025-012 Authorizing a refund of Design Study application fees, associated with DS 24-331 (Susko), in the amount of $1,869.75 to Holdren Lietzke Architecture

BACKGROUND/SUMMARY:

The project applicant, Sonia Madrigal, submitted a Track One Design Study application on behalf of the property owners, Kristin and Thomas Susko. The associated application fee of $708, and Planning Commission referral fee of $1,785 were paid by the applicant (a total of $2,493). The project was reviewed by staff and a completeness review was completed on November 4, 2024. On January 24, 2025, the applicant formally notified staff of their intent to withdrawal their application and requested a refund of the application fees. This item is on the Council's agenda to authorize a refund of 75% of the permit fee costs, $1,869.75, in accordance with CMC Section 17.02.120 (Fees) which allows a partial refund of fees in the amount of 75% for applications that are withdrawn before a determination has been made as to whether the application is complete. The applicant submitted an application on October 30, 2024 and withdrew the application on January 24, 2025 prior to staff making a determination as to the completeness of the application.

CMC Section 3.06.060 (Return of Funds) requires refunds of $1,000 or more to be approved by Council. Specifically, Section 3.06.060 states that "from time to time it becomes necessary to refund certain permit fees, taxes, licenses, etc., in the normal course of City business. Upon recommendation from the Assistant City Administrator, the City Administrator or his/her duly authorized representative is authorized to approve such refunds in an amount not to exceed $1,000. All refunds over $1,000 shall require approval by the City Council."

FISCAL IMPACT:

Other than the cost of processing the refund, there is no fiscal impact to the City for issuing the permit fee refund.

PRIOR CITY COUNCIL ACTION:

None.

ATTACHMENTS:

Attachment 1) Resolution 2025-012

Attachment 1

CITY OF CARMEL-BY-THE-SEA

CITY COUNCIL

RESOLUTION NO. 2025-012

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA AUTHORIZING A REFUND OF A DESIGN STUDY PERMIT FEE IN THE AMOUNT OF $1,869.75 TO HOLDREN LIETZKE ARCHITECTURE

WHEREAS, the applicant, Sonia Madrigal, submitted a Design Study Track One application, DS 24-331 (Susko), on behalf of property owners Kristin and Thomas Susko on October 30, 2024; and

WHEREAS, the applicant was assessed permit fees in the sum of $2,493 for the review of the application and Planning Commission referral; and

WHEREAS, on January 24, 2025 the applicant submitted a request to withdraw the application; and WHEREAS, CMC Section 17.02.120 (Fees) allows a partial refund of permit fees in the amount of 75% for applications that are withdrawn before a determination has been made as to whether the application is complete; and

WHEREAS, the applicant submitted an application on October 30, 2024 and withdrew the application on January 24, 2025 prior to staff making a determination as to the completeness of the application; and

WHEREAS, the applicant is entitled to a 75% refund of the permit fee which amounts to $1,869.75; and

WHEREAS, CMC Section 3.06.060 (Return of Funds) requires refunds of $1,000 or more to be approved by the City Council.

NOW THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA DOES HEREBY:

Authorize a refund of $1,869.75 which is 75% of the associated permit fees for a Design Study Track One application to Holdren Lietzke Architecture.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA this 3rd day of February, 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED: ATTEST:

Dale Byrne, Mayor

Nova Romero, MMC, City Clerk

CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL
Staff Report

February 3, 2025
ORDERS OF BUSINESS

TO:	Honorable Mayor and City Council Members
SUBMITTED BY:	Jayme Fields, Finance Manager
APPROVED BY:	Chip Rerig, City Administrator
SUBJECT:	Resolution 2025-013 receiving the Annual Comprehensive Financial Report (ACFR) for the fiscal year ending June 30, 2024 (Estimated time - 60 min)

RECOMMENDATION:

Adopt Resolution 2025-013 receiving the Annual Comprehensive Financial Report (ACFR) for the fiscal year ending June 30, 2024

BACKGROUND/SUMMARY:

This item is on the Council's agenda to receive the Annual Comprehensive Financial Report (ACFR) for the fiscal year ending June 30, 2024 (Fiscal Year 2023-2024). The ACFR (**Attachment 2**) includes the City's audited basic financial statements and the independent auditor's report. It also includes a narrative on the City's financial activities known as the Management Discussion and Analysis and a statistical section pertaining to financial trends, revenue capacity, debt capacity, demographic and economic information and operating information.

State law requires that the accounts and fiscal affairs of all municipal entities be examined annually by an independent certified public accountant. The City has retained an independent auditor, Chavan and Associates, LLP, to audit the City's financial statements. The audit was performed in accordance with auditing standards generally accepted in the United States, including financial auditing standards issued by the Comptroller General of the United States, in order to determine if the City's financial statements were misstated or misrepresented, either due to fraud or error. *Chavan and Associates, LLP, has issued an unmodified opinion that the financial statements for the year ended June 30, 2024, are fairly presented in conformity with generally accepted accounting principles (GAAP).*

As part of the audit process, Chavan and Associates, LLP, also test the City's internal controls over financial reporting and compliance and reports on the outcome of these tests ("findings") as part of the Communication Letter. There are different categories of findings, including a material weakness, meaning that a deficiency, or a combination of deficiencies, in internal controls exists and that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, detected or corrected on a timely basis. No material weaknesses or other findings were identified as part of the audit. Sheldon Chavan of Chavan and Associates LLP will give a presentation on the Fiscal Year 2023-2024 audit as part of the Council's February 3,2025 special meeting.

The Fiscal Year 2023-2024 ACFR was prepared using guidelines issued by the Government Finance Officers Association of the United States and Canada (GFOA) as part of its Certificate of Achievement for Excellence in Financial Reporting Program. The intent of this program is to encourage state and local governments to prepare reports that exceed the minimum requirements of generally accepted accounting principles in order to produce a readable and efficiently organized document intended to allow greater public transparency and full disclosure of the City's financial health. The City received a Certificate of Achievement for its Fiscal Year 2022-2023 and the Fiscal Year 2023-2024 ACFR has been submitted to the GFOA for consideration of a new Certificate of Achievement.

Recommendation

That the City Council adopt the Resolution (**Attachment 1**) receiving of the Annual Comprehensive Financial Report (ACFR) for the Fiscal Year ending June 30, 2024.

FISCAL IMPACT:

There is no fiscal impact associated with receiving the ACFR. The cost for the audit for fiscal year 2023-2024 is included within the adopted budget fiscal year 2024-2025 for a not to exceed amount of $40,000.

PRIOR CITY COUNCIL ACTION:

There is no prior action taken on this item.

ATTACHMENTS:

Attachment 1) Resolution 2025-013
Attachment 2) 2023-2024 ACFR Report

Attachment 1

CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL

RESOLUTION NO. 2025-013

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA RECEIVING THE ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR) FOR THE FISCAL YEAR ENDING JUNE 30, 2024

WHEREAS, State law requires that all accounts and fiscal affairs of municipal entities be examined annually by an independent certified public accountant; and

WHEREAS, the City retained the independent auditing firm of Chavan and Associates, LLP to audit the City' s financial statements; and

WHEREAS, the audit was performed in accordance with auditing standards generally accepted in the United States, including financial auditing standards issued by the Comptroller General of the United States, in order to determine if the City's financial statements were misstated or misrepresented, either due to fraud or error; and

WHEREAS, Chavan and Associates, LLP has issued an unmodified opinion that the financial statements for the fiscal year ending June 30, 2024 ("Fiscal Year 2023-2024)" are fairly presented in conformity with generally accepted accounting principles; and

WHEREAS, the audited financial statements are a component of the Annual Comprehensive Financial Report (ACFR); and

WHEREAS, the ACFR is a report that goes beyond minimum requirements of generally accepted accounting principles and was prepared using the guidelines developed by the Government Finance Officers Association (GFOA) for its Certificate of Achievement for Excellence in Financial Reporting program in order to produce a readable and efficiently organized document intended to allow greater public transparency and full disclosure of the City's financial health.

NOW THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA DOES HEREBY:

Receive the Annual Comprehensive Financial Report (ACFR) for the Fiscal Year Ending June 30, 2024.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA this 3rd day of February, 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:	ATTEST:
______________________	______________________
Dale Byrne, Mayor	Nova Romero, MMC, City Clerk

Attachment 2

Annual Comprehensive Financial Report

City of Carmel-by-the-Sea
California

Fiscal Year Ended June 30, 2024

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Attachment 2

City of Carmel-by-the-Sea
California

Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2024

Prepared by the Finance Department

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CITY OF CARMEL-BY-THE-SEA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2024

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Attachment 2

TRANSMITTAL LETTER

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CITY OF CARMEL-BY-THE-SEA
P.O. BOX CC
CARMEL-BY-THE-SEA, CA 93921

Attachment 2

January 24, 2025

Honorable Mayor Dale Byrne
Members of the Carmel-by-the-Sea City Council, and
Citizens of Carmel-by-the-Sea

SUBJECT: Annual Comprehensive Financial Report – June 30, 2024

The Annual Comprehensive Financial Report (ACFR) for the City of Carmel-by-the-Sea for the fiscal year ended June 30, 2024 is hereby submitted.

REPORT PURPOSE AND ORGANIZATION

In accordance with State law, which requires that the accounts and fiscal affairs of all municipal entities be examined annually by an independent certified public accountant, the City of Carmel-by-the-Sea retained an independent auditor, Chavan and Associates, LLP, to audit the City's financial statements. Chavan and Associates, LLP, has issued an unmodified opinion that the financial statements for the year ended June 30, 2024, are fairly presented in conformity with generally accepted accounting principles (GAAP). This opinion, along with the basic financial statements, are submitted as the Annual Comprehensive Financial Report (ACFR) for the City for the fiscal year ended June 30, 2024. The information included in the financial section of this report fulfills the above requirement.

This report consists of City management's representations regarding the finances of the City of Carmel-by-the-Sea. Management assumes full responsibility for the completeness, data accuracy, and fairness of the information presented, including all footnotes and disclosures. Management believes the data presented are accurate in all material respects and presented in a manner designed to fairly set forth the financial position and results of operations of the City.

To provide a reasonable basis for making these representations, City management has established a comprehensive framework of internal controls that is designed to both protect the City's assets from loss, theft or misuse and to compile sufficiently reliable information for the preparation of the City's financial statements in conformity with generally accepted accounting principles.

Because the cost of internal controls should not exceed their benefits, the City's internal controls have been designed to provide reasonable, rather than absolute, assurance that the financial statements are free from material misstatements. The audit is intended to provide users with reasonable assurance that the information presented is free from material misstatements. As management, we assert, that to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Generally accepted accounting principles require management to provide a narrative introduction, overview, and analysis that accompanies the basic financial statements in a format known as the Management's Discussion and Analysis (MD&A). This letter of transmittal is intended to augment the MD&A and is meant to be read in conjunction with the MD&A. The MD&A can be found in the Financial Section of this document, immediately following the report of the independent auditor.

CITY OF CARMEL-BY-THE-SEA PROFILE

Located 120 miles south of San Francisco on the Monterey Peninsula, the City of Carmel-by-the-Sea is a coastal village with a population of 3,122 that is renowned for its natural beauty, including a white sand beach, urban forest of over 10,000 public trees comprised of Monterey pines, live oaks, and Monterey cypress and natural parklands all within a one-square-mile, built-out community. In addition to recreational opportunities afforded by such scenery, the City is also known for its architecture and dining and shopping opportunities, which may be found in the walkable downtown area. In addition to many City sponsored events like the City Halloween Parade, Sandcastle Contest and Pumpkin Roll, other special events also occur throughout the year and cultural activities abound, including at such venues as the Sunset Center performing arts center and the Forest Theater, an outdoor amphitheater.

The median age of the City's residents is 65 years. Nearly 76% of the population age 25 or older have a bachelor's degree. The City's median household income is $126,406. The Carmel area offers outstanding educational opportunities through the Carmel Unified School District as well as institutions of higher learning on the Monterey Peninsula including the Monterey Peninsula College, the Middlebury Institute for International Studies, California State University Monterey Bay, and the Hopkins Marine Station operated by Stanford University.

Form of Government

The City of Carmel-by-the-Sea was incorporated on October 31, 1916. As a General Law City, Carmel-by-the-Sea operates under a Council-City Manager (City Administrator) style of government and derives its power from the California Constitution and laws enacted by the State legislature.

All legislative power is held by the publicly elected, five-member City Council that consists of the Mayor and four Councilmembers. The Mayor serves a two-year term while Council members serve a four-year term, with overlapping terms with municipal elections occurring in November of each even numbered year. City Council is the policy making legislative body of the City and it adopts the annual budget, enacts ordinances, and approves major contracts, acquisitions and leases. The Council appoints the City Administrator to serve as the City's chief administrative officer.

The City Administrator is responsible for the enforcement of City laws and ordinances; ensuring that the orders of the City Council are executed; for supporting Council, which includes the preparation of agendas and the maintenance of records; and overseeing the City's day-to-day operations. This includes oversight of the departments of Community Planning and Building, Library, Community Activities, Public Safety and Public Works. The City Administrator also directs the centralized administrative functions of the City Clerk, Finance, Human Resources and Information Technology.

City Services

The City provides a variety of services to the residents, businesses and visitors to the village of Carmel-by-the-Sea. Administration provides oversight of daily City functions and financial activity. Community Planning and Building provides building safety services, code compliance and planning functions while Community Activities and Library manage new and ongoing special events and provide library services at two branch locations. Public Safety services related to ambulance, law enforcement, and crime prevention are provided by the Ambulance and Police Department, respectively, while fire services are provided through a contract with the City of Monterey. Public Works is responsible for facility and vehicle maintenance, development and management of capital projects; construction, improvement and repair of streets, sidewalks, pathways and storm drain systems and maintaining the Village forest, parks and shoreline areas.

The ACFR includes all financial activities of the City. Financial data for all funds through which services are provided by the City have been included in this report using criteria adopted by the Governmental Accounting Standards Board (GASB), which is the authoritative body establishing U.S. Generally Accepted Accounting Principles (GAAP) for local governments.

Budgetary Policy and Control

The accounts of the City are organized on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balanced set of accounts. The minimum number of funds is maintained consistent with legal and managerial requirements. Annually appropriated budgets are legally adopted on a budgetary basis for the governmental fund types and are controlled on a fund and departmental level. These funds are used to account for most of the City's general government activities. Governmental fund types use the flow of current financial resources, measurement focus, and the modified-accrual basis of accounting and budgeting. Expenditures are recognized as encumbrances when a commitment is made. Unencumbered appropriations lapse at year-end.

The goal of the City Administrator is to present a balanced budget to the City Council for review and adoption. A balanced budget is a budget in which sources meet or exceed uses. Available funding sources shall be at least equal to recommended appropriations. As a general rule, the year-end undesignated General Fund balance should not be used to fund ongoing operations.

As set in the Carmel Municipal Code prior to the beginning of each fiscal year, the City Council shall adopt a budget for expenditures and anticipated revenues. On or before 15 February of each year, the City Administrator will present to the City Council a proposed budget schedule. The City Administrator prepares and submits to the City Council a proposed operating and capital budget for the forthcoming fiscal year. The City Council shall adopt the budget by 1 July.

The City Administrator shall have the right to approve the transfer of appropriations within a departmental budget; however, no additional positions shall be created without the authorization of the City Council. All transfers of appropriations between departments or in regards to capital items or projects shall be approved by the City Council. The City Administrator shall be charged with the responsibility of controlling the expenditures for all departments in accordance with the approved budget. A report on current year revenues, expenditures, and fund balances shall be maintained.

FACTORS AFFECTING FINANCIAL CONDITION

This brief narrative on the local economy, City financial policies and major initiatives outlined within the annual budget are intended to provide context to the MD&A and financial statements.

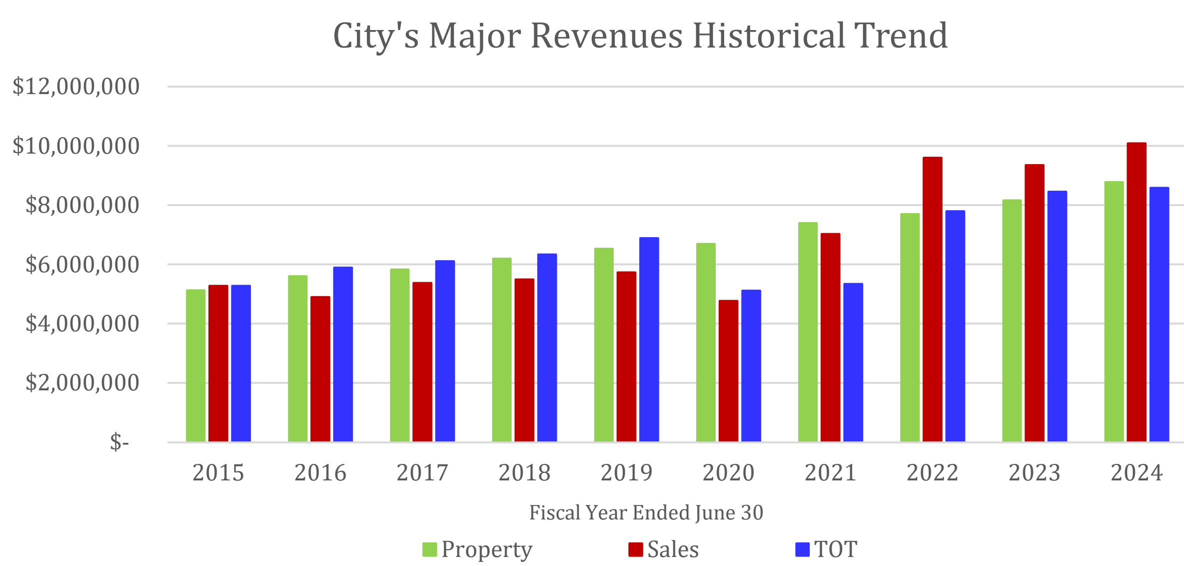
Local Economy

The City's three major sources of General Fund revenue include Property Tax, Sales and Use Tax, and Transient Occupancy Tax. As shown on the chart on the next page entitled "City's Major Revenues Historical Trend", property taxes have historically been a strong component to the City's financial health. Each tax represents about 1/3 of the City's total General Fund revenues. Property tax revenue exceeded $8.8 million, a 7.4% increase over the prior fiscal year. Revenue generated from sales and use taxes has become increasingly important to the City, especially after the passage of a local 1% sales tax measure by Carmel voters in 2012 and the subsequent approval of a new 1.5% sales tax for 20 years in March 2020. Sales and use tax revenue for fiscal year 23/24 exceeded $10.1 million, a 7.8% increase over the prior fiscal year. Transient occupancy taxes ("TOT") have also significantly contributed to the City's revenues, rising to over $8.6 million in fiscal year 2023-2024 ("23/24"), a 1.5% increase over the prior year.

The City's three major revenue sources also illustrate the unique opportunities attributed to the City of Carmel-by-the-Sea. Located within one square mile, the City is considered to be built-out, limiting the availability of new housing stock. This limited supply, coupled with a high demand for housing driven by the City's desirability as a place to live and close proximity to the San Francisco metropolitan area, contributes to a healthy real estate market and thus the stability and strength of property tax revenues.

Many of the features that contribute to residential quality of life, such as a temperate climate, natural beauty, architecture, unique design standards and cultural, dining and shopping opportunities also attract visitors. The variety of restaurants and other dining options located within the City's boundary as well as art galleries, jewelry and clothing retailers contribute to shopping opportunities for residents and visitors alike. Similarly, visitors have many lodging options to choose from when staying overnight within the City. The lodging establishments charge a 10% TOT for stays of 30 days or less, which is remitted to the City.

On November 6, 2012, the Carmel electorate approved a temporary 1% transaction and use tax ("sales tax") for ten years to raise revenue for general purposes, known as Measure D. The advent of Measure D increased the viability of sales tax as the City's top major revenue sources, as shown in the chart *"City's Major Revenues Historical Trend"* below. On March 3, 2020, the Carmel electorate voted and approved Measure C to increase the sales tax rate to 1.5%. The timing of Measure C helped minimize the effects of reduced sales tax revenue suffered during the pandemic, allowing the City to survive and recover to pre-pandemic levels by fiscal year 20/21. Sales tax revenue has been the largest source of revenue for the City over the last three fiscal years.

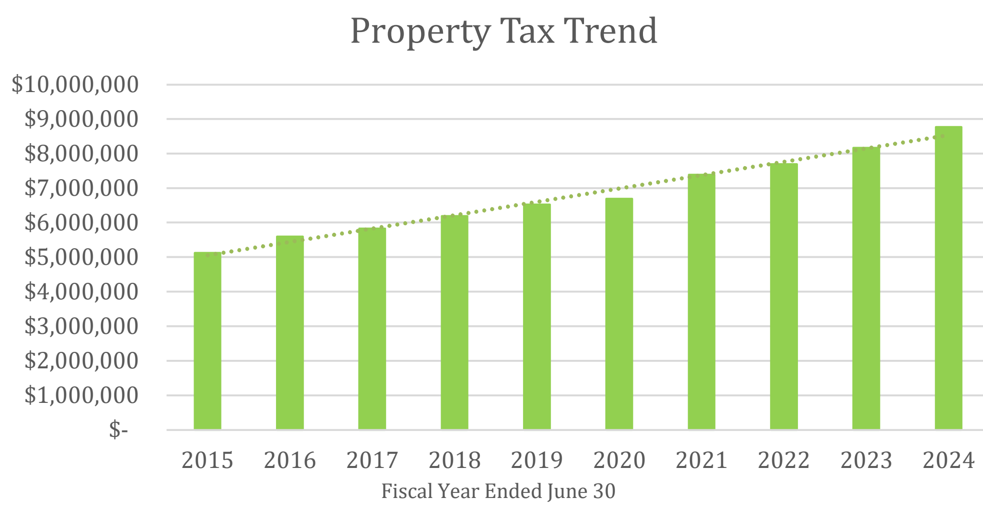


While fiscal year 2020 was on track to meet revenue projections, the City's economic forecast for two of its major revenue streams quickly began to change as news regarding the coronavirus ("COVID-19") emerged. Travel restrictions coupled with decreased consumer spending and demand, particularly in the areas of travel and leisure, resulted in the underperformance of sales tax and TOT in fiscal year 20/21. TOT returned to pre-COVID levels in fiscal year 21/22, a tribute to Carmel's claim as a unique travel destination. The economy has changed over the past fiscal year, with consumer spending higher across the City's three major pillars of tax revenue. In fiscal year 23/24, Property tax increased to $8.8 million, TOT reached a high of $8.6 million and Sales and Use tax reached a high of $10.1 million.

Property Taxes

The desirability of Carmel-by-the-Sea as a place to reside, coupled with its limited housing stock, contributes to a strong local real estate market. Property tax revenue totaled $5.1 million in fiscal year 14/15, increasing on average by 6% over the past 9 years, reaching $8.8 million in fiscal year 23/24. Local Property taxes grew at rates of 6.1% and 7.4% in fiscal year 22/23 and fiscal year 23/24, respectively, as the average home price continued to rise.

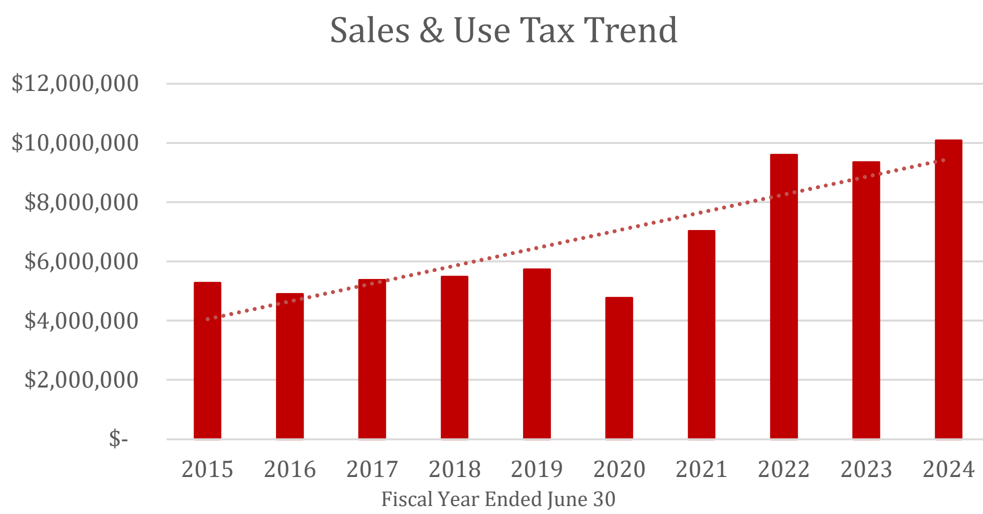
The median home price in Monterey County peaked in October 2023 at $1.12 million, with an average median price of $852,000 and $949,000 for fiscal years 22/23 and 23/24, respectively. In conjunction with the County's median home price increase of 11% over the prior fiscal year, the City has enjoyed a 7.4% growth in property taxes in that same period, largely due to the increase in home values and secured property taxes.



Sales and Use Taxes

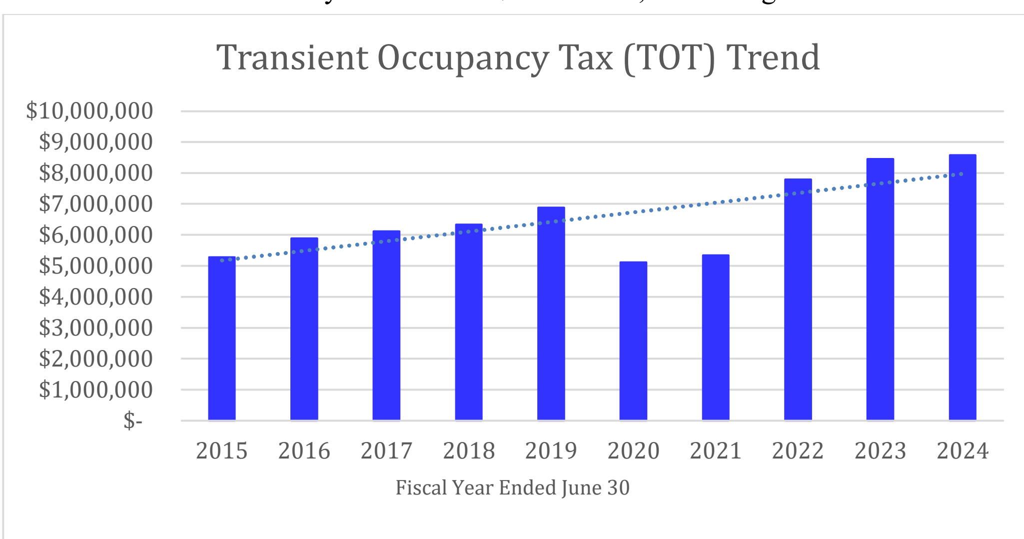
The majority of the City's sales and use taxes are attributed to businesses within the categories known as general consumer goods and restaurants. The City receives a portion (1%) of the statewide sales tax, known as Bradley-Burns tax, as well as revenue from a local sales tax. The Carmel electorate approved a local 1% sales tax measure in November 2012. Sales tax has steadily increased each year since 2013, dropping slightly in 2016 and then rising each year thereafter to reach approximately $5.7 million in 2019. As explained in more detail within the *Transient Occupancy Tax* narrative below, the City faced a decline in the number of visitors due to COVID-19 for the last quarter of fiscal year 19/20, which also impacted sales tax. Sales tax in 2020 totaled approximately $4.8 million. On March 3, 2020, the Carmel voters approved Measure C, increasing the sales tax rate to 1.5%. The timing of Measure C helped minimize the effects of reduced sales suffered during the pandemic, allowing the City to survive and recover to pre-pandemic levels by fiscal year 20/21. In fiscal year 2022, the City of Carmel-by-the-Sea experienced a surge in sales and use tax revenue, a reflection of "revenge" consumer spending and relief from the consumer goods shortages and logistic nightmares brought out during COVID-19. After a small dip in fiscal year 22/23 sales and use tax revenue, fiscal year 23/24 finished at an all-time high of $10.1 million, an 8% increase over prior fiscal year.

Spending for general consumer goods were especially strong in fiscal year 23/24, particularly for family apparel, women's apparel and jewelry. Restaurants also did well, posting consecutive growth throughout the fiscal year. Measure C's results were just as impressive and reflected a large increase in the number of new luxury automobiles purchased and registered to local addresses. Sales tax in fiscal year 23/24 generated approximately $10.1 million, a 7.8% increase over the prior fiscal year.



Transient Occupancy Taxes

Transient occupancy taxes ("TOT") contributed $5.3 million toward citywide revenues in fiscal year 14/15. TOT grew on average by 7% over the next 5 fiscal years until reaching $6.8 million in fiscal year 18/19 with expected strong performance on the horizon. However, with global news emerging in February 2020 regarding the coronavirus, local hotels experienced an immediate decline in occupancy due to international travel restrictions. Subsequently Monterey County issued a shelter in place ("SIP") order on March 17, 2020 followed by a statewide SIP issued by Governor Newsom on March 19, 2020. Hotels faced a nearly absolute shut down with little to no guests in February and March 2020 and continued into the early summer, which is one of the City's busier periods for tourism, with decreased occupancy rates. As a result, TOT generated $5.1 million in fiscal year 19/20, or $1.7 million (25%), less than the fiscal year 19/20. As the pandemic continued for fiscal year 20/21, the City of Carmel-by-the-Sea began to see an increase in TOT revenue of 4.4% to $5.3 million as more travelers sought to escape to Carmel. Rebound in revenue came in fiscal year 21/22 when the TOT revenue grew to $7.8 million, a 46% growth over prior fiscal year, surpassing pre-pandemic revenues. Carmel has proved to maintain its allure as a travel destination. TOT revenues for the fiscal year 23/24 are $8.6 million, a modest growth of 1.5% over last fiscal year.



Relevant Financial Policies

Financial and Budget Policies
The City Council adopted Council *Policy C94-01: Financial and Budget Policies* to provide direction to help ensure sound fiscal planning and the management of fiscal integrity. The Policies pertain to the capital and operating budgets, fund balance, debt management and investments.

Highlights of policy guidelines include the following:
Capital

- Total capital improvements were budgeted at $9.8 million at the beginning of the fiscal year. Excluding Streets projects of $2,979,000, capital expenses were budgeted at approximately $6.8 million, or 22% of total budgeted revenue. Actual capital expenditures totaled approximately $2.8 million.
- 10% of the unrestricted funds designated for capital project expenditures were not set aside for unanticipated expenditures. A capital reserve policy of 20% of estimated five-year CIP expenditures was maintained. The reserve amount is calculated at $5.02 million.
- The Five-Year Capital Improvement Program (CIP) was updated. The estimated cost to the City for its Five-Year Capital Improvement plan is $25 million. All fiscal year 23/24 funded projects are consistent with the City's General Plan.

Operating

- The fiscal year 23/24 Adopted Budget did include a revenue buffer of 5% of projected expenditures.
- The fiscal year 23/24 Adopted Budget did not project a balanced budget. Ongoing expenses were not funded with one-time revenues. At fiscal year-end, governmental fund sources were greater than uses by $5.6 million.

Fund Balance

- General Fund and Hostelry Fund reserves were maintained at no less than 15% and 10%, respectively, of their annual projected revenue. The General Fund Balance of $20.3 million, significantly exceeds the statutory required reserve limit.

Major Initiatives

Continued Investment in Protecting Natural Resources and Critical Infrastructure
The fiscal year 23/24 Adopted Budget allocated $10.9 million in funding for capital projects and vehicle and equipment purchases intended to rehabilitate City facilities; address sidewalks and street improvements; enhance public safety and protect and preserve the natural environment. The fiscal year 23/24 budget recognizes the importance of investing our "green" infrastructure by including $1 million for projects pertaining to the Urban Forest master plan, Mission Trail Nature Preserve tank and well demo, coastal engineering study, North Dunes restoration including split rail fencing and signage, and shoreline infrastructure repairs. Additional capital funding included the Police building project, drainage design, City Hall roof replacement, Harrison Memorial Library painting, and Sunset Center cottage windows, ongoing implementation of accessibility improvements at various City facilities, an electric sweeper, two forestry electric trucks, and an electric vehicle for Police administration.

Revenue Enhancement and Stability
On November 6, 2012, the Carmel electorate approved a temporary 1% transaction and use tax ("sales and use tax") known as Measure D. Measure D sunsets in 2023. Recognizing the importance of this revenue to the City's financial health, the City Council began discussions regarding the renewal of Measure D well ahead of the sunset date. Council drafted a new sales tax initiative to replace the existing Measure D and increase the local sales tax

by 0.50%. On March 3, 2020, Carmel voters approved Measure C, which authorizes a 1.5% tax for 20 years for general City purposes. The criticality of Measure C to both the City's short and long-term fiscal sustainability immediately became apparent with the emergence of the coronavirus pandemic in the spring of 2020. As the new sales tax rate became effective on July 1, 2020, the additional 0.50% tax rate mitigated projected decreases in visitor-driven sales tax performance. In addition, online purchases are subject to local sales tax and this type of spending greatly increased during the pandemic.

Addressing Pension Liabilities
The California Public Employees' Retirement System ("CalPERS") is the largest pension fund in the country, managing investments for nearly 2 million members on behalf of the state, schools and other public agencies. The City is a participating member of CalPERS and has two primary CalPERS plans, one for miscellaneous members and one for safety members.

Annually, the City makes a payment to CalPERS that consists of (1) the annual cost for current employees ("normal cost") and (2) the unfunded accrued liability ("UAL"). The UAL is the actuarial liability less the actuarial value of the assets. In other words, it is the difference between what CalPERS needs in order to pay for retirement benefits when people retire as compared to the amount that CalPERS currently has on hand to pay for the estimated costs of the retirement benefits. Similar to other public agencies, the City's pension costs have risen. The UAL for the City is $29.9 million, based on the valuation date of June 30, 2023, as measured through June 30, 2024.

The City has historically used a combination of strategies to help mitigate the costs associated with pension liability, such as the:

- Issuance of pension obligation bonds;
- Negotiation of employee contributions toward the employer's cost of pensions; and
- Prepaying the annual UAL payment in order to save interest.

In January 2019, Council endorsed the City's participation in a Pension Rate Stabilization Program to pre-fund pension obligations and authorized staff to issue a request for proposals for a Section 115 Trust Administrator. A Section 115 Trust is a tax-exempt investment vehicle authorized by the Internal Revenue Services to prefund government expenses, such as retirement plan benefits. Funds placed within the trust can remain within the trust until such time that the City chooses to draw on its assets to pay an annual benefit obligation (i.e. make either an annual and/or additional payment to CalPERS) or seek reimbursement for a pension-related expense. Other benefits associated with the establishment of a trust include (1) greater investment flexibility and risk diversification compared to the City's general investment options and (2) City oversight of investment and control over the risk tolerance of its investment portfolio as compared to investments managed by CalPERS. On August 2, 2021, Council authorized the adoption of a Section 115 Trust known as the Public Agencies Post-Employment Benefits Trust administered by the Public Agency Retirement Services (PARS) and authorized the City's participation within this program. Subsequently, on September 7, 2021, Council authorized City staff to make an initial deposit of $1 million into the Trust. $1 million annual deposits are to be made over the next five years in the Section 115 Trust. The City deposited the third annual $1 million tranche into the Section 115 Trust in fiscal year 23/24.

AWARDS

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 Carmel-by-the-Sea for its comprehensive annual financial report for the fiscal year ended June 30, 2023. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. 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 only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

ACKNOWLEDGEMENTS

As a result of the professionalism and dedication of the Finance Division staff, the City continues to make strides in updating and enhancing its financial policies, procedures and systems, and its financial reporting capabilities, as evidenced by the production of this annual comprehensive financial report. The preparation of this report also required the involvement of many City departments in gathering statistics, as well as the guidance and support of the City's independent auditor, and we extend our appreciation to these individuals for the assistance provided.

The annual comprehensive financial report is a document that strives to achieve transparency and full disclosure in financial reporting. As such, the preparation of this document would not be possible without the support of the City Council. We wish to acknowledge the City Council's leadership and commitment to organizational excellence, public transparency and sound fiscal management.

Chip Rerig
City Administrator

Jayme Fields
Finance Manager

CITY OF CARMEL-BY-THE-SEA PRINCIPAL OFFCIERS

Fiscal Year 2023-2024

City Council

Dave Potter, Mayor, Term: December 2020 – December 2024

Bobby Richards, Mayor Pro Tempore, Term: December 2020 – December 2024

Jeff Baron, Councilmember, Term: December 2018 – December 2026

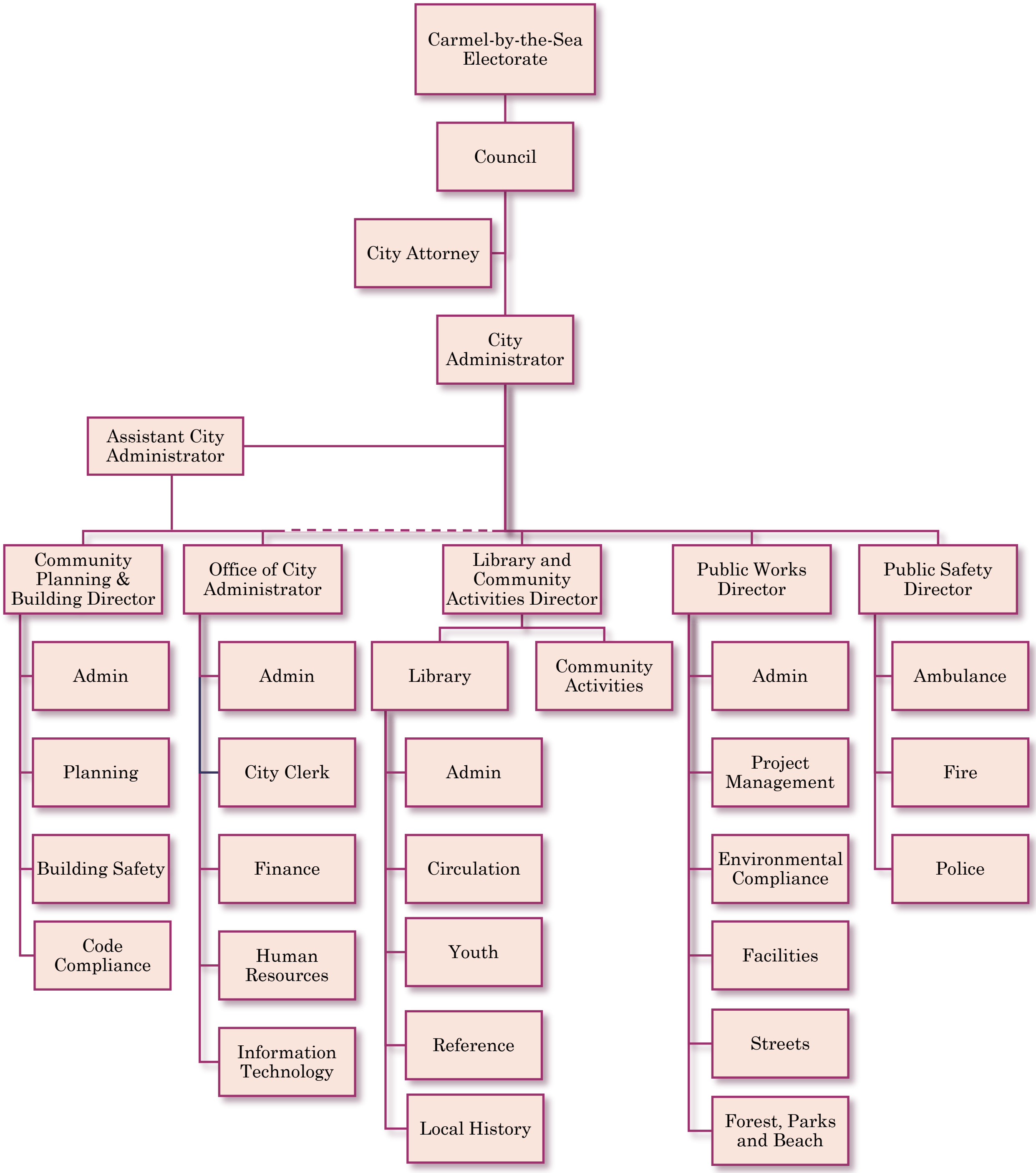
Karen Ferlito, Councilmember, Term: December 2020 - December 2024

Alissandra Dramov, Councilmember, Term: November 2022 - December 2026

City Administrator

Chip Rerig

ORGANIZATIONAL CHART



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Carmel-by-the-Sea
California

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Executive Director/CEO

FINANCIAL SECTION

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Chavan and Associates, llp
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of the
City Council of the City of Carmel-By-The-Sea
Carmel-by-the-Sea, California

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Carmel-By-The-Sea (the "City"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above 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 of Carmel-By-The-Sea, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (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

City 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.

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Chavan and Associates, llp
Certified Public Accountants

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 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 GAGAS, 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 management's discussion and other required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, 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

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Certified Public Accountants

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 combining and individual fund financial statements, schedules, and other information listed in the supplementary information section of the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information 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 January 24, 2025 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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.

C & A LLP

January 24, 2025
Morgan Hill, California

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MANAGEMENT'S DISCUSSION AND ANALYSIS

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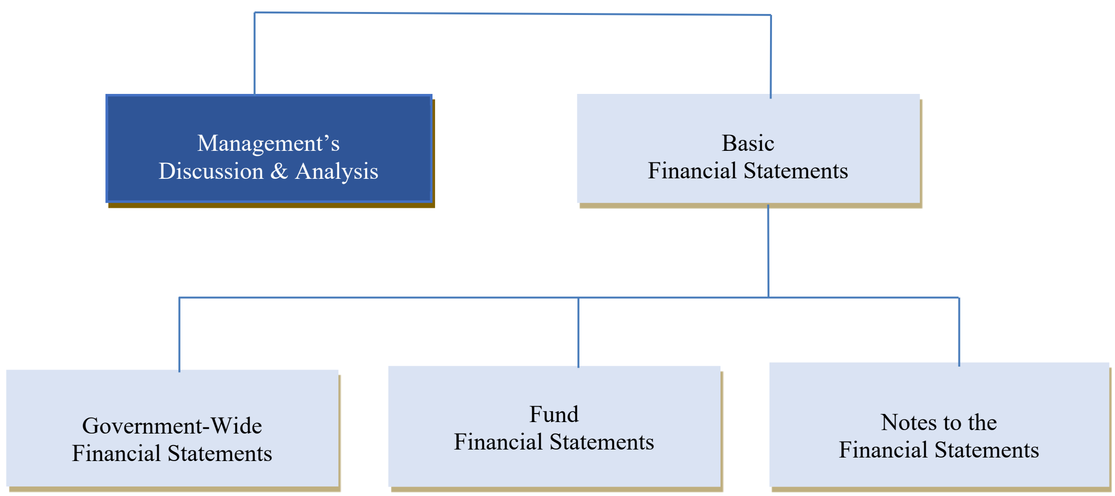
INTRODUCTION

As management of the City of Carmel-By-The-Sea, we offer readers of the City's financial statements this narrative overview and analysis of financial activities of the City of Carmel-By-The-Sea for the fiscal year that ended on June 30, 2024. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the other sections of the attached audited financial statements, required supplemental information and other supplemental information. The required components of the report are listed below.

Required Components of the Annual Financial Report



FISCAL YEAR 2023/24 FINANCIAL HIGHLIGHTS

Government-Wide Highlights

- The assets and deferred outflows of resources of the City of Carmel-by-the-Sea exceeded liabilities ad deferred inflows of resources at the close of the fiscal year by $49.58 million (net position). Of this amount, net position included $34.96 million classified as net investment in capital assets; $4.61 million as restricted; and $10.00 million as unrestricted net position.

- The City's pension liability in accordance with GASB 68 as of June 30, 2024 was $29.20 million vs. $28.16 million in the prior fiscal year.

- The City of Carmel-by-the-Sea's total net position increased by $6.00 million from last fiscal year mostly due to an in current assets of $5.09 million, and an increase in general revenues of $2.20 million.

Fund Highlights

- At the close of Fiscal Year 23/24 the City of Carmel-by-the-Sea's governmental funds reported combined fund balances of $36.02 million, an increase of $4.41 million in comparison with the prior year. Approximately 33% or $11.89 million was classified as unassigned fund balance and was available for spending at the government's discretion, which is down by $3.65 million over the prior year.

- At the end of the current fiscal year, unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) for the general fund was $17.15 million, or 76% of total general fund expenditures, prior to transfers, versus $20.39 million and 91% in the prior year.

- The City's long-term liabilities increased by $524 thousand primarily as the result of increases to employee benefit liabilities totaling $1.09 million, offset by decreases to long-term debt of $553 thousand.

- The City's net capital assets increased by 4% or $1.47 million primarily as a result of new construction, offset by depreciation during the year.

OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis are intended to serve as an introduction to the City of Carmel-by-the-Sea's financial statements. The City of Carmel-by-the-Sea's basic financial statements are comprised of (1) Government-wide Financial Statements (2) Fund Financial Statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the City of Carmel-by-the-Sea's finances, in a manner similar to a private-sector business. Government-wide financial statements are prepared on the accrual basis, which means they measure the flow of all economic resources of the City as a whole. Government-wide financial statements consist of the *Statement of Net Position* and the *Statement of Activities*.

The *Statement of Net Position* presents financial information on all of the City of Carmel-by-the-Sea's assets, liabilities, and deferred inflows/outflows of resources, 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 of Carmel-by-the-Sea is improving or deteriorating.

The *Statement of Activities* presents information showing how the City of Carmel-by-the-Sea's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. This is consistent with a full accrual concept, which may result in the reporting of revenues and expenses in the current fiscal year, with cash flows occurring in future fiscal periods (e.g. uncollected revenues and earned but not used vacation leave).

Both of the government-wide financial statements distinguish functions of the City of Carmel-by-the-Sea that are principally support by taxes and intergovernmental revenues *(governmental activities)* from other functions that are intended to recover all or a significant portion of their costs through user fees and charges *(business-type activities)*. An overview of the City's functions associated with each classification is listed below.

Governmental Activities – All of the City's basic services are considered to be governmental activities. This includes general government, public safety, public works, library, and community planning and building. These services are supported by general City revenues such as taxes, and by specific program revenues such as development and general government program fees. The City also operates three internal service funds, which are combined with the governmental funds and reported as governmental activities. See the table of contents for reference to the government-wide financial statements pages within this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Fund financial statements provide detailed information about each of the City's most significant funds, called major funds. Major funds are presented individually, with all nonmajor funds summarized and presented only in a single column. Subordinate schedules present the detail of these nonmajor funds. Major funds present the major activities of the City for the fiscal year and may change from year to year as a result of changes in the pattern of the City's activities. The City's funds are segregated into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same function reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. This represents a modified accrual basis of accounting, with capital assets, long-lived assets, and long-term liabilities excluded from the financial statements. Such information may be useful in evaluating the City's near-term financing requirements.

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 the *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 fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate the comparison between *governmental funds* and *governmental activities*.

The City maintains eleven governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Measure C Sales Tax Fund, the Capital Projects Fund and the Harrison Memorial Library Fund. These funds are considered to be major funds. Data from the other governmental funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the combining and individual fund statements and schedules section of this report.

The City of Carmel-by-the-Sea adopts an annual budget for its governmental funds. A budgetary comparison statements have been provided to demonstrate compliance with this budget. See the table of contents for where the basic governmental fund financial statements can be found this report.

Proprietary Funds

Internal service funds are an accounting mechanism used to accumulate and allocate costs internally among the City of Carmel-by-the-Sea's various functions. The City uses internal service funds to account for the management of its retained risks associated with liability self-insurance, workers compensation and other post-employment benefits (OPEB). The City also uses an internal service fund, the Vehicle & Equipment Replacement Fund, to manage the costs of various equipment purchased, maintained and utilized to operate City services for various departments. Because these internal services predominately benefit governmental rather than business-type functions, they have been included within governmental activities in the Government-Wide Financial Statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The internal service funds are combined into a single aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds are provided in the form of combining statements in the combining and individual fund statements and schedules section of this report. See the table of contents for where the proprietary fund financial statements can be found this report.

NOTES TO THE FINANCIAL STATEMENTS

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

OTHER INFORMATION

In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information* concerning the City of Carmel-by-the-Sea's budgetary information for the General Fund and Major Special Revenue Funds, and the City's funding progress for its employee pension and OPEB benefit obligations. The page numbers for the required supplementary information can be found in the table of contents.

The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following the *required supplementary information*. The page numbers for the combining and individual fund statements and schedules can be found in the table of contents.

An un-audited statistical section provides historical and current data on financial trends, revenue and debt capacity, demographic and economic information, and operating information. The table contents list the page numbers for where this information can be found.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Over time, net position may serve as an indicator of a government's financial position. In the case of the City of Carmel-by-the-Sea, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $49.58 million at the close of the Fiscal Year. This represents an increase of $6.00 million over the prior year.

The following table summarizes the City's ending net position:

Table 1 - Net Position

	Governmental Activities 2024	Governmental Activities 2023	Increase (Decrease)
Assets			
Current and other assets	$ 43,166,255	$ 38,077,120	$ 5,089,135
Capital assets	39,535,950	38,065,618	1,470,332
Total Assets	$ 82,702,205	$ 76,142,738	$ 6,559,467
Deferred Outflows of Resources	$ 11,802,249	$ 12,288,018	$ (485,769)
Liabilities			
Current and other liabilities	$ 2,553,119	$ 2,510,426	$ 42,693
Noncurrent liabilities	38,319,743	37,795,680	524,063
Total Liabilities	$ 40,872,862	$ 40,306,106	$ 566,756
Deferred Inflows of Resources	$ 4,053,488	$ 4,546,761	$ (493,273)
Net Position			
Net investment in capital assets	$ 34,957,532	$ 32,930,884	$ 2,026,648
Restricted	4,614,831	5,536,383	(921,552)
Unrestricted	10,005,741	5,110,622	4,895,119
Total Net Position	$ 49,578,104	$ 43,577,889	$ 6,000,215

A significant portion, $34.96 million, of the City's net position reflects its investment in capital assets, (e.g., land, buildings, general government infrastructure, equipment, etc.), less accumulated depreciation and any outstanding debt that was used to acquire or construct those assets. Capital assets represent infrastructure which provide services to citizens and are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate the liabilities.

An additional $4.61 million of the City of Carmel-by-the-Sea's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of $10.00 million is classified as unrestricted. The City participates in the CalPERS Miscellaneous and Safety pension plans. GASB 68 impacted local governments by requiring them to report a proportional share of their pension plan's net pension liabilities on financial statements. As of June 30, 2024, the City's proportionate share of the CalPERS pension liability was $29.20 million. See note 7 for detailed information related to the Plans, along with the required supplementary information section of this report.

At the end of the current fiscal year, the City of Carmel-by-the-Sea is able to report a positive balance for the government as a whole. The reasons for the overall financial changes are discussed in the following sections for governmental activities.

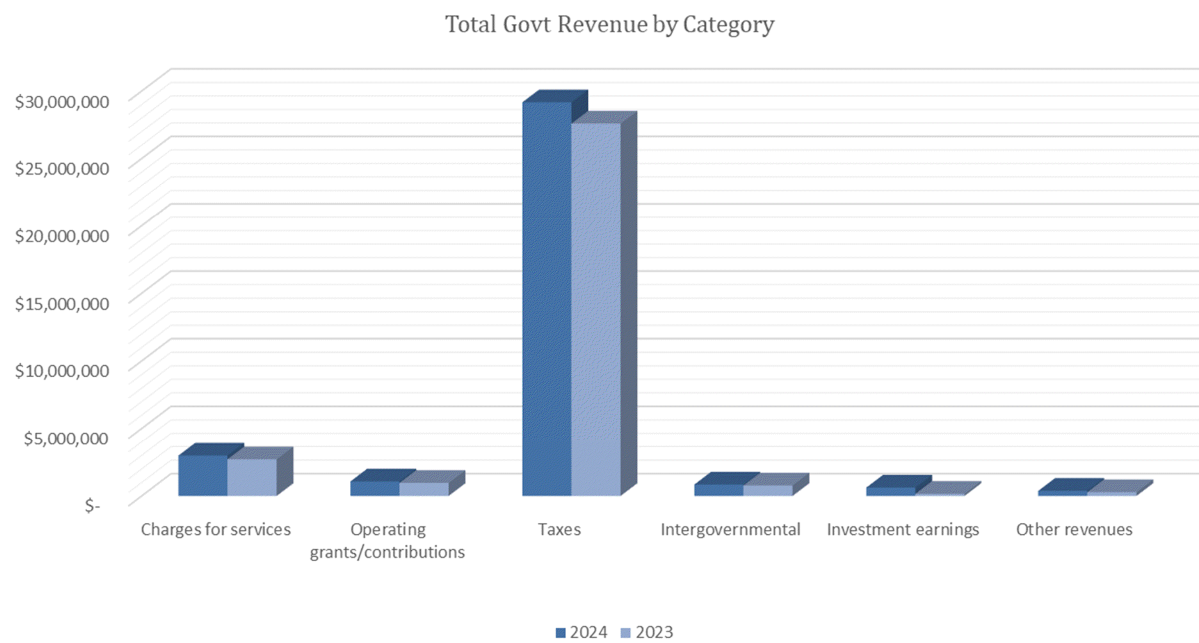
Governmental Activities
As shown in the *Statement of Changes in Net Position* schedule below, the change in net position for governmental activities decreased by $5.41 million. This decrease is largely due to an increase of $4.90 million in public safety expenses and an increase of $1.89 million in public works expenses. These increases were mostly due to pension expense adjustments and deferrals that create inconsistencies in the expenses from year to year. Total revenues from governmental activities increased by $2.84 million from the prior year. The net change in expenses from the prior year was an increase of $8.26 million.

With total revenues for the fiscal year at $35.29 million and total expenses at $29.29 million, the change in net position for current activity was $6.00 million. An analysis of the changes in revenues and expenses is as follows:

Table 2 - Statement of Changes in Net Position

	Governmental Activities		Increase
Functions/Programs	**2024**	**2023**	**(Decrease)**
Program Revenues			
Charges for services	$ 2,975,335	$ 2,699,548	$ 275,787
Operating grants and contributions	1,064,653	958,933	105,720
Capital grants and contributions	263,557	-	263,557
Total Program Revenues	4,303,545	3,658,481	645,064
General Revenues			
Taxes	29,166,647	27,588,978	1,577,669
Intergovernmental	837,891	771,258	66,633
Investment earnings	613,944	155,181	458,763
Other revenues	372,760	278,650	94,110
Total General Revenues	30,991,242	28,794,067	2,197,175
Expenses			
General government	7,076,239	6,290,757	785,482
Community Planning and Building	1,888,267	1,618,884	269,383
Public Safety	10,332,228	5,427,362	4,904,866
Public Works	6,462,552	4,572,764	1,889,788
Library	2,145,612	1,677,297	468,315
Community Activities	173,958	201,277	(27,319)
Economic Reviltalization	1,127,937	1,101,644	26,293
Interest on fiscal charges	87,779	148,051	(60,272)
Total Expenses	29,294,572	21,038,036	8,256,536
Increase / (Decrease) in Net Position	6,000,215	11,414,512	(5,414,297)
Net Position, Beginning of Year	43,577,889	32,163,377	11,414,512
Net Position, End of Year	$ 49,578,104	$ 43,577,889	$ 6,000,215

Governmental Revenues
The following chart summarizes the changes in revenues by category during the fiscal year:



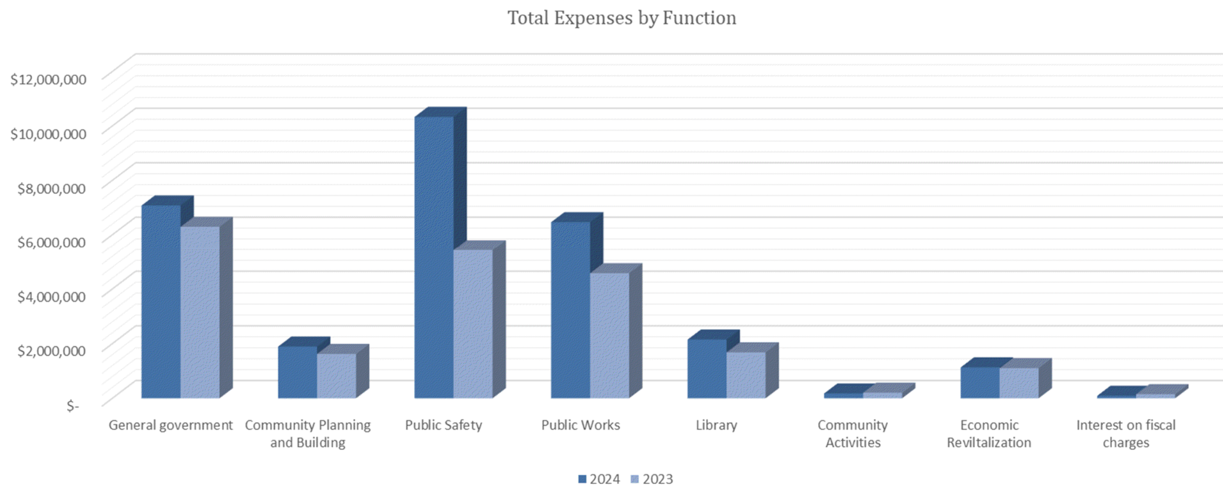
Significant changes in governmental revenues consisted of the following:

- Property tax increased by $606 thousand, or approximately 7%, over the prior year due to continued strength in the real estate market resulting from the desirability of Carmel-by-the-Sea as a place to reside, coupled with its limited housing stock.

- Travel and tourism continued to be strong. Sales and use taxes increased by $725 thousand, or approximately 8%, from the prior year as tourism activity continued to grow. Transient occupancy taxes increased by $124 thousand, or approximately 1%, over the prior year due to increases in both the number of visitors and the average daily room rates charged by lodging operators..

Governmental Expenses

The following chart summarizes the changes in expenses by category during the fiscal year:



Significant changes in governmental expenses include increases to public safety and public works expenses of $4.90 million and $1.89 million, respectively. The large increase in public safety and public works expenses was mostly due to a $3.92 million pension credit in the prior year versus a $1.18 million pension expense in 23/24.

FINANCIAL ANALYSIS OF THE CITY'S GOVERNMENTAL FUNDS

As noted earlier, the City of Carmel-by-the-Sea uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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, the unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the City itself, or a group or individual that has been delegated authority to assign resources for particular purposes by the City of Carmel-by-the-Sea's Council.

The following is a summary of the changes in fund balance of the major and other (nonmajor) governmental funds:

Table 3 - Summary of Changes in Fund Balance - Governmental Funds

	Major Funds					
	General Fund	Measure C Sales Tax Fund	Capital Projects Fund	Harrison Memorial Library Fund	Other Governmental Funds	Total
Total Revenues	$ 27,133,782	$ 6,386,122	$ 88,560	$ 412,355	$ 670,618	$ 34,691,437
Total Expenditures	25,740,423	-	2,750,084	409,336	520,042	29,419,885
Revenues Over (Under) Expenditures	1,393,359	6,386,122	(2,661,524)	3,019	150,576	5,271,552
Other Financing Sources (Uses)	72,964	-	-	-	-	72,964
Transfers in	158,000	-	10,081,107	-	528,044	10,767,151
Transfers out	(3,715,820)	(6,145,082)	-	-	(1,844,231)	(11,705,133)
Net change in fund balances	(2,091,497)	241,040	7,419,583	3,019	(1,165,611)	4,406,534
Beginning of year	22,398,401	1,911,499	3,676,972	1,450,632	2,174,252	31,611,756
End of year	$ 20,306,904	$ 2,152,539	$ 11,096,555	$ 1,453,651	$ 1,008,641	$ 36,018,290

Overall fund balance of increased by $4.41 million mostly due to an increase in total revenues of $2.40 million, driven by an increase in taxes of $1.58 million. The fund balance of the City's General Fund decreased by $2.09 million mostly due to transfers out to other funds of $3.71 million. The fund balance in the Measure C Sales Tax Fund increased by $241 thousand because an increase in sales tax revenue. The fund balance in the Capital Projects fund increased by $7.42 million mostly from transfers made by the Measure C Sales Tax Fund and General Fund to pay for capital projects. The fund balance in the Library Fund increased by $3 thousand as revenues increased by $67 thousand and expenses decreased by $34 thousand from the prior year.

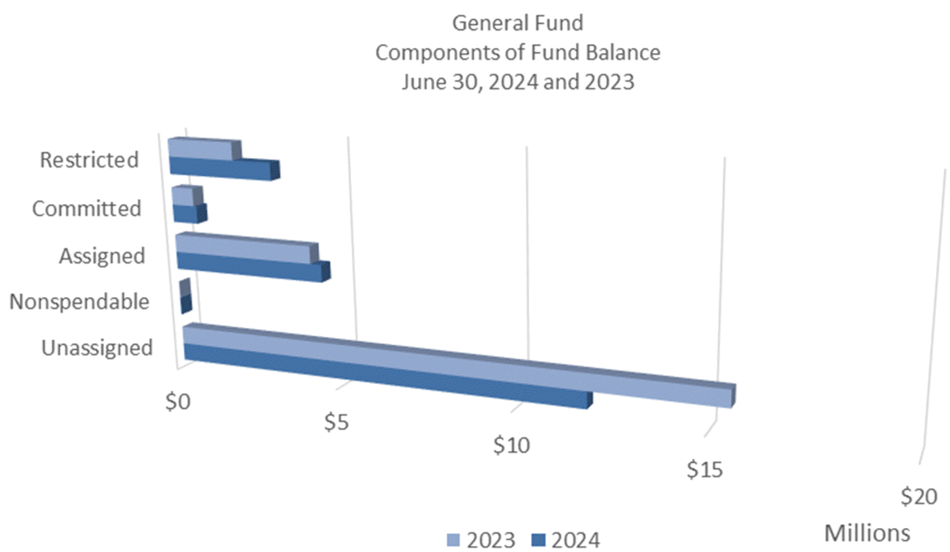
Combined Funds – Components of Fund Balance

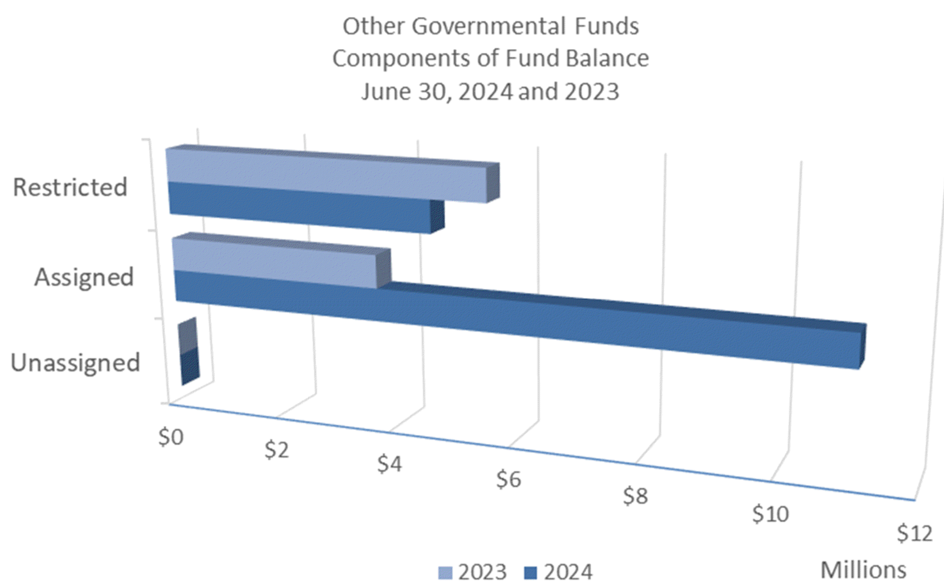
As of June 30, 2024, the City of Carmel-by-the-Sea's reported combined fund balances of $36.02 million, which represents a $4.41 million increase over the prior year. Approximately 33%, or $11.89 million, was classified as unassigned fund balance, which is available for spending at the government's discretion. The remainder of the fund balance was either committed, restricted, or assigned. The committed balance of $754 thousand represents funds that are set-aside for specific purposes via resolution of the City Council. The restricted balance of $7.74 million reflects fund that are legally required to remain intact, $29 thousand was classified as nonspendable for prepaid items, while the remainder of $15.60 million represents funds that were assigned to a particular purpose by the City Council or management given legal authority by the Council.

General Fund – Components of Fund Balance

The general fund is the chief operating fund of the City of Carmel-by-the-Sea. At the end of the current fiscal year, the unassigned fund balance of the general fund was $11.89 million, and the total fund balance increased to $20.31 million. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures. The total general fund expenditures prior to transfers were $25.74 million. Unassigned fund balance represents approximately 46% of the total general fund expenditures, while total fund balance represents approximately 79% of total general fund expenditures.

The following charts provide an annual comparison of the fund balance components included in the general fund and the other governmental funds.





The assigned fund balance in other governmental funds was from the Capital Projects Fund which had $11.10 million in fund balance assigned for capital projects.

Financial Analysis of City's Internal Service Funds

The following is a summary of the changes in fund balance of the City's internal service funds:

Table 4 - Summary of Changes in Net Position - Internal Service Funds

	Workers Compensation Fund	OPEB Reserve Fund	Vehicle & Equipment Replacement Fund	Total
Total Revenues	$ 61,116	$ -	$ 242,678	$ 303,794
Total Expenditures	42,062	-	286,400	328,462
Revenues Over (Under) Expenditures	19,054	-	(43,722)	(24,668)
Nonoperating Revenue (Expense)	23,649	48,469	196,968	269,086
Transfers in	-	-	937,982	937,982
Transfers out	-	-	-	-
Net change in fund balances	42,703	48,469	1,091,228	1,182,400
Beginning of year	259,716	1,768,710	2,473,852	4,502,278
End of year	$ 302,419	$ 1,817,179	$ 3,565,080	$ 5,684,678

Capital Assets

The City of Carmel-by-the-Sea's investment in capital assets includes land, buildings, systems, improvements, machinery, equipment, facilities, roads, and other similar assets and infrastructure. The following table summarizes the City's capital assets at the end of the year:

Table 5 - Capital Assets at Year End - Net

	Governmental Activities		Increase
	2024	2023	(Decrease)
Land	$ 5,101,641	$ 5,101,641	$ -
Construction in Progress	1,784,310	1,009,751	774,559
Buildings and improvements	13,845,546	14,370,979	(525,433)
Infrastructure	17,288,278	16,653,881	634,397
Vehicles	850,671	205,651	645,020
Technology/Hardware and Software	133,183	124,702	8,481
Subscription based assets	263,386	250,580	12,806
Machinery and equipment	268,935	348,433	(79,498)
Total Capital Assets, Net	$ 39,535,950	$ 38,065,618	$ 1,470,332

The City reported depreciation expense of $2.16 million for fiscal year 2023-24 as compared to $2.14 million for fiscal year 2022-23.

See Note 5 in the notes to financial statements section for additional information.

DEBT ADMINISTRATION (LONG-TERM LIABILITIES)

During the year, Long-Term Liabilities from governmental activities increased by $524 thousand primarily due an increase in the net pension liability as shown below and described in the financial highlights section.

The following table summarizes the City's debt at the end of the year:

Table 6 - Outstanding Long-Term Liabilities

	Governmental Activities		Increase
	2024	2023	(Decrease)
Sunset Center LRB	$ 3,540,000	$ 3,895,000	(355,000)
Sunset Center LRB Premium	650,175	809,107	(158,932)
Countywide Radio Project	-	15,033	(15,033)
Financed Purchases	132,334	156,440	(24,106)
Subscription Liabilities	255,909	259,154	(3,245)
Compensated Absences	888,842	898,688	(9,846)
Net Pension Liability	29,203,964	28,163,296	1,040,668
Claims Liability	575,000	575,000	-
Total OPEB Liability	3,073,519	3,023,962	49,557
Total Long-Term Liabilities	$ 38,319,743	$ 37,795,680	$ 524,063

See Note 6 in the notes to financial statements section for additional information.

GENERAL FUND BUDGETARY HIGHLIGHTS

Changes from the City's General Fund original budget to the final budget are detailed in the *Required Supplementary Information* section along with a comparison to actual activity for the year ended. In Fiscal Year 23/24, the City originally estimated a decrease of $9.13 million in fund balance. However, the City ended the year with a surplus of revenues over expenditures of $1.39 million and an overall decrease to fund balance of $3.48 million after transfers out of $3.71 million.

Revenues

The General Fund adopted and final revenue budgets were $23.76 and $24.46 million, with actual revenues recorded at $27.13 million. This $2.67 million difference was primarily from increased transient occupancy tax collections which were $1.18 million over budget and taxes overall which were $1.82 million over budget.

Expenditures

The General Fund adopted expenditure budget was $29.33 million and the final budget was $30.03 million. The actual expenditures totaled $25.74 million, which resulted in a net difference of $4.29 million. Most of the savings can be attributed to salary and benefit savings.

ECONOMIC OUTLOOK

Summary

The City's primary revenue sources include property taxes, sales and use taxes, and transient occupancy taxes. The desirability of Carmel-by-the-Sea as a place to reside and visit drives the overall increase to the City's revenue in fiscal year 23/24. Property tax revenue continues to steadily grow year over year as limited stock drives home prices higher. After experiencing a slight decline in fiscal year 19/20, sales taxes and transient occupancy taxes are currently outperforming budget expectations, reaching all-time highs. These increases are the result of increased travel-related spending and consumer spending shifting back to consumer goods, causing an increase in sales and use tax revenue for the City over last fiscal year. Restaurants and general consumer goods (retail) are the City's leading drivers of sales and use tax revenue.

The City has recovered and surpassed pre-pandemic tourism and related spending levels. Projections for the City's three major revenues total $26.0 million, or 83%, of the $31.49 million in estimated total citywide revenues for fiscal year 24/25. The three major revenues increase $2.5 million over the fiscal year 23/24 Adopted Budget, primarily driven by continued strong performance in transient occupancy taxes as well as increases in property and sales and use taxes. While the approaching fiscal year reflects increased revenue receipts, the economic outlook assumes the leveling off of sales and use taxes, anticipating only a conservative 2% growth over prior year revenues as consumers sort through higher prices in the market. Similarly, the City is cautiously projecting growth in transient occupancy taxes (TOT). TOT daily occupancy rates are trending 4% higher than this time last fiscal year while the average daily room rate is trending 9% higher over the same period.

Planned expenditures also increase in the fiscal year. City staffing levels rose from 96.23 to 97.25 full-time equivalents (FTE) in fiscal year 24/25. The cost of staffing increased from $15 million to $16 million due to a combination of factors such as negotiated salary and benefit adjustments, personnel advancement (annual merit or salary step adjustments), rising retirement and health insurance costs and additional staff.

Even with static staffing levels, the City faces rising personnel costs primarily attributed to pension-related expenses. In addition to its annual contributions toward retirement costs for existing employees, the City makes an annual required payment to the California Public Employees' Retirement System (CalPERS) for the City's unfunded actuarial liability ("UAL"). The UAL payment for the upcoming fiscal year is approximately $2.4 million. To help address its pension obligations, the City established a Section 115 Trust with an initial investment of $1 million in fiscal year 21/22 and has made an additional $1 million contribution each fiscal year thereafter.

The City's ability to provide ongoing funding into the trust while maintaining an annual balanced budget is contingent on (1) revenues sustaining annual growth over the next several years and (2) controlling increases in Citywide expenses, particularly regarding salary and benefits and capital outlay. Inflation also affects the ability to reduce costs for staffing, services and supplies.

Outlook for Major Revenues

Property Taxes

Located within one square mile, the City's land capacity for new housing is limited, which curtails the availability of housing stock. This limited supply, coupled with a high demand for housing driven by the City's desirability as a place to live and close proximity to the San Francisco metropolitan area, contributes to a healthy real estate market and thus the stability and strength of property tax revenues.

Unlike sales tax and transient occupancy tax, the fiscal year 23/24 budget assumed incremental growth in property tax and continued resiliency. The median home price in Monterey County averaged $949,000 in fiscal year 23/24, a 11% increase from prior year. The City median home sales price for the beginning of fiscal year 24/25 is currently running at $941,000. The recent upward trend in mortgage rates, speaks to the potential slight softening of housing market demand. Carmel has a consistently strong property tax base. While fiscal year 24/25 property tax revenue outpaces projections, annual growth of 2% is conservatively realistic. Historically, the City's annual increase in property taxes over the last ten years averages 6.1%. The financial forecast assumes 2% annual growth over the next several years.

Sales and Use Taxes

Many of the features that contribute to residential quality of life, such as a temperate climate, natural beauty, architecture and unique design standards and cultural, dining and shopping opportunities also attract visitors. The variety of restaurants and other dining options located within the City, as well as art galleries, jewelry and clothing retailers contributes to shopping opportunities for residents and visitors alike.

Restaurants and general consumer goods (retail) are the City's leading drivers of sales and use tax revenue. Projections statewide for the restaurant category anticipate growth of 1.7% in fiscal year 24/25 and 3.5% in fiscal year 25/26, as ever-increasing prices statewide have offset a 2.5% decrease in foot traffic to restaurants in response to rising menu prices. General consumer goods are expected to slow with growth at -0.6% in fiscal year 24/25, followed by an increase of 1.3% in fiscal year 25/26 on a statewide basis. Recent trends show inflation has finally cooled after two years of ongoing efforts from the Fed to a moderate 2.5% pace over the last twelve months. Inflation projections put fiscal years 24/25 and 2026 at 2.4% and 2.3% respectively.

Fiscal year 25/26 projects an increase of 2% in the local sales tax (Measure C) and a decrease of 1% in the City's share of the statewide sales tax when compared to the fiscal year 24/25 Adopted Budget.

Transient Occupancy Taxes

Various lodging options are available to visitors and these lodging establishments charge a 10% transient occupancy tax for stays of 30 days or less. Transient occupancy taxes (TOT) are challenging to predict as they are based upon personal choices regarding travel, be it the decision on whether to travel, where to travel, and how much to spend on travel, such as the amount to pay for a hotel room. In addition to facing competition from other popular US destinations that neighbor the Monterey Peninsula to the north and south, the City also competes with other international destinations. On the other hand, given its proximity to San Francisco and location on the California central coast between San Francisco and Los Angeles the City is accessible to many visitors, including guests from California, other states and other countries. Thus, the City's TOT is sensitive to changes in consumer spending, economic conditions, and, to some extent, statewide, national and international policies.

The annual TOT average daily percentage occupancy rate for the City remained unchanged from fiscal year 22/23 to fiscal year 23/24. Even though the occupancy percentage was unchanged, the City did see an 26% increase in the average daily room rate for the fiscal year, as well as an increase in the total number of room nights, and that trend appears to continue into the first quarter of fiscal year 25/26 While the City of Carmel-by-the-Sea continues to be a world travel destination, if this trend continues, inflated prices may deter visitors. Therefore, the City remains cautious. The City's financial forecast assumes a conservative growth of 2% for fiscal year 24/25

Outlook for Major Expenditures

Salaries and Benefits

The City's largest annual expenditure is the cost of personnel. City staffing levels gained an 1 FTE to 97.25 full-time equivalents (FTE) in fiscal year 24/25. Correspondingly, the cost of staffing increases from $15.1 million to $16 million due to a combination of factors such as negotiated salary and benefit adjustments, step increases, rising retirement and health care costs and additional staff. Personnel costs steadily increase, approaching $16.7 million by fiscal year 25/26, without any increase in FTE beyond fiscal year 24/25 staffing levels.

Pension Costs

The City provides a defined pension plan through the California Public Employees' Retirement System (CalPERS) for its full-time employees. As such, the City is responsible for contributing toward current employees' retirement packages an amount determined by CalPERS based upon a percentage of salary ("employer contribution"). The employer contribution is included within the City's overall budgeted salary and benefit costs. In addition, the City is obligated to make additional pension payments to CalPERS known as the unfunded actuarial liability ("UAL"). The UAL addresses any shortfall between the funding CalPERS needs to pay for retirement benefits when people retire compared to the funding that CalPERS currently has on hand to pay for the estimated costs of these benefits. The total UAL for the City is $29.9 million, based on the valuation date of June 30, 2023, as measured through June 30, 2024.

To help address its pension obligations, the City established a Section 115 Trust with an initial investment of $1 million into the trust. Current City Council wishes to provide funding of $1 million annually into the trust and contributed its third tranche in fiscal year 23/24. The City is on track to contribute another $1 million to the Section 115 Trust in fiscal year 24/25 and the final $1 million tranche in fiscal year 2026.

Other Operating Costs

In order to deliver services to the community, the City procures various types of goods and services. The category of services and supplies assumes 9% annual growth in fiscal year 24/25, as the City adjusts for goods and services overall sensitivity to inflation. Federal interest rates have eased and inflation is expected to remain around the Fed target of 2.5% in fiscal years 24/25 and 25/26. The City contracts for specialized professional services and costs trend upward based upon credentials, certifications and qualifications of the individuals providing the service. Moreover, City currently contracts with another governmental agency for fire prevention and response services are subject to increases based upon salary and benefits, including pension. Overall costs across all sectors are significantly higher compared to prior fiscal years.

Capital Projects

The City's capital expenditures budget increased to $12.2 million in fiscal year 24/25. In future years, in accordance with the City's financial policies, capital outlay expenses should represent 3.5% of projected revenue, or approximately $1.1 million annually based upon current revenue assumptions. However, the City's Five-Year Capital Improvement Plan totals $54 million over the next five fiscal years. Similar to service and supplies, inflation and other market-based conditions drive the availability of contractors and costs to implement public works projects, subject to prevailing wage. In addition, deferring building and infrastructure maintenance drives long-term costs for repair and replacement.

Debt Service

On September 30, 2020, the City refinanced the 2010 Refunding Lease Revenue Bond related to improvements at the Sunset Center (the Sunset Theater Project). Annual future debt service payment is approximately $516,000 for fiscal year 24/25 through bond maturity on November 1, 2032.

REQUEST FOR FINANCIAL INFORMATION

This Annual Financial Report is intended to provide citizens, taxpayers, investors, and creditors with a general overview of the City's finances. If you have any questions about this report, need additional financial information, or would like to obtain component unit financial statements, contact the City of Carmel-by-the-Sea-by-the-Sea Finance Department, P O Box CC, Carmel-by-the-Sea, CA 93921, or visit the City's web page at http://ci.carmel.ca.us/carmel.

BASIC FINANCIAL STATEMENTS

Attachment 2

City of Carmel-By-The-Sea
Statement of Net Position
June 30, 2024

		Governmental Activities
ASSETS		
Current Assets:		
Cash and investments	$	38,136,701
Receivables:		
Accounts		2,842,927
Due from other governments		1,239,856
Other assets		946,771
Total Current Assets		43,166,255
Noncurrent Assets:		
Capital Assets:		
Nondepreciable		6,885,951
Depreciable, net of accumulated depreciation		32,649,999
Total Capital Assets - Net		39,535,950
Total Assets	$	82,702,205
DEFERRED OUTFLOWS OF RESOURCES		
OPEB Adjustments	$	258,112
Pension Adjustments		11,544,137
Total Deferred outlows of Resources	$	11,802,249
LIABILITIES		
Current Liabilities:		
Accounts payable	$	1,243,299
Payroll related liabilities		764,742
Deposits and other liabilities		521,478
Interest payable		23,600
Claims payable - current portion		57,500
Compensated absences - current portion		204,000
Long-term debt - due within one year		528,215
Total Current Liabilities		3,342,834
Noncurrent Liabilities:		
Long-term debt - due in more than one year		4,050,203
Claims payable		517,500
Compensated absences		684,842
Net pension liability		29,203,964
Total OPEB liability		3,073,519
Total Noncurrent Liabilities		37,530,028
Total Liabilities	$	40,872,862
DEFERRED INFLOWS OF RESOURCES		
OPEB Adjustments	$	1,613,273
Pension Adjustments		2,440,215
Total Deferred Inflows of Resources	$	4,053,488
NET POSITION		
Net investment in capital assets	$	34,957,532
Restricted for:		
Transportation		168,923
Public safety		40,465
Debt service		34,807
Library		1,453,651
Public parking		758,830
Measure D		2,152,539
Asset seizure		5,616
Total Restricted		4,614,831
Unrestricted		10,005,741
Total Net Position	$	49,578,104

The accompanying notes are an integral part of these financial statements.

City of Carmel-By-The-Sea
Statement of Activities
For the Year Ended June 30, 2024

		Program Revenues				Net (Expense) Revenue and Change in Net Position
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total	Governmental Activities
Primary Government:						
Governmental Activities:						
General government	$ 7,076,239	$ 189,021	$ 704,750	$ 88,557	$ 982,328	$ (6,093,911)
Community Planning and Building	1,888,267	1,490,531	-	-	1,490,531	(397,736)
Public Safety	10,332,228	845,411	-	175,000	1,020,411	(9,311,817)
Public Works	6,462,552	196,965	-	-	196,965	(6,265,587)
Library	2,145,612	6,655	359,903	-	366,558	(1,779,054)
Community Activities	173,958	82,238	-	-	82,238	(91,720)
Economic Revitalization	1,127,937	164,514	-	-	164,514	(963,423)
Interest and fiscal charges	87,779	-	-	-	-	(87,779)
Total Governmental Activities	$ 29,294,572	$ 2,975,335	$ 1,064,653	$ 263,557	$ 4,303,545	(24,991,027)

General Revenues:	
Taxes:	
Property taxes	8,770,847
Sales and use taxes	10,078,592
Transient occupancy taxes	8,579,344
Franchise taxes	986,558
Business license tax	751,306
Total taxes	29,166,647
Intergovernmental revenues not restricted to specific programs	837,891
Investment earnings	613,944
Other revenues	372,760
Total General Revenues	30,991,242
Change in Net Position	6,000,215
Net Position - Beginning of Year	43,577,889
Net Position - End of Year	$ 49,578,104

The accompanying notes are an integral part of these financial statements.

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MAJOR GOVERNMENTAL FUNDS

Fund Title	Fund Description
General Fund	This fund is used to account for all of the general operations and other financial transactions of the City, which are not accounted for by another fund.
Measure C Sales Tax	This fund is used to account for the transaction and use tax increase to be used to maintain essential services, including fire, ambulance and police response times; fund capital needs, including streets, beach, parks, forest and trails; increase code compliance; maintain libraries, Sunset Center and other public facilities; address CalPERS pension liabilities and other debt; and provide other general City services.
Capital Projects	This fund accounts for resources utilized, committed, assigned or restricted for capital projects.
Harrison Memorial Library	This fund is used to account for activities associated with the Harrison Memorial Library.

Attachment 2

City of Carmel-By-The-Sea
Balance Sheet
Governmental Funds
June 30, 2024

	Major Funds					
	General Fund	Measure C Sales Tax Fund	Capital Projects Fund	Harrison Memorial Library Fund	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and investments	$ 19,592,218	$ 1,015,690	$ 11,383,675	$ 1,486,541	$ 970,209	$ 34,448,333
Receivables:						
Accounts	2,830,927	-	-	-	-	2,830,927
Due from other governments	-	1,136,849	-	-	103,007	1,239,856
Due from other funds	-	-	64,575	-	-	64,575
Other assets	28,693	-	-	-	-	28,693
Total assets	$ 22,451,838	$ 2,152,539	$ 11,448,250	$ 1,486,541	$ 1,073,216	$ 38,612,384
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	$ 931,841	$ -	$ 278,568	$ 32,890	$ -	$ 1,243,299
Accrued liabilities	691,615	-	73,127	-	-	764,742
Deposits	521,478	-	-	-	-	521,478
Due to other funds	-	-	-	-	64,575	64,575
Total liabilities	2,144,934	-	351,695	32,890	64,575	2,594,094
Fund Balances:						
Nonspendable						
Prepaid items	28,693	-	-	-	-	28,693
Restricted:						
Transportation	-	-	-	-	168,923	168,923
Public safety	-	-	-	-	40,465	40,465
Debt service	-	-	-	-	34,807	34,807
Library	-	-	-	1,453,651	-	1,453,651
Asset seizure	-	-	-	-	5,616	5,616
Public parking	-	-	-	-	758,830	758,830
Pensions	3,124,794	-	-	-	-	3,124,794
Measure C	-	2,152,539	-	-	-	2,152,539
Committed:						
Holstery tax	754,323	-	-	-	-	754,323
Assigned:						
Operational reserves	4,505,124	-	-	-	-	4,505,124
Capital projects	-	-	11,096,555	-	-	11,096,555
Unassigned	11,893,970	-	-	-	-	11,893,970
Total fund balances	20,306,904	2,152,539	11,096,555	1,453,651	1,008,641	36,018,290
Total liabilities and fund balances	$ 22,451,838	$ 2,152,539	$ 11,448,250	$ 1,486,541	$ 1,073,216	$ 38,612,384

The accompanying notes are an integral part of these financial statements.

City of Carmel-By-The-Sea
Reconciliation of the Government Funds Balance Sheet to the Government-Wide Statement of Net Position
June 30, 2024

Total Fund Balances - Total Governmental Funds	$	36,018,290
Amounts reported for governmental activities in the statement of net position were different because:		
Capital assets used in governmental activities were not current financial resources. Therefore, they were not reported in the Governmental Funds Balance Sheet. The capital assets were adjusted as follows:		
Capital assets		67,032,069
Less: accumulated depreciation		(29,269,685)
Total Capital Assets		37,762,384
Interest payable on long-term debt did not require current financial resources. Therefore, interest payable was not reported as a liability in Governmental Funds Balance Sheet.		(23,600)
Internal service funds are used by management to charge the costs of stores, vehicle maintenance and various insurance costs to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position.		5,684,679
The differences from benefit plan assumptions and estimates versus actuals are not included in the plan's actuarial study until the next fiscal year and are reported as deferred inflows or deferred outflows of resources in the statement of net position.		7,748,760
Long-term obligations were not due and payable in the current period. Therefore, they were not reported in the Governmental Funds Balance Sheet. The long-term liabilities were adjusted as follows:		
Long-term debt		(4,446,084)
Compensated absences		(888,842)
Net pension obligation		(29,203,964)
Total OPEB liability		(3,073,519)
Total Long-Term Obligations		(37,612,409)
Net Position of Governmental Activities	$	49,578,104

The accompanying notes are an integral part of these financial statements.

City of Carmel-By-The-Sea

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2024

	Major Funds					
	General Fund	Measure C Sales Tax Fund	Capital Projects Fund	Harrison Memorial Library Fund	Other Governmental Funds	Total Governmental Funds
REVENUES						
Taxes:						
Property taxes	$ 8,770,847	$ -	$ -	$ -	$ -	$ 8,770,847
Sales and use taxes	3,692,470	6,386,122	-	-	-	10,078,592
Transient occupancy taxes	8,579,344	-	-	-	-	8,579,344
Franchise taxes	986,558	-	-	-	-	986,558
Business license tax	751,306	-	-	-	-	751,306
Intergovernmental revenues	910,428	-	12,768	-	619,445	1,542,641
License and permits	1,359,671	-	-	-	-	1,359,671
Contributions	-	-	-	359,903	-	359,903
Fines and forfeitures	180,843	-	-	-	-	180,843
Charges for services	1,133,640	-	-	6,655	-	1,140,295
Interest	444,856	-	-	45,797	51,173	541,826
Rents and concessions	164,514	-	-	-	-	164,514
Other revenues	159,305	-	75,792	-	-	235,097
Total Revenues	27,133,782	6,386,122	88,560	412,355	670,618	34,691,437
EXPENDITURES						
Current:						
General government	7,002,824	-	-	-	-	7,002,824
Community Planning and Building	1,845,642	-	-	-	-	1,845,642
Public Safety	9,057,317	-	-	-	-	9,057,317
Public Works	5,192,057	-	-	-	-	5,192,057
Library	1,188,811	-	-	409,336	-	1,598,147
Community Activities	163,054	-	-	-	-	163,054
Economic Reviltalization	1,134,030	-	-	-	-	1,134,030
Capital outlay	72,964	-	2,750,084	-	-	2,823,048
Debt service						
Principal	76,209	-	-	-	370,033	446,242
Interest and fiscal charges	7,515	-	-	-	150,009	157,524
Total Expenditures	25,740,423	-	2,750,084	409,336	520,042	29,419,885
Excess (Deficiency) of Revenues over Expenditures	1,393,359	6,386,122	(2,661,524)	3,019	150,576	5,271,552
OTHER FINANCING SOURCES (USES)						
Subscriptions	72,964	-	-	-	-	72,964
Transfers in	158,000	-	10,081,107	-	528,044	10,767,151
Transfers out	(3,715,820)	(6,145,082)	-	-	(1,844,231)	(11,705,133)
Total Other Financing Sources (Uses)	(3,484,856)	(6,145,082)	10,081,107	-	(1,316,187)	(865,018)
Net Change in Fund Balances	(2,091,497)	241,040	7,419,583	3,019	(1,165,611)	4,406,534
Fund Balances Beginning	22,398,401	1,911,499	3,676,972	1,450,632	2,174,252	31,611,756
Fund Balances Ending	$ 20,306,904	$ 2,152,539	$11,096,555	$ 1,453,651	$ 1,008,641	$ 36,018,290

The accompanying notes are an integral part of these financial statements.

City of Carmel-By-The-Sea
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Government-Wide Statement of Activities
For the Year Ended June 30, 2024

Net Change in Fund Balances - Total Governmental Funds	$	4,406,534
Amounts reported for governmental activities in the Statement of Activities and Changes in net position were different because:		
Governmental Funds report capital outlay as expenditures. However, in the Government-Wide Statement of Activities and Changes in net position, the cost of those assets was allocated over their estimated useful lives as depreciation expense.		
Capital outlay		2,822,447
Depreciation expense		(1,872,901)
Internal service funds are used by management to charge the costs of stores, vehicle maintenance, and various insurance costs to individual funds.		
Net revenue (excess expenses) reported with governmental activities		1,182,400
Long-term compensated absences and claims payables were reported in the Government-Wide Statement of Activities, but they did not require the use of current financial resources and were not reported as expenditures in governmental funds.		
Compensated absences		9,846
In governmental funds, actual contributions to benefit plans are reported as expenditures in the year incurred. However, in the government-wide statement of activities, only the current year benefit expense as noted in the plans' valuation reports is reported as an expense, as adjusted for deferred inflows and outflows of resources.		(1,194,089)
Repayment of long-term debt was an expenditure in governmental funds, but the repayment reduced long-term liabilities in the Government-Wide Statement of net position.		446,242
Long-term debt issed is reported as other financing sources in the governmental funds but is required to be converted to long-term debt in the statement of net position.		(72,964)
Certain expenses reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in the fund statements as follows:		
Other postemployment benefits		111,368
Amortization of prepaid pension obligation premiums		158,932
Interest expense on long-term debt was reported in the Government-Wide Statement of Activities and Changes in net position, but it did not require the use of current financial resources. Therefore, interest expense was not reported as expenditures in governmental funds. The following amount represented the net change in accrued interest from and accreted interest from prior year.		2,400
Change in Net Position of Governmental Activities	$	6,000,215

The accompanying notes are an integral part of these financial statements.

City of Carmel-By-The-Sea
Statement of Net Position
Proprietary Funds
June 30, 2024

	Governmental Activities - Internal Service Funds
ASSETS	
Current assets:	
Cash and investments	$ 3,688,368
Accounts receivable	12,000
Other assets	918,078
Total current assets	4,618,446
Noncurrent Assets:	
Capital assets - net	1,773,566
Total assets	$ 6,392,012
LIABILITIES	
Current liabilities:	
Financed purchases - current	$ 24,861
Claims payable - current	57,500
Total current liabilities	82,361
Non-current liabilities:	
Financed purchases	107,473
Claims payable	517,500
Total non-current liabilities	624,973
Total liabilities	$ 707,334
NET POSITION	
Net Investment in capital assets	$ 1,641,232
Unrestricted	4,043,446
Total net position	$ 5,684,678

The accompanying notes are an integral part of these financial statements.

City of Carmel-By-The-Sea

Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2024

	Governmental Activities - Internal Service Funds
OPERATING REVENUES	
Charges for services	$ 61,116
Other	242,678
Total operating revenues	303,794
OPERATING EXPENSES	
Claims	42,062
Depreciation	286,400
Total operating expenses	328,462
Operating income (loss)	(24,668)
NONOPERATING REVENUES(EXPENSES)	
Gain (loss) on disposal of capital assets	26,865
Grants and contributions	175,000
Interest expense	(4,897)
Investment earnings	72,118
Total nonoperating revenues(expenses)	269,086
Income (loss) before transfers	244,418
Transfers in	937,982
Transfers out	-
Transfers in and out, net	937,982
Change in net position	1,182,400
Total net position - beginning	4,502,278
Total net position - ending	$ 5,684,678

The accompanying notes are an integral part of these financial statements.

City of Carmel-By-The-Sea
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2024

	Governmental Activities - Internal Service Funds
Cash flows from operating activities:	
Receipts from interfund services provided	$ 300,982
Payments for claims	(46,889)
Net cash provided (used) by operating activities	254,093
Cash flows from noncapital financing activities:	
Interfund transactions	937,982
Net cash provided (used) by noncapital financing activities	937,982
Cash flows from capital financing activities:	
Principal payments on debt	(24,106)
Interest payments on debt	(4,897)
Grants and contributions	175,000
Purchases of property and equipment	(780,321)
Net cash provided (used) by capital financing activities	(634,324)
Cash flows from investing activities:	
Investment income received	72,118
Net cash provided (used) by investing activities	72,118
Net increase (decrease) in cash and cash equivalents	629,869
Cash and cash equivalents - beginning	3,058,499
Cash and cash equivalents - ending	$ 3,688,368
Reconciliation of operating income to net cash provided (used) by operating activities:	
Operating income (loss)	$ (24,668)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation	286,400
Change in operating assets and liabilities:	
Accounts receivables	(2,812)
Other assets	(3,386)
Accounts payable	(1,441)
Net cash provided (used) by operating activities	$ 254,093

The accompanying notes are an integral part of these financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the City of Carmel-by-the-Sea, California, (the City) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental agencies. The Governmental Accounting Standards Boards (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

A. Financial Reporting Entity

The City of Carmel-by-the-Sea, California was incorporated on October 31, 1916, under the laws and regulations of the State of California (State). The City operates under a City Council/Manager form of government and provides the following services: general government, community planning and building, public safety (fire, police and ambulance), public works, library, economic revitalization and other community activities.

The City operates as a self-governing local government unit within the State. It has limited authority to levy taxes and has the authority to determine user fees for the services that it provides. The City’s main funding sources include sales taxes, other intergovernmental revenue from state and federal sources, user fees, and federal and state financial assistance. All property taxes are paid to Monterey County (County) as part of the revenue neutrality payment obligation. The financial statements do not reflect the amounts received on behalf of the City and retained by the County.

The financial reporting entity consists of (a) the primary government, the City, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. Financial accountability is defined as the appointment of a voting majority of the component unit’s board, and either (a) the City has the ability to impose its will on the organization, or (b) there is a potential for the organization to provide a financial benefit to or impose a financial burden on the City.

As required by US GAAP, these financial statements present the government and its component units, entities for which the government is considered to be financially accountable. These component units are reported on a blended basis. Blended component units, although legally separate entities, are, in substance, part of the government’s operations and so data from these units are combined with data of the primary government. The financial statements of the individual component units, if applicable as indicated below, may be obtained by writing to the City of Carmel-by-the-Sea, Finance Department, Post Office Box CC, Carmel-by-the-Sea, CA 93921.

The City’s reporting entity includes the following blended component units:

- Carmel Public Improvement Authority
- Harrison Memorial Library

The above component units are included in the City’s basic financial statements using the blended method since the component unit’s governing body is substantively the same as the governing body of the City and there is a financial benefit and a burden relationship between the City and the component units. There are no component units of the City that meet the criteria for discrete presentation.

The City applies all applicable GASB pronouncements for certain accounting and financial reporting guidance. In December of 2010, GASB issued Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. GASB 62 incorporates pronouncements issued on or before November 30, 1989 into GASB authoritative literature. In June of 2015, GASB issued Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments.* GASB 76 supersedes Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. GASB 76 also amends GASB 62 and AICPA Pronouncements paragraphs 64, 74, and 82. The GAAP hierarchy sets forth what constitutes GAAP for all state and local governmental entities. It establishes the order of priority of pronouncements and other sources of accounting and financial reporting guidance that a governmental entity should apply. The sources of authoritative GAAP are categorized in descending order of authority as follows:

a. Officially established accounting principles—Governmental Accounting Standards Board (GASB) Statements (Category A)
b. GASB Technical Bulletins; GASB Implementation Guides; and literature of the AICPA cleared by the GASB (Category B).

If the accounting treatment for a transaction or other event is not specified by a pronouncement in Category A, a governmental entity should consider whether the accounting treatment is specified by a source in Category B.

B. Basis of Accounting and Measurement Focus

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Government-Wide Financial Statements

The City's government-wide financial statements include a *Statement of Net Position* and a *Statement of Activities and Changes in Net Position*. These statements present summaries of governmental and business-type activities for the City. Fiduciary activities of the City are not included in 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 did not report any business-type activities for the year.

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the City's assets, deferred outflows of resources, liabilities, deferred inflows of resources (including capital assets, as well as infrastructure assets, and long-term liabilities), are included in the accompanying *Statement of Net Position*. The *Statement of Activities* presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those clearly identifiable with a specific function or segment. In conformity with the City’s indirect cost allocation plan, certain indirect costs are included in the program expense reported for individual functions and activities. Certain types of transactions are reported as program revenues for the City in three categories:

- Charges for services
- Operating grants and contributions
- Capital grants and contributions

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in-regards-to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated. Interfund services provided and used are not eliminated in the process of consolidation. The following interfund activities have been eliminated:

- Transfers in/Transfers out
- Internal Service Fund charges

Governmental Fund Financial Statements

Governmental fund financial statements include a *Balance Sheet* and a *Statement of Revenues, Expenditures and Changes in Fund Balances* for all major governmental funds and non-major funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in net position as presented in these statements to the net position presented in the government-wide financial statements. The City has presented all major funds that met the applicable criteria.

All governmental funds are accounted for on a spending or "current financial resources" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets, deferred outflows of resources, current liabilities, and deferred inflows of resources are included on the balance sheets. The *Statement of Revenues, Expenditures and Changes in Fund Balances* present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally up to 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the City, are property tax, sales taxes, intergovernmental revenues, other taxes, interest revenue, rental revenue and certain charges for services. Fines, forfeitures, licenses and permits and parking meter revenues are not susceptible to accrual because they are usually not measurable until received in cash. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

Unearned revenues arise when potential revenues do not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenues also arise when the government receives resources before it has a legal claim to them, as when grant monies are received prior to incurring qualifying expenditures. In subsequent periods when both revenue recognition criteria are met or when the government has a legal claim to the resources, the unearned revenue is removed from the combined balance sheet and revenue is recognized.

The following funds are major funds:

General Fund
The General Fund is used to account for all of the general operations and other financial transactions of the City, which are not accounted for by another fund.

The Measure C Sales Tax Fund
The Measure C Sales Tax Fund used to account for the transaction and use tax increase to be used to maintain essential services, including fire, ambulance and police response times; fund capital needs, including streets, beach, parks, forest and trails; increase code compliance; maintain libraries, Sunset Center and other public facilities; address CalPERS pension liabilities and other debt; and provide other general City services.

Capital Projects Fund
This fund accounts for resources utilized, committed, assigned or restricted for capital projects.

Harrison Memorial Library Fund
This fund accounts for the contributions, revenues and resources used to operate the operate the Harrison Memorial Library.

Additionally, the City reports the following nonmajor fund types of governmental funds:

Special Revenue Funds
Special revenue funds account for and report the proceeds of specific revenue sources that are restricted, committed or assigned to specific purposes other than debt service or capital projects.

Debt Service Funds
Debt service funds account for the accumulation of resources for, and payment on, long-term obligation debt principal and interest.

Proprietary Funds

In the fund financial statements, proprietary funds are presented using the accrual basis of accounting. Revenues are recognized when they are earned and expenses are recognized when the related goods or services are delivered. In the fund financial statements, proprietary funds are presented using the "economic resources measurement focus". This means all assets, deferred outflows of resources, liabilities (whether current or noncurrent) and deferred inflows of resources associated with their activities are included on their balance sheets. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in total net position.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal value. Non-operating revenues, such as subsidies, taxes, and investment earnings result from nonexchange transactions or ancillary activities. Amounts paid to acquire capital assets are capitalized as assets in the internal service funds financial statements.

The City's internal service funds are proprietary funds. Internal service funds account for charges to City departments for services provided, on a cost reimbursement basis. The City has the following internal service funds:

Worker's Compensation Fund
This fund accounts for workers compensation insurance provided to departments on a cost reimbursement basis.

OPEB Reserve Fund
This fund accounts for other postemployment benefits provided to departments on a cost reimbursement basis.

Vehicle & Equipment Replacement Fund
This fund is to set aside financial resources for future purchases of replacement equipment essential to the operations of the City.

C. Cash, Cash Equivalents and Investments

The City pools its available cash for investment purposes. The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturity of three months or less from the date of acquisition. Cash and cash equivalents are combined with investments and displayed as Cash and Investments.

Deposit and Investment Risk Disclosures - In accordance with GASB Statement No. 40, *Deposit and Investment Disclosures* (Amendment of GASB Statement No. 3), certain disclosure requirements, if applicable, for Deposits and Investment Risks in the following areas: Interest Rate Risk, Overall Credit Risk, Custodial Credit Risk, Concentrations of Credit Risk, and Foreign Currency Risk. Other disclosures are specified including use of certain methods to present deposits and investments, highly sensitive investments, credit quality at year-end and other disclosures.

The City participates in an investment pool managed by the State of California titled Local Agency Investment Fund (LAIF), which has invested a portion of the pool funds in Structured Notes and Asset Backed Securities. LAIF's investments are subject to credit risk with the full faith and credit of the State of California collateralizing these investments. In addition, these Structured Notes and Asset-Backed Securities are subject to market risk as to change in interest rates.

Investments are recorded at fair value in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*. Accordingly, the change in fair value of investments is recognized as an increase or decrease to investment assets and investment income. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction.

In determining this amount, three valuation techniques are available:
- Market approach - This approach uses prices generated for identical or similar assets or liabilities. The most common example is an investment in a public security traded in an active exchange such as the NYSE.
- Cost approach - This technique determines the amount required to replace the current asset. This approach may be ideal for valuing donations of capital assets or historical treasures.
- Income approach - This approach converts future amounts (such as cash flows) into a current discounted amount.

Each of these valuation techniques requires inputs to calculate a fair value. Observable inputs have been maximized in fair value measures, and unobservable inputs have been minimized.

D. Interfund Receivables and Payables

Items classified as interfund receivables/payables are referred to as “advances to/advances from other funds” or as “due to/from other funds”. Due to/from other funds include short-term lending/borrowing transactions between funds. This classification also includes the current portion of an advance to or from another fund. Advances to/advances from other funds represents non-current portions of any long-term lending/borrowing transactions between funds. This amount will be equally offset by a reserve of fund balance which indicates that it does not represent available financial resources and therefore, is not available for appropriation.

E. Receivables

In the fund financial statements, material receivables in governmental funds include revenue accruals such as property tax, sales tax, and intergovernmental subventions since they are usually both measurable and available. Non-exchange transactions collectible but not available, such as property tax, are deferred in the fund financial statements in accordance with the modified accrual basis, but not deferred in the government-wide financial statements in accordance with the accrual basis.

Interest and investment earnings are recorded when earned only if paid within 60 days since they would be considered both measurable and available. The City’s experience is that all accounts receivable are collectible; therefore an allowance for doubtful accounts is unnecessary.

The County of Monterey is responsible for the collection and allocation of property taxes. Under California law, property taxes are assessed and collected by the County up to 1% of the full cash value of taxable property, plus other increases approved by the voters and distributed in accordance with statutory formulas. The City recognizes property taxes when the individual installments are due, provided they are collected within 60 days after year-end.

F. Capital Assets

The City's assets are capitalized at historical cost or estimated historical cost, if actual is unavailable, except for donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement that are reported at acquisition value rather than fair value. Policy has set the capitalization threshold for reporting at $5,000 for non-infrastructure capital assets and $25,000 for infrastructure capital assets.

Public domain (infrastructure) capital assets include roads, bridges, curbs and gutters, streets, sidewalks, drainage systems, and lighting systems.

The accounting treatment of property, plant and equipment (capital assets) depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

Prior to July 1, 2003, governmental funds’ infrastructure assets were not capitalized, since then these assets have been valued at estimated historical cost.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets’ estimated useful lives using the straight-line method of depreciation. No depreciation is recorded in the year of acquisition or in the year of disposition. In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same way as in the government-wide statements.

Intangible right-to-use assets are amortized over the shorter of the lease term or the useful life of the underlying asset, unless the lease contains a purchase option that the City has determined is reasonably certain of being exercised, then the lease asset is amortized over the useful life of the underlying asset. Intangible right-to-use subscription assets are amortized over the shorter of the subscription term or the useful life of the underlying asset.

Depreciation and amortization is recorded on a straight-line basis over the useful lives of the assets as follows:

Buildings and improvements	20-50 Years
Improvements other than buildings	35 Years
Vehicles, machinery and equipment	5-20 Years
Infrastructure	20-50 Years
Technology/Hardware and Software	5-20 Years

G. Deferred Outflows/Deferred Inflows of Resources

Deferred outflows of resources are a consumption of net assets by the City that is applicable to a future reporting period; for example, prepaid items and deferred charges.

Deferred inflows of resources are an acquisition of net assets by the City that is applicable to a future reporting period; for example, unavailable revenue and advance collections.

H. Interest Payable

In the government-wide financial statements, interest payable of long-term debt is recognized as an incurred liability for governmental fund types. The City has not allocated the interest on long-term debt to departments.

In the fund financial statements, governmental fund types do not recognize the interest payable when the liability is incurred. Interest on long-term debt is recorded in the fund statements when payment is made.

I. Claims Payable

The City records a liability for claims, judgments, and litigation when it is probable that an asset has been impaired or a liability has been incurred prior to fiscal year-end and the probable amount of loss (net of any insurance coverage) can be reasonably estimated.

J. Compensated Absences

Employees accrue vacation, sick, holiday, and compensatory time off benefits. City employees have vested interests in the amount of accrued time off, with the exception of sick time, and are paid on termination. Also, annually an employee may elect to be compensated for up to 40 hours of unused annual leave. However, this is contingent upon the employee using at least 40 hours during the previous year and, the employee having a minimum balance of 80 annual leave hours after the payment. All vacation pay is accrued when incurred in the government-wide and proprietary 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 or retirements and is currently payable. The City had no employee resignations or retirements for which compensated absences should be accrued in governmental funds at year-end. The general fund is typically used to liquidate compensated absences.

K. Long-Term Liabilities

In the government-wide financial statements and proprietary fund statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental or business-type activities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Debt issuance costs are expensed in year incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financial sources. Premiums received on debt issuance are reported as other financing sources while discounts on debt issuance reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

L. Subscription Based Information Technology Arrangements (SBITAs)

The City recognizes subscription liabilities with an initial, individual value of $10,000 or more annually and $50,000 or more over the subscription contract. The City uses its estimated incremental borrowing rate to measure subscription liabilities unless it can readily determine the interest rate in the arrangement. The City's estimated incremental borrowing rate is based on its most recent public debt issuance.

M. Benefit Plans

Pension Expense
For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's California Public Employees' Retirement System (CalPERS) plans (the Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. 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.

Other Postemployment Benefit (OPEB) Expense
For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense information about the fiduciary net position of the City's Retiree Benefits Plan (the OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by the OPEB Plan. For this purpose, the OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

N. Fund Balances

In accordance with Government Accounting Standards Board 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the City classifies governmental fund balances as follows:

Nonspendable
Nonspensable fund balance includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints.

Restricted
Restricted fund balance includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.

Committed
Committed fund balance includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision-making authority and does not lapse at year-end. Committed fund balances are imposed by the City Council, the City's highest level of decision-making authority, for specific purposes pursuant to constraints imposed by formal action taken such as resolution. These committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use through the same type of formal action taken to establish the commitment. City Council action to commit fund balance needs to occur within the fiscal reporting periods; however the amount can be determined subsequently.

Assigned
Assigned fund balance includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund balances may be assigned by the City Council and the City Manager.

Unassigned
The Unassigned Fund Balance category represents fund balance which may be held for specific types of uses or stabilization purposes, but is not yet directed to be used for a specific purpose. The general fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

The detail of amounts reported for each of the above defined fund balance categories is reported in the governmental funds balance sheet and in the combining nonmajor fund balance sheets.

Flow Assumption / Spending Order Policy
When expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to be spent first. When expenditures are incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to be spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the City Council has directed otherwise.

O. Net Position

In the government-wide financial statements, net position is classified in the following categories:

Net Investment in Capital Assets
This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that are attributed to the acquisition, construction, or improvement of the assets. In addition, deferred

outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also are included in the net investment in capital assets component of net position

Restricted Net Position
This amount is restricted by external creditors, grantors, contributors, or laws or regulations of other governments.

Unrestricted Net Position
This amount is all net position that does not meet the definition of "net investment in capital assets" or "restricted net position."

The detail of amounts reported for each of the above defined net position categories is reported in the government-wide Statement of Net Position.

Use of Restricted/Unrestricted Net Position
When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the City's policy is to apply restricted net position first.

Interfund Transactions

Interfund services provided and used are accounted for as revenue, expenditures or expenses, as appropriate. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursed fund. All other interfund transactions, except for interfund services provided and used and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as transfers.

P. Property Taxes

County tax assessments include secured and unsecured property taxes and special assessments. "Unsecured" refers to taxes on personal property. These tax assessments are secured by liens on the property being taxed.

Secured property taxes are levied on or before the first day of July of each year. They become a lien on real property on January 1 proceeding the fiscal year for which taxes are levied. These taxes are paid in two equal installments; the first is due November 1 and is delinquent with penalties after December 10; the second is due February 1 and delinquent with penalties after April 10. Secured property taxes, which are delinquent and unpaid as of June 30, are declared to be tax defaulted and are subject to redemption penalties, cost, and interest when paid. If the delinquent taxes are not paid at the end of five years, the property is sold at public auction and the proceeds are used to pay the delinquent amounts due. Any excess is remitted, if claimed, to the taxpayer. Additional tax liens are created when there is a change in ownership of property or upon completion of new construction. Tax bills for these new tax liens are issued throughout the fiscal year and contain various payments and delinquent dates, but are generally due within one year. If the new tax liens are lower, the taxpayer receives a tax refund rather than a tax bill. Unsecured personal property taxes are not a lien against real property. These taxes are due on January 1 each year and are delinquent, if unpaid, on August 31.

The County apportions secured property tax revenue in accordance with the alternate methods of distribution, the "Teeter Plan", as described by Section 4717 of the California Revenue and Taxation code. Therefore, the City receives 100 percent of the secured property tax levies to which it is entitled, whether or not collected. Unsecured delinquent taxes are considered fully collectible.

Q. Budgetary Information

In accordance with applicable sections of the California Government Code and the Carmel-by-the-Sea Municipal Code, the City prepares and legally adopts an annual balanced budget on a basis consistent with accounting principles generally accepted in the United States of America. Annual appropriated budgets are adopted for the General Fund, Special Revenue Funds, Capital Projects Funds and the Debt Service Fund.

Budgetary control is legally maintained at the fund level for these funds. Department heads submit budget requests to the City Administrator. The City Administrator prepares an estimate of revenues and prepares recommendations for the next year's budget. The preliminary budget may or may not be amended by the City Council and is adopted by resolution by the City Council on or before June 30 in accordance with the municipal code.

The City Council may amend the budget by motion during the fiscal year. Only the Council can authorize transfers between funds and approve inter-fund loans. The City Administrator is authorized to transfer budgeted amounts within a fund without formal council action or approval. The City Administrator is authorized to increase expenditures in relation to revenues in funds receiving assigned revenues without approval by the City Council.

Expenditures may not legally exceed appropriations at the fund level, which is the legal level of control. Supplemental appropriations, which increase appropriations, may be made during the fiscal year.

Appropriations, except open project appropriations, and unexpended grant appropriations, lapse at the end of each fiscal year.

Under Article XIIIB of the California Constitution (the Gann Spending Limitation Initiative), the City is restricted as to the amount of annual appropriations from proceeds of taxes, and if proceeds of taxes exceed allowed appropriations, the excess must either be refunded to the State Controller or returned to the taxpayers through revised tax rates or revised fee schedules, or an excess in one year may be offset against a deficit in the following year. For the fiscal year ended June 30, 2024, based on calculations by City management, proceeds of taxes did not exceed appropriations.

R. Encumbrances

Under encumbrance accounting, purchase orders, contract and other commitments for expenditures are recorded in order to reserve that portion of the applicable appropriation. Encumbrance accounting is employed as an extension of formal budgetary integration in all funds. All appropriations, except open project appropriations, and unexpended grant appropriations and encumbrances, lapse at year end. Valid outstanding encumbrances (those for which performance under the executory contract is expected in the next year) are re-appropriated and become part of the subsequent year's budget pursuant to state regulations.

S. Unearned Revenue

Unearned revenue arises when assets are received before revenue recognition criteria have been satisfied. Grants and entitlements received before eligibility requirements are met are recorded as deferred inflows from unearned revenue. In the governmental fund financial statements, receivables associated with non-exchange transactions that will not be collected within the availability period have been recorded as deferred inflows from unavailable revenue.

T. Use of Estimates

The preparation of basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

U. Implemented New Accounting Pronouncements

GASB Statement No. 100, ***Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62***

This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. This Statement also prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections in previously issued financial statements. This Statement did not have a material impact on the financial statements.

V. Upcoming New Accounting Pronouncements

The City is currently analyzing its accounting practices to determine the potential impact on the financial statements of the following recent GASB Statements:

GASB Statement No. 101, ***Compensated Absences***

This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences.

This Statement requires that a liability for certain types of compensated absences - including parental leave, military leave, and jury duty leave—not be recognized until the leave commences. This Statement also requires that a liability for specific types of compensated absences not be recognized until the leave is used. A liability for leave that has been used but not yet paid or settled should be measured at the amount of the cash payment or noncash settlement to be made. Certain salary-related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter.

GASB Statement No. 102, *Certain Risk Disclosures*

This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued.

If a government determines that those criteria for disclosure have been met for a concentration or constraint, it should disclose information in notes to financial statements in sufficient detail to enable users of financial statements to understand the nature of the circumstances disclosed and the government's vulnerability to the risk of a substantial impact. The disclosure should include descriptions for (1) the concentration or constraint (2) each event associated with the concentration or constraint that could cause a substantial impact if the event had occurred or had begun to occur prior to the issuance of the financial statements (3) actions taken by the government prior to the issuance of the financial statements to mitigate the risk. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter.

GASB Statement No. 103, *Financial Reporting Model Improvements*

This Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability.

This Statement establishes new accounting and financial reporting requirements or modifies existing requirements related to (a) Management's discussion and analysis (MD&A) (b) Unusual or infrequent items (c) Presentation of the proprietary fund statement of revenues, expenses, and changes in fund net position (d) Information about major component units in basic financial statements (5) Budgetary comparison information (6) Financial trend information in the statistical section. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter.

NOTE 2 - CASH AND INVESTMENTS

As of June 30, 2024, cash and investments were reported in the financial statements as follows:

Cash and investments	$ 38,136,701
Total cash and investments	$ 38,136,701

The following summarized cash and investments by type:

Cash on hand	$	1,545
Demand Deposits		24,611,210
Investments		10,399,152
Restricted cash with fiscal agent		3,124,794
Total cash and investments	$	38,136,701

The City follows the practice of pooling cash and investments of all funds except for funds required to be held by fiscal agents under provisions of bond indentures. Interest income earned on pooled cash and investments is allocated monthly to the various funds based on monthly cash and investment balances. Interest income from cash and investments with fiscal agents is credited directly to the related fund.

A. Cash Deposits

The California Government Code requires California banks and savings and loan associations to secure the City's cash deposits by pledging securities as collateral. This Code states that collateral pledged in this manner shall have the effect of perfecting a security interest, and places the City ahead of general creditors of the institution. The market value of pledged securities must equal at least 110 percent of the City's cash deposits. California law also allows institutions to secure City deposits by pledging first trust deed mortgage notes that have a value of 150 percent of the City's total cash deposits. The City has waived the collateral requirements for cash deposits which are fully insured to $250,000 by the Federal Deposit Insurance Corporation (FDIC). The bank balances before reconciling items totaled $24,920,211 at June 30, 2024 and were different from carrying amounts due to deposits in transit and outstanding checks. The amount uninsured was $24,670,211 which was collateralized by securities held by pledging financial institutions.

B. *Fair Value Measurements*

GASB 72 established a hierarchy of inputs to the valuation techniques above. This hierarchy has three levels:

- Level 1 inputs are quoted prices in active markets for identical assets or liabilities.
- Level 2 inputs are quoted market prices for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other than quoted prices that are not observable.
- Level 3 inputs are unobservable inputs, such as a property valuation or an appraisal.

C. Investment Policies

City Investment Policy

The table below identifies the investment types that are authorized for the City by the California Government Code (or the City’s investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the City’s investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk.

This table does not address investments of debt proceeds held by bond trustees that are governed by the provisions of bond indentures of the City, rather than the general provisions of the California Government Code or the City's investment policy.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
United States (U.S.) Treasury Issues	5 years	None	None
U.S. Government Agency Securities	5 years	50%	50%
California State and Local Bonds, Notes, & Warrants	None	None	None
Bankers Acceptance	180 days	40%	30%
Commercial Paper	270 days	15%	10%
Medium Term Corporate Notes	5 years	30%	30%
Negotiable Certificates of Deposit	5 years	30%	30%
Repurchase Agreements	92 days	None	None
Passbook Savings/Money Market	None	20%	10%
Local Agency Investment Fund (LAIF)	N/A	None	None
Federal Instrumentalities	None	None	None

Authorized Investments - Debt Agreements

Investments held by bond fiscal agents (trustees) are governed by the provisions of the underlying indenture agreements rather than the general provisions of the City's investment policy or California Government Code. The indenture agreements identify the following permitted investments:

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
United States (U.S.) Treasury Issues	None	None	None
U.S. Government Agency Securities	None	None	None
Banker's Acceptance	360 days	None	None
Commercial Paper	270 days	None	None
Money Market Funds	None	None	None
Investment Agreements	None	None	None
Local Agency Bonds	None	None	None
Medium Term Notes	None	None	None
Negotiable Certificate of Deposits	None	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None

D. External Investment Pool

The City's investments with LAIF at June 30, 2024, include a portion of the pool funds invested in Structured Notes and Asset-Backed Securities. These investments include the following:

Structured Notes

These are debt securities (other than asset-backed securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or that have embedded forwards or options.

Asset-Backed Securities

The bulk of asset-backed securities are mortgage-backed securities, entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (such as CMO's) or credit card receivables.

LAIF is overseen by the Local Agency Investment Advisory Board, which consists of five members, in accordance with State statute. The approved investments policy is listed on the LAIF website, located at http://www.treasurer.ca.gov/pmia-laif/.

D. Risk Disclosures

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the term of an investment's maturity, the greater the sensitivity to changes in market interest rates. It is the City's practice to manage its exposure to interest rate risk is by purchasing a combination of shorter and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for City's operations.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of an investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization, Standards and Poor. As of June 30, 2024, the City's investments were in compliance with the ratings required by the City's investment policy, indenture agreements and Government Code.

Concentrations of Credit Risk

The investment policy of the City contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. As of June 30, 2024, the City had no investments in any one issuer (other than external investment pools which are exempt) that represented 5% or more of the total City investments.

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the 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 California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF).

As of June 30, 2024, the City's investments had the following maturities and ratings:

Investment Type	12 Months or Less	13 to 24 Months	25 to 36 Months	37 to 48 Months	Total	Rating	Input Levels
LAIF (state pool)	$ 5,523,569	$ -	$ -	$ -	$ 5,523,569	not rated	n/a
Money market funds	1,256,293	-	-	-	1,256,293	AAA	1
Bonds	1,187,644	-	-	-	1,187,644	AAA	1
Certificate of deposits	732,151	973,249	485,148	241,098	2,431,646	not rated	1
Total Investments	$ 8,699,657	$ 973,249	$ 485,148	$ 241,098	$ 10,399,152		

NOTE 3 - ACCOUNTS RECEIVABLE

The following summarizes accounts receivable as of June 30, 2024:

Ambulance	$ 339,384
Holstery Tax	1,594,813
Measure C	1,136,849
Grabage Franchise Tax	132,666
Sales and Use Tax	307,635
Other Accruals	571,436
Total Accounts Receivable	$ 4,082,783

NOTE 4 - INTERFUND TRANSACTIONS

A. Inter-fund Receivables and Payables

Amounts due to or due from other funds reflect inter-fund balances for services rendered or short-term loans expected to be repaid in the next fiscal year. Advances to or from other funds are long-term loans between funds that are to be repaid in their entirety over several years. As of June 30, 2024, the City reported the following interfund balances:

Fund	Due from Other Funds	Due to Other Funds
Capital Projects Fund	$ 64,575	$ -
Nonmajor Funds	-	64,575
Total Due From/To Other Funds	$ 64,575	$ 64,575

Transfers In/Out

With Council approval, resources may be transferred from one fund to another. Transfers may be made to pay for capital projects or capital outlays, lease or debt service payments, operating expenses, and to finance various programs accounted for in other funds in accordance with budgetary authorizations. The following summarizes transfers between funds during the fiscal year ended June 30, 2024:

Fund	Transfer in	Transfer out
General Fund	$ 158,000	$ 3,715,820
Measure C Sales Tax Fund	-	6,145,082
Capital Projects Fund	10,081,107	-
Internal Service Funds	937,982	-
Nonmajor Funds	528,044	1,844,231
Total Transfers	$ 11,705,133	$ 11,705,133

Funds were transferred from the General Fund and the Measure C Sales Tax Fund to the Capital Projects Fund for capital improvements. Internal service funds transfers were cost reimbursements not considered to be charges for services. Transfers to and from nonmajor funds were for debt service and operations.

NOTE 5 - CAPITAL ASSETS

Capital assets for governmental activities consisted of the following as of June 30, 2024:

Governmental Activities	Balance July 01, 2023	Additions	Transfers/ Deletions	Balance June 30, 2024
Non-depreciable:				
Land	$ 5,101,641	$ -	$ -	$ 5,101,641
Construction in Progress	1,009,751	2,850,419	(2,075,860)	1,784,310
Total Non-Depreciable	6,111,392	2,850,419	(2,075,860)	6,885,951
Depreciable/Amortizable:				
Buildings and improvements	27,027,146	146,454	-	27,173,600
Infrastructure	27,289,763	1,828,470	-	29,118,233
Vehicles	3,039,940	757,186	(642,101)	3,155,025
Technology/Hardware and Software	763,834	50,000	-	813,834
Subscription based assets	277,414	72,964	-	350,378
Machinery and equipment	3,125,266	-	-	3,125,266
Total Depreciable/Amortizable	61,523,363	2,855,074	(642,101)	63,736,336
Less Accumulated Dep/Amort for:				
Buildings and improvements	(12,656,167)	(671,887)	-	(13,328,054)
Infrastructure	(10,635,882)	(1,194,073)	-	(11,829,955)
Vehicles	(2,834,289)	(112,166)	642,101	(2,304,354)
Technology/Hardware and Software	(639,132)	(41,519)	-	(680,651)
Subscription based assets	(26,834)	(60,158)	-	(86,992)
Machinery and equipment	(2,776,833)	(79,498)	-	(2,856,331)
Total Accumulated Dep/Amort	(29,569,137)	(2,159,301)	642,101	(31,086,337)
Total Depreciable Capital Assets - Net	31,954,226	695,773	-	32,649,999
Total Governmental Capital Assets	$ 38,065,618	$ 3,546,192	$ (2,075,860)	$ 39,535,950

Capital assets for governmental activities related to internal service funds consisted of the following as of June 30, 2024:

	Balance July 01, 2023	Additions	Transfers/ Deletions	Balance June 30, 2024
Internal Service Funds (Inlcuded with Governmental Activities)				
Buildings and improvements	$ 754,866	$ -	-	$ 754,866
Technology/Hardware and Software	660,844	50,000	-	710,844
Vehicle, Machinery and Equipment	1,367,322	757,186	-	2,124,508
Accumulated Depreciation	(1,530,252)	(286,400)	-	(1,816,652)
Total Internal Service Funds - Net	$ 1,252,780	$ 520,786	$ -	$ 1,773,566

Depreciation expense was allocated to the following governmental activities:

General Government	$ 103,194
Community Planning and Building	47,537
Public Safety	159,632
Public Works	1,286,328
Library	551,229
Community Activities	11,381
Total depreciation expense	$ 2,159,301

NOTE 6 - NONCURRENT LIABILITIES

The City's noncurrent liabilities consisted of the following as of June 30, 2024:

Noncurrent Liabilities	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Sunset Center LRB	$ 3,895,000	$ -	$ 355,000	$ 3,540,000	$ 375,000
Sunset Center LRB Premium	809,107	-	158,932	650,175	72,242
Countywide Radio Project (Direct)	15,033	-	15,033	-	-
Financed Purchases	156,440	-	24,106	132,334	24,861
Subscription Liabilities	259,154	72,964	76,209	255,909	56,112
Compensated Absences	898,688	968,948	978,794	888,842	204,000
Net Pension Liability	28,163,296	9,641,769	8,601,101	29,203,964	-
Claims Liability	575,000	46,889	46,889	575,000	57,500
Total OPEB Liability	3,023,962	1,882,600	1,833,043	3,073,519	-
Total Noncurrent Liabilities	$ 37,795,680	$ 12,613,170	$ 12,089,107	$ 38,319,743	$ 789,715

2020 Refunding Lease Revenue Bonds - Sunset Center

On September 23, 2020, the City issued $3,895,000 in 2020 Refunding Lease Revenue Bonds at a $866,901 premium with interest at 4%. The issuance costs were $183,992. The bonds were issued to refund the Sunset Center COPs and the aggregate difference in debt service between the refunding debt and the refunded debt was $1,042,418. The net savings on the defeasance totaled $128,099.

The annual debt service requirements were as follows:

Fiscal Year Ending June 30:	Principal	Interest	Total
2025	375,000	141,600	$ 516,600
2026	380,000	126,600	506,600
2027	405,000	111,400	516,400
2028	425,000	95,200	520,200
2029	440,000	78,200	518,200
2030-2034	1,515,000	130,600	1,645,600
Total	$ 3,540,000	$ 683,600	$ 4,223,600

Countywide Radio Project
In 2009, the City entered into a participation agreement with Monterey County to provide funding related to the "Next Generation Radio Project," a Federal Communications Commission mandated alteration of public safety and local government radio systems. Estimated payments will change should individual local jurisdictions elect out of the project. The final payment was made during the fiscal year.

Financed Purchases
The City entered into a finance purchase agreement to buy Motorola radios for $203,021, including interest, at 3.13%, and principal. The payments commenced on July 1, 2022 and end on July 1, 2028. The annual debt service requirements were as follows:

Fiscal Year Ending June 30:	Principal	Interest	Total
2025	$ 24,861	$ 4,142	$ 29,003
2026	25,639	3,364	29,003
2027	26,442	2,561	29,003
2028	27,269	1,734	29,003
2029	28,123	880	29,003
Total	$ 132,334	$ 12,681	$ 145,015

Subscription Based Information Technology Agreements
During the year, the City implemented GASB 96, Subscription Based Information Technology Arrangements (SBITAs). The following summarizes the City's terms and conditions for its SBITAs as of June 30, 2024:

Terms	Spring Brook	AXON BWP	GovInvest
Start	7/1/2022	1/1/2023	9/30/2023
End	7/1/2027	6/30/2032	9/26/2026
Annual Rate	2.52%	3.54%	2.52%
Principal Paid	$ 35,189	$ 34,280	$ 25,000
Interest Paid	$ 2,243	$ 5,271	$ -
Lease Amortization	$ 17,880	$ 17,887	$ 24,391

The following summarizes the City's right of use assets and subscription liabilities:

Subscription Right of Use Assets	Spring Brook	AXON BWP	GovInvest	Total
Beginning	$ 107,281	$ 170,133	$ -	$ 277,414
Additions	-	-	73,172	73,172
Deletions	-	(208)	-	(208)
Ending	107,281	169,925	73,172	350,378
Accumulated Amortization	(35,760)	(26,841)	(24,391)	(86,992)
Subscription ROA, Net	$ 71,521	$ 143,084	$ 48,781	$ 263,386

Subscription Liabilities	Spring Brook	AXON BWP	GovInvest	Total
Beginning	$ 89,021	$ 170,133	$ -	$ 259,154
Additions	-	(208)	73,172	72,964
Principal Paid	(16,929)	(34,280)	(25,000)	(76,209)
Ending	72,092	135,645	48,172	255,909
Due Within One Year	17,356	14,970	23,786	56,112
Due in More Than One Year	$ 54,736	$ 120,675	$ 24,386	$ 199,797

The annual subscription payments as follows:

Ending June 30,	Principal	Interest	Total
2024	$ 56,112	$ 7,837	$ 63,949
2025	57,679	6,269	63,948
2026	34,291	4,657	38,948
2027	35,319	3,629	38,948
2028	17,207	2,569	19,776
2029-2033	55,301	4,026	59,327
Total Debt Service	$ 255,909	$ 28,987	$ 284,896

Compensated Absences
The City records employee absences, such as vacation, illness, and holidays, for which it is expected that employees will be paid as compensated absences.

Net Pension Liability
In accordance with GASB Statement No. 68, the City has recorded its net pension liability of CalPERS benefits for retirees. Pension benefits and associated liabilities are paid from the General Fund. See Note 7 for further discussion on the net pension liability.

Claims Liability
The City has recorded a liability for potential claims in excess of amounts covered by the insurance pool. See Note 8 for further discussion on the City's risk management activities.

Total OPEB Liability
The total OPEB liability is the cumulative differences between annual OPEB cost and an employer's contributions to a plan. OPEB liabilities are paid from the General Fund. See Note 9 for further discussion on OPEB.

NOTE 7 - RISK MANAGEMENT

The City of Carmel-by-the-Sea (City) is a member of PRISM (Public Risk Innovation, Solutions, and Management) which is a shared risk pool. PRISM covers claims for the City for both Workers Compensation and General Liability. The City's Liability SIR is pre-funded through PRISM for 8 quarters of payments made on behalf of City. Currently, the SIR fund for the City with PRISM is maintained at $8,183. If the pre-funded SIR balance drops below this amount, the City is billed by PRISM to replenish the fund to the $8,183 level. The City does not make claim payments, they are all issued by the city's third-party administrator from a PRISM account.

The City has three layers of Liability coverage through PRISM and under the first layer, the Primary General Liability layer, there is an SIR (Self Insured Retention) of $10,000 per claim. Thereafter, the next layer of coverage kicks in (General Liability 1 program) which carries an SIR of $100,000 which is satisfied by exhausting the coverage limit of $100,000 under the Primary Liability program. The maximum limit of coverage under the primary General Liability 1 program is $25 million. The third layer is $25 million limit in the PRISM Optional Excess Liability program. The City's total Liability insurance limit is $50 million.

For Workers Compensation, the City is a member of both the PRISM Primary Workers Compensation program and then, the PRISM Excess Workers Compensation program. The Primary Workers compensation program provides dollar 1 coverage to the City for Workers Compensation claims. In other words, City has no deductible or SIR. This layer of Workers Compensation coverage carries a maximum limit of $125,000 per occurrence. Thereafter, PRISM's excess coverage steps in and the SIR (Self Insured Retention) is $125,000 which again, is satisfied by exhausting the limits of coverage under the Primary Workers Compensation program. The upper limit of coverage under the Excess Workers Compensation program is "statutory". What this means is that regardless of the total cost of the claim, it is covered under the PRISM Excess Workers Compensation program. There is absolutely no monetary exposure to the City under these two Workers Compensation programs except for the premium costs to purchase this coverage. The City has had no settlements which exceeded insurance coverage in the last three fiscal years and no significant changes or reductions in insurance coverage during the current year.

The following summarizes the change in the estimated workers compensation claims liability over the last two fiscal years:

	Year Ended June 30, 2024	Year Ended June 30, 2023
Beginning of year	$ 575,000	$ 575,000
Increase (decrease) in current year claims	45,885	419,883
Changes in estimates	1,004	(175,487)
Claims paid	(46,889)	(244,396)
Ending balance	575,000	575,000
Current portion	(57,500)	(57,500)
Non-current portion	$ 517,500	$ 517,500

NOTE 8 - RETIREMENT PLANS

General Information about the Pension Plans

Plan Description
All qualified permanent and probationary employees are eligible to participate in the City's Employee Pension Plan (the Plan) which is a cost-sharing multiple employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS). The plan includes different tiers for each class of employee under Miscellaneous and Safety provisions. 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.

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. The cost-of-living adjustments for the Plans are applied as specified by the Public Employees' Retirement Law. The Plans' provisions and benefits in effect at June 30, 2024, are summarized as follows:

	Miscellaneous		
	Tier 1	Tier 2	PEPRA
Hire date	< 4/15/2012	>= 4/15/2012	>= 1/1/2013
Benefit formula	2% @ 55	2% @ 60	2% @ 62
Benefit vesting schedule	5 Years	5 Years	5 Years
Benefit payments	Monthly for Life	Monthly for Life	Monthly for Life
Retirement age	55	60	62
Monthly benefits as a % of eligible compens.	2.0% to 2.5%	2.00%	2.00%
Required employee contribution rates	7.00%	7.00%	7.75%
Required employer contribution rates	12.47%	10.10%	7.68%
Contractual employee contribution rates	10.00%	10.00%	10.75%
Contractual employer contribution rates	9.47%	7.10%	4.68%

	Safety		
	Tier 1	Tier 2	PEPRA
Hire date	< 4/15/2012	>= 4/15/2012	>= 1/1/2013
Benefit formula	3% @ 50	2% @ 50	2.7% @ 57
Benefit vesting schedule	5 Years	5 Years	5 Years
Benefit payments	Monthly for Life	Monthly for Life	Monthly for Life
Retirement age	50	50	57
Monthly benefits as a % of eligible compens.	2.00%	2.00%	2.00%
Required employee contribution rates	9.00%	9.00%	13.75%
Required employer contribution rates	27.11%	19.95%	13.54%
Contractual employee contribution rates	12.00%	12.00%	16.75%
Contractual employer contribution rates	24.11%	16.95%	10.54%

Employees Covered

At June 30, 2024, the following employees were covered by the benefit terms for the Plans:

	Miscellaneous	Safety	Total
Active	56	16	72
Transferred	30	20	50
Separated	34	14	48
Retired	123	59	182
Total	243	109	352

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rates are the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the year ended June 30, 2024, the following contributions were made:

	Employer Contributions
Miscellaneous	$ 2,278,639
Safety	415,309
Total Employer Contributions	$ 2,693,948

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2024, the City reported net pension liabilities for its proportionate shares of the net pension liability as follows:

	Proportionate Share of Net Pension Liability/(Asset)
Miscellaneous	$ 14,908,532
Safety	14,295,432
Total	**$ 29,203,964**

The City's net pension liability for the Plans is measured as the proportionate share of the net pension liability. The net pension liability of the Plans are measured as of June 30, 2023, and the total pension liability for the Plans used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022 rolled forward to June 30, 2023 using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

The City's proportionate share of the net pension liability for the Plans as of June 30, 2023 and 2023 was as follows:

	Miscellaneous	Safety	Combined Plans
Proportion - June 30, 2023	0.30048%	0.20524%	0.24382%
Proportion - June 30, 2024	0.29815%	0.19124%	0.23409%
Change - Increase/(Decrease)	-0.00234%	-0.01399%	-0.00973%

For the year ended June 30, 2024, the City recognized a pension expense of $3,888,037.

At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Miscellaneous	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of Assumptions	$ 900,095	$ -
Differences between Expected and Actual Experience	761,608	118,144
Differences between Projected and Actual Investment Earnings	2,413,826	-
Differences between Employer's Contributions and Proportionate Share of Contributions	740,255	85,469
Change in Employer's Proportion	-	382,673
Pension Contributions Made Subsequent to Measurement Date	2,278,639	-
Total	$ 7,094,424	$ 586,286

	Safety	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of Assumptions	$ 834,301	$ -
Differences between Expected and Actual Experience	1,049,548	89,852
Differences between Projected and Actual Investment Earnings	1,956,326	-
Differences between Employer's Contributions and Proportionate Share of Contributions	-	1,339,897
Change in Employer's Proportion	194,230	424,180
Pension Contributions Made Subsequent to Measurement Date	415,309	-
Total	$ 4,449,714	$ 1,853,929

City of Carmel-by-the-Sea
Notes to the Basic Financial Statements
June 30, 2024

	Plan Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of Assumptions	$ 1,734,396	$ -
Differences between Expected and Actual Experience	1,811,157	207,996
Differences between Projected and Actual Investment Earnings	4,370,152	-
Differences between Employer's Contributions and Proportionate Share of Contributions	740,255	1,425,365
Change in Employer's Proportion	194,230	806,853
Pension Contributions Made Subsequent to Measurement Date	2,693,948	-
Total	$ 11,544,138	$ 2,440,214

The City reported $2,693,948 as deferred outflows of resources related to contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the year ended June 30, 2025.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Fiscal Year Ending	Deferred Outflows/(Inflows) of Resources		
June 30:	Miscellaneous	Safety	Total
2025	$ 1,217,018	$ 533,887	$ 1,750,905
2026	948,378	298,453	1,246,830
2027	1,994,840	1,293,531	3,288,371
2028	69,263	54,605	123,867
2029	-	-	-
Thereafter	-	-	-
Total	$ 4,229,499	$ 2,180,476	$ 6,409,973

Actuarial Assumptions

The total pension liabilities in the June 30, 2022 actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	June 30, 2022
Measurement Date	June 30, 2023
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Payroll Growth	2.80%
Projected Salary Increase	(1)
Investment Rate of Return	6.8% (2)
Mortality	(3)

(1) Varies by entry age and service
(2) Net of pension plan investment expenses, including inflation
(3) Derived using CalPERS' membership data for all funds

Discount Rate

The discount rate used to measure the total pension liability was 6.9%. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the Plan, CalPERS stress tested employer rate plans within the Plan that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested employer rate plans run out of assets. Therefore, the current 6.9% discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The stress test results are presented in a detailed report, GASB Statements 67 and 68 Crossover Testing Report for Measurement Date June 30, 2021 based on June 30, 2020 Valuations, that can be obtained from the CalPERS website.

According to Paragraph 30 of GASB 68, the long-term discount rate should be determined without reduction for pension plan administrative expense. For the CalPERS Plan, the 6.9% investment return assumption used in this accounting valuation is net of administrative expenses. Administrative expenses are assumed to be 15 basis points. An investment return excluding administrative expenses would have been 6.9%. Using this lower discount rate has resulted in a slightly higher total pension liability and net pension liability. CalPERS checked the materiality threshold for the difference in calculation and did not find it to be a material difference.

In determining the long-term expected rate of return, CalPERS took into account both short- term and long-term market return expectations as well as the expected pension fund cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the Plan's asset classes, expected compound (geometric) returns were calculated over the short-term (first 11 years) and the long-term (60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for the Plan. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class (a)	Assumed Asset Allocation	Long-Term Expected Real Return (1)(2)
Global Equity Cap Weighted	30.00%	4.54%
Global Equity NonCap 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 2.3% used for this period.
(2) Figures are based on the 2021-22 Asset Liability Study.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the City's proportionate share of the net pension liability for the Plans, calculated using the discount rate for the Plans, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Miscellaneous	Safety	Total
1% Decrease	5.90%	5.90%	5.90%
Net Pension Liability	$ 21,596,850	20,204,295	41,801,146
Current	6.90%	6.90%	6.90%
Net Pension Liability	$ 14,908,532	14,295,432	29,203,964
1% Increase	7.90%	7.90%	7.90%
Net Pension Liability	$ 9,403,473	9,464,516	18,867,989

Pension Plan Fiduciary Net Position

Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

NOTE 9 - OTHER POSTEMPLOYMENT BENEFITS PLAN

Plan Description and Benefits

The City of Carmel-by-the-Sea Retiree Healthcare Plan (Plan) is a single-employer defined benefit healthcare plan administered by the City. The Plan provides access to lifetime healthcare benefits to eligible retirees and their dependents. The City provides retiree medical benefits through the California Public Employees' Retirement System healthcare program (PEMHCA). For eligible retirees, the City contributes not less than 5% of the active contribution times years in PEMHCA (max $100/month increase). For purposes of its contract with PEMHCA, the City uses a statutory schedule to determine its monthly contribution on behalf of each active employee. The statutory amount was $133.00 for 2018 and is indexed by the Medical CPI each year thereafter.

The City offers the same medical plans to its retirees and surviving spouses as to its active employees, with the exception that once a retiree becomes eligible for Medicare, he or she must join a Medicare HMO or a Medicare Supplement plan, with Medicare becoming the primary payer. Employees become eligible to retire and receive City-paid healthcare benefits upon attainment of age 50 and 5 years of service (age 52 for Miscellaneous PEPRA employees). The City contribution towards retiree health benefits is determined under the "equal contribution method" under PEMHCA, whereby the contribution is 100% of the City's statutory minimum contribution for active employees. No stand-alone financial are issued for this plan as it is not a trusted plan.

Employees Covered by Benefit Terms

At June 30, 2024, the benefit terms covered the following employees:

Active employees	72
Inactive employees	47
Total employees	119

Contributions

The City makes contributions based on a pay-as-you go basis as approved by the authority of the City's Board. Total benefit payments included in the measurement period were $134,849. The City's contributions and benefit payments were 2% of covered payroll during the measurement period June 30, 2024. Employees are not required to contribute to the plan. There have been no assets accumulated in a trust to provide for the benefits of this plan.

Actuarial Assumptions
The following summarized the actuarial assumptions for the OPEB plan included in this fiscal year:

Valuation Date:	June 30, 2023
Measurement Date:	June 30, 2024
Actuarial Cost Method:	Entry-Age Normal Cost Method
Amortization Period:	20 years
Actuarial Assumptions:	
Discount Rate	3.97% Increased from 3.86%
Inflation	2.30% Decreased from 2.40%
Payroll Increases	2.80%
Trend Rate	6.50%
Municipal Bond Rate	3.97%
Mortality	2021 CalPERS Mortality for Safety Employees 2021 CalPERS Retiree Mortality for All Employees 2021 CalPERS Mortality for Miscellaneous and Schools Employees

Discount Rate
The discount rate was based on the Bond Buyer 20-bond General Obligation Index.

Total OPEB Liability
The City's total OPEB liability was measured as of June 30, 2024 (measurement date) and was determined by an actuarial valuation as of June 30, 2023 (valuation date) for the fiscal year ended June 30, 2024 (reporting date).

Changes in the Total OPEB Liability
The following summarizes the changes in the Total OPEB liability during the year:

Fiscal Year Ended June 30, 2022	Total OPEB Liability
Balance at June 30, 2021	$ 3,023,962
Service cost	197,644
Interest in Total OPEB Liability	121,752
Actual and exp experience	(1,787)
Changes in assumptions	(133,200)
Benefit payments	(134,849)
Net changes	49,560
Balance at June 30, 2022	$ 3,073,522
Covered Employee Payroll	$ 7,824,016
Total OPEB Liability as a % of Covered Employee Payroll	39.28%
Service Cost as a % of Covered Employee Payroll	2.53%
Net OPEB Liability as a % of Covered Employee Payroll	39.28%

The City's plan is nonfunded, meaning there have not been assets placed into an irrevocable trust, therefore the plan fiduciary net position is zero.

Deferred Inflows and Outflows of Resources
At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between actual and expected experience	$ 165,635	$ 361,002
Change in assumptions	92,477	1,252,271
Totals	$ 258,112	$ 1,613,273

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30,	
2025	$ (305,770)
2026	(305,770)
2027	(331,337)
2028	(246,745)
2029	(144,623)
Thereafter	(20,916)
Total	$ (1,355,161)

OPEB Expense

The following summarizes the OPEB expense by source during the year ended June 30, 2024:

Service cost	$ 197,644
Interest in TOL	121,752
Difference between actual and expected experience	(79,057)
Change in assumptions	(216,858)
OPEB Expense	$ 23,481

The following summarizes changes in the net OPEB liability as reconciled to OPEB expense during the year ended June 30, 2024:

Total OPEB liability ending	$ 3,073,522
Total OPEB liability begining	(3,023,962)
Change in total OPEB liability	49,560
Changes in deferred outflows	84,921
Changes in deferred inflows	(245,846)
Employer contributions and implicit subsidy	134,846
OPEB Expense	$ 23,481

Sensitivity to Changes in the Discount Rate

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 one percentage point lower or one percentage point higher, is as follows:

	Municipal Bond Rate		
	1% Decrease	**3.86%**	**1% Increase**
Total OPEB Liability	$ 3,481,128	$ 3,073,522	$ 2,737,770

Sensitivity to Changes in the Healthcare Cost Trend Rates

The total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than current healthcare cost trend rates, is as follows:

	Trend Rate		
	1% Decrease	**4.00%**	**1% Increase**
Total OPEB Liability	$ 2,680,902	$ 3,073,522	$ 3,561,122

NOTE 10 - COMMITMENTS AND CONTINGENCIES

A. Lawsuits

The City may be involved in certain matters of litigation that have arisen in the normal course of conducting City business. City management believes, based upon consultation with the City Attorney, that any cases, in the aggregate, are not expected to result in a material adverse financial impact on the City. Additionally, City management believes that the City's insurance programs are sufficient to cover any potential losses should an unfavorable outcome materialize.

B. Federal and State Grant Programs

The City participates in Federal, State and County grant programs. These programs are audited by the City's independent accountants, if required, in accordance with the provisions of the Federal Single Audit Act Amendments of 1996 and applicable State requirements. For Federal programs, the City did not reach the level of qualifying expenditures during the current fiscal year that would require a single audit. Expenditures which may be disallowed, if any, by the granting agencies, cannot be determined at this time. The City expects such amounts, if any, to be immaterial.

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REQUIRED SUPPLEMENTARY INFORMATION

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Attachment 2

City of Carmel-By-The-Sea
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (GAAP Basis)
General Fund
For the Year Ended June 30, 2024

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual Amounts	
REVENUES				
Taxes:				
Property taxes	$ 8,493,132	$ 8,493,132	$ 8,770,847	$ 277,715
Sales and use taxes	3,679,421	3,679,421	3,692,470	13,049
Transient occupancy taxes	6,801,007	7,395,327	8,579,344	1,184,017
Franchise fees	832,858	832,858	986,558	153,700
Business license tax	557,024	557,024	751,306	194,282
Intergovernmental revenues	600,932	600,932	910,428	309,496
License and permits	1,039,456	1,039,456	1,359,671	320,215
Fines and forfeitures	62,152	62,152	180,843	118,691
Charges for services	1,474,766	1,474,766	1,133,640	(341,126)
Interest	28,325	28,325	444,856	416,531
Rents and concessions	116,884	116,884	164,514	47,630
Other revenues	78,300	177,525	159,305	(18,220)
Total Revenues	23,764,257	24,457,802	27,133,782	2,675,980
EXPENDITURES				
Current:				
General government	8,286,320	8,532,353	7,002,824	1,529,529
Community Planning and Building	2,224,559	2,224,559	1,845,642	378,917
Public Safety	10,684,758	10,780,078	9,057,317	1,722,761
Public Works	5,409,213	5,769,438	5,192,057	577,381
Library	1,289,406	1,289,406	1,188,811	100,595
Community Activities	304,297	304,297	163,054	141,243
Economic Reviltalization	1,134,030	1,134,030	1,134,030	-
Capital outlay	-	-	72,964	(72,964)
Debt service				
Principal	-	-	76,209	(76,209)
Interest and fiscal charges	-	-	7,515	(7,515)
Total Expenditures	29,332,583	30,034,161	25,740,423	4,293,738
Excess (Deficiency) of Revenues over Expenditures	(5,568,326)	(5,576,359)	1,393,359	6,969,718
OTHER FINANCING SOURCES (USES)				
Subscriptions	-	-	72,964	72,964
Transfers in	158,000	158,000	158,000	-
Transfers out	(3,715,820)	(3,715,820)	(3,715,820)	-
Total Other Financing Sources (Uses)	(3,557,820)	(3,557,820)	(3,484,856)	-
Net Change in Fund Balance	(9,126,146)	(9,134,179)	(2,091,497)	6,969,718
Fund Balance Beginning	22,398,401	22,398,401	22,398,401	-
Fund Balance Ending	$ 13,272,255	$ 13,264,222	$ 20,306,904	$ 6,969,718

Attachment 2

City of Carmel-By-The-Sea
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (GAAP Basis)
Measure C Sales Tax Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Sales and use taxes	$ 5,926,532	$ 5,926,532	$ 6,386,122	$ 459,590
OTHER FINANCING SOURCES (USES)				
Transfers out	(6,145,082)	(6,145,082)	(6,145,082)	-
Net Change in Fund Balance	(218,550)	(218,550)	241,040	459,590
Fund Balance Beginning	1,911,499	1,911,499	1,911,499	-
Fund Balance Ending	$ 1,692,949	$ 1,692,949	$ 2,152,539	$ 459,590

Attachment 2

City of Carmel-By-The-Sea

Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (GAAP Basis)
Harrison Memorial Library Fund
For the Year Ended June 30, 2024

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual Amounts	Positive (Negative)
REVENUES				
Contributions	$ 366,000	$ 366,000	$ 359,903	$ (6,097)
Charges for services	9,000	9,000	6,655	(2,345)
Interest	22,900	22,900	45,797	22,897
Total Revenues	397,900	397,900	412,355	14,455
EXPENDITURES				
Current:				
Library	402,900	402,900	409,336	(6,436)
Total Expenditures	402,900	402,900	409,336	(6,436)
Excess (Deficiency) of Revenues over Expenditures	(5,000)	(5,000)	3,019	8,019
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balance	(5,000)	(5,000)	3,019	8,019
Fund Balance Beginning	1,450,632	1,450,632	1,450,632	-
Fund Balance Ending	$ 1,445,632	$ 1,445,632	$ 1,453,651	$ 8,019

City of Carmel-by-the-Sea
Schedule of Pension Contributions
June 30, 2024

Miscellaneous and Safety Plan					
Plan Measurement Date	**2014**	**2015**	**2016**	**2017**	**2018**
Fiscal Year Ended	**2015**	**2016**	**2017**	**2018**	**2019**
Contractually Required Contributions	$ 725,205	$ 1,125,776	$ 1,279,565	$ 1,317,381	$ 1,566,319
Contributions in Relation to Contractually Required Contributions	725,205	1,125,776	1,279,565	1,317,381	1,566,319
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -
Covered Payroll	**$ 4,894,966**	**$ 5,193,071**	**$ 5,725,559**	**$ 5,897,326**	**$ 6,074,246**
Contributions as a % of Covered Payroll	**14.82%**	**21.68%**	**22.35%**	**22.34%**	**25.79%**

Miscellaneous and Safety Plan					
Plan Measurement Date	**2019**	**2020**	**2021**	**2022**	**2023**
Fiscal Year Ended	**2020**	**2021**	**2022**	**2023**	**2024**
Contractually Required Contributions	$ 1,864,910	$ 2,183,605	$ 2,378,458	$ 2,666,278	$ 2,693,948
Contributions in Relation to Contractually Required Contributions	1,864,910	2,183,605	2,378,458	2,666,278	2,693,948
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -
Covered Payroll	**$ 6,591,573**	**$ 6,772,841**	**$ 6,244,060**	**$ 7,251,994**	**$ 7,829,262**
Contributions as a % of Covered Payroll	**28.29%**	**32.24%**	**38.09%**	**36.77%**	**34.41%**

Notes to Schedule:

Valuation Date: June 30, 2022

Assumptions Used:
Entry Age Method used for Actuarial Cost Method
Level Percentage of Payroll and Direct Rate Smoothing
Remaining Amortization Period no more than 29 years
Inflation Assumed at 2.30%
Investment Rate of Returns set at 6.8%
The mortality table was developed based on CalPERS-specific data. The rates incorporate Generational Mortality to capture ongoing morality improvement using 80% of Scale MP 2020 published by the Society of Actuaries. For more details, please refer to the 2021 experience study report that can be found on the CalPERS website.

The CalPERS discount rate was increased from 7.50% to 7.65% in FY2016, to 7.15% in FY2018, and then decreased to 6.9% in FY2023. The CalPERS mortality assumptions was adjusted in fiscal year 2023.

Attachment 2

City of Carmel-by-the-Sea
Schedule of Proportionate Share of Net Pension Liability
June 30, 2024

Miscellaneous and Safety Plan					
Plan Measurement Date	**2014**	**2015**	**2016**	**2017**	**2018**
Fiscal Year Ended	**2015**	**2016**	**2017**	**2018**	**2019**
Proportion of Net Pension Liability (Safety and Misc)	0.18745%	0.19035%	0.19840%	0.20075%	0.20672%
Proportion of Net Pension Liability (Misc Plan Only)	0.47195%	0.47624%	0.49419%	0.50503%	0.52858%
Proportionate Share of Net Pension Liability	$ 11,664,146	$ 13,065,617	$ 17,167,636	$ 19,908,483	$ 19,920,568
Covered Payroll	$ 4,748,117	$ 4,894,966	$ 5,193,071	$ 5,725,559	$ 5,897,326
Proportionate Share of NPL as a % of Covered Payroll	245.66%	266.92%	330.59%	347.71%	337.79%
Plan's Fiduciary Net Position as a % of the TPL	80.11%	77.73%	74.70%	73.44%	74.18%

Miscellaneous and Safety Plan					
Plan Measurement Date	**2019**	**2020**	**2021**	**2022**	**2023**
Fiscal Year Ended	**2020**	**2021**	**2022**	**2023**	**2024**
Proportion of Net Pension Liability (Safety and Misc)	0.21144%	0.22373%	0.29520%	0.24382%	0.23409%
Proportion of Net Pension Liability (Misc Plan Only)	0.54105%	0.57710%	0.84081%	0.60188%	0.29815%
Proportionate Share of Net Pension Liability	$ 21,666,416	$ 24,342,598	$ 15,965,385	$ 28,163,296	$ 29,203,964
Covered Payroll	$ 6,074,246	$ 6,591,573	$ 6,772,841	$ 6,244,060	$ 7,251,994
Proportionate Share of NPL as a % of Covered Payroll	356.69%	369.30%	235.73%	451.04%	402.70%
Plan's Fiduciary Net Position as a % of the TPL	72.78%	71.13%	81.45%	68.49%	68.44%

The CalPERS discount rate was increased from 7.50% to 7.65% in FY2016, to 7.15% in FY2018, and then decreased to 6.90% in FY2023.
The CalPERS mortality assumptions was adjusted in fiscal year 2023.

Attachment 2

City of Carmel-by-the-Sea
Retiree Health Care Plan
Schedule of Total OPEB Liability
June 30, 2024

Fiscal Year Ended	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**
Total OPEB liability							
Service cost	$ 199,013	$ 193,586	$ 295,059	$ 348,597	$ 261,219	$ 197,644	$ 197,644
Interest	134,202	146,765	143,565	105,930	90,758	133,373	121,752
Diff. bet. expected and actual experience	(2,625)	(2,524)	59,118	(823,299)	-	205,046	(1,787)
Changes of assumptions	(137,699)	192,779	256,216	21,493	(716,539)	(1,013,678)	(133,200)
Benefit payments	(145,196)	(159,107)	(135,193)	(152,834)	(138,891)	(135,560)	(134,849)
Net change in Total OPEB Liability	47,695	371,499	618,765	(500,113)	(503,453)	(613,175)	49,560
Total OPEB Liability - beginning	3,602,744	3,650,439	4,021,938	4,640,703	4,140,590	3,637,137	3,023,962
Total OPEB Liability - ending	$ 3,650,439	$ 4,021,938	$ 4,640,703	$ 4,140,590	$ 3,637,137	$ 3,023,962	$ 3,073,522
Covered Employee Payroll	$ 6,021,711	$ 6,207,949	$ 6,378,668	$ 6,544,081	$ 6,734,318	$ 7,410,817	$ 7,614,614
TOL as a % of covered emp. payroll	60.62%	64.79%	72.75%	63.27%	54.01%	40.80%	40.36%

Other Notes

GASB 75 requires a schedule of contributions for the last ten fiscal years, or for as many years as are available if less than ten years are available. GASB 75 was adopted as of June 30, 2018.

In FY2023, the discount rate increased from 2.2% to 3.86%, the inflation rate decreased from 2.75% to 2.4%, the payroll rate decreased from 3% to

In FY2024, the discount rate increased to 3.97%, inflation decreased to 2.3%, and the health trend rate was 6.5%.

No assets have been accumulated in a trust for the City's OPEB plan.

SUPPLEMENTARY INFORMATION

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COMBINING NONMAJOR GOVERNMENTAL FUNDS

Fund Title	Fund Description
Gast Tax	This fund is used to account for revenues collected in accordance with the Streets and Highway Code.
Transportation Safety	This fund accounts for the expenditures related to resources provided for transportation safety as required by Measure X.
COPS Grant	This fund accounts for the expenditures related to the COP's grant for public safety.
Parking in Lieu	This fund is used to account for activities associate with parking in-lieu fees.
Asset Seizure	This fund accounts for the expenditures related to asset seizures.
Debt Service	This fund is used to account for activities related to the repayment of the Certificate of Participation, Pension Obligation Bond, and capital lease obligations.

City of Carmel-By-The-Sea

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2024

	Special Revenue Funds			
	Gas Tax Fund	Transportation Safety Fund	COPS Grant Fund	Parking In-Lieu Fund
ASSETS				
Cash and investments	$ 147,157	$ -	$ 23,799	$ 758,830
Receivables:				
Due from other governments	21,766	64,575	16,666	-
Total assets	$ 168,923	$ 64,575	$ 40,465	$ 758,830
LIABILITIES AND FUND BALANCES				
Liabilities:				
Due to other funds	$ -	$ 64,575	$ -	$ -
Total liabilities	-	64,575	-	-
Fund Balances:				
Restricted:				
Transportation	168,923	-	-	-
Public safety	-	-	40,465	-
Debt service	-	-	-	-
Asset seizure	-	-	-	-
Public parking	-	-	-	758,830
Total fund balances	168,923	-	40,465	758,830
Total liabilities and fund balances	$ 168,923	$ 64,575	$ 40,465	$ 758,830

Cont'd

City of Carmel-By-The-Sea

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2024

	Special Revenue Funds	Debt Service	
	Asset Seizure Fund	Debt Service Fund	Total Nonmajor Governmental Funds
ASSETS			
Cash and investments	$ 5,616	$ 34,807	$ 970,209
Receivables:			
Due from other governments	-	-	103,007
Total assets	$ 5,616	$ 34,807	$ 1,073,216
LIABILITIES AND FUND BALANCES			
Liabilities:			
Due to other funds	$ -	$ -	$ 64,575
Total liabilities	-	-	64,575
Fund Balances:			
Restricted:			
Transportation	-	-	168,923
Public safety	-	-	40,465
Debt service	-	34,807	34,807
Asset seizure	5,616	-	5,616
Public parking	-	-	758,830
Total fund balances	5,616	34,807	1,008,641
Total liabilities and fund balances	$ 5,616	$ 34,807	$ 1,073,216

Concluded

City of Carmel-By-The-Sea

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	Special Revenue Funds			
	Gas Tax Fund	Transportation Safety Fund	COPS Grant Fund	Parking In-Lieu Fund
REVENUES				
Intergovernmental revenues	$ 169,648	$ 263,638	$ 186,159	$ -
Interest	14,361	14,935	1,489	20,238
Total Revenues	184,009	278,573	187,648	20,238
EXPENDITURES				
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues over Expenditures	184,009	278,573	187,648	20,238
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(551,432)	(1,134,799)	(158,000)	-
Total Other Financing Sources (Uses)	(551,432)	(1,134,799)	(158,000)	-
Net Change in Fund Balances	(367,423)	(856,226)	29,648	20,238
Fund Balances Beginning	536,346	856,226	10,817	738,592
Fund Balances Ending	$ 168,923	$ -	$ 40,465	$ 758,830

Cont'd

City of Carmel-By-The-Sea

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	Special Revenue Funds	Debt Service	
	Asset Seizure Fund	Debt Service Fund	Total Nonmajor Governmental Funds
REVENUES			
Intergovernmental revenues	$ -	$ -	$ 619,445
Interest	150	-	51,173
Total Revenues	150	-	670,618
EXPENDITURES			
Debt service			
Principal	-	370,033	370,033
Interest and fiscal charges	-	150,009	150,009
Total Expenditures	-	520,042	520,042
Excess (Deficiency) of Revenues over Expenditures	150	(520,042)	150,576
OTHER FINANCING SOURCES (USES)			
Transfers in	-	528,044	528,044
Transfers out	-	-	(1,844,231)
Total Other Financing Sources (Uses)	-	528,044	(1,316,187)
Net Change in Fund Balances	150	8,002	(1,165,611)
Fund Balances Beginning	5,466	26,805	2,174,252
Fund Balances Ending	$ 5,616	$ 34,807	$ 1,008,641

Concluded

City of Carmel-By-The-Sea

Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual (GAAP Basis)
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	Gas Tax Fund			
	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual Amounts	Positive (Negative)
REVENUES				
Intergovernmental revenues	$ 179,934	$ 179,934	$ 169,648	$ (10,286)
Contributions	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	14,361	14,361
Total Revenues	179,934	179,934	184,009	4,075
EXPENDITURES				
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues over Expenditures	179,934	179,934	184,009	4,075
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(179,934)	(179,934)	(551,432)	(371,498)
Total Other Financing Sources (Uses)	(179,934)	(179,934)	(551,432)	(371,498)
Net Change in Fund Balances	-	-	(367,423)	(367,423)
Fund Balances Beginning	536,346	536,346	536,346	-
Fund Balances Ending	$ 536,346	$ 536,346	$ 168,923	$ (367,423)

Cont'd

City of Carmel-By-The-Sea

Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual (GAAP Basis)
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	Transportation Safety Fund			
	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual Amounts	
REVENUES				
Intergovernmental revenues	$ 231,779	$ 231,779	$ 263,638	$ 31,859
Contributions	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	14,935	14,935
Total Revenues	231,779	231,779	278,573	46,794
EXPENDITURES				
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues over Expenditures	231,779	231,779	278,573	46,794
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(802,757)	(802,757)	(1,134,799)	(332,042)
Total Other Financing Sources (Uses)	(802,757)	(802,757)	(1,134,799)	(332,042)
Net Change in Fund Balances	(570,978)	(570,978)	(856,226)	(285,248)
Fund Balances Beginning	856,226	856,226	856,226	-
Fund Balances Ending	$ 285,248	$ 285,248	$ -	$ (285,248)

Cont'd

City of Carmel-By-The-Sea

Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual (GAAP Basis)
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

COPS Grant Fund

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual Amounts	Positive (Negative)
REVENUES				
Intergovernmental revenues	$ 158,000	$ 158,000	$ 186,159	$ 28,159
Contributions	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	1,489	1,489
Total Revenues	158,000	158,000	187,648	29,648
EXPENDITURES				
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues over Expenditures	158,000	158,000	187,648	29,648
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(158,000)	(158,000)	(158,000)	-
Total Other Financing Sources (Uses)	(158,000)	(158,000)	(158,000)	-
Net Change in Fund Balances	-	-	29,648	29,648
Fund Balances Beginning	10,817	10,817	10,817	-
Fund Balances Ending	$ 10,817	$ 10,817	$ 40,465	$ 29,648

Cont'd

City of Carmel-By-The-Sea

Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual (GAAP Basis)
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	Parking In-Lieu Fund			
	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual Amounts	Positive (Negative)
REVENUES				
Intergovernmental revenues	$ -	$ -	$ -	$ -
Contributions	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	20,238	20,238
Total Revenues	-	-	20,238	20,238
EXPENDITURES				
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues over Expenditures	-	-	20,238	20,238
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	-	-	20,238	20,238
Fund Balances Beginning	738,592	738,592	738,592	-
Fund Balances Ending	$ 738,592	$ 738,592	$ 758,830	$ 20,238

Cont'd

City of Carmel-By-The-Sea

Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual (GAAP Basis)
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	Asset Seizure Fund			
	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual Amounts	Positive (Negative)
REVENUES				
Intergovernmental revenues	$ -	$ -	$ -	$ -
Contributions	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	150	150
Total Revenues	-	-	150	150
EXPENDITURES				
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues over Expenditures	-	-	150	150
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	-	-	150	150
Fund Balances Beginning	5,466	5,466	5,466	-
Fund Balances Ending	$ 5,466	$ 5,466	$ 5,616	$ 150

Cont'd

City of Carmel-By-The-Sea

Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual (GAAP Basis)
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	Debt Service Fund			
	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual Amounts	Positive (Negative)
REVENUES				
Intergovernmental revenues	$ -	$ -	$ -	$ -
Contributions	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Total Revenues	-	-	-	-
EXPENDITURES				
Debt service				
Principal	369,744	369,744	370,033	(289)
Interest and fiscal charges	158,300	158,300	150,009	8,291
Total Expenditures	528,044	528,044	520,042	8,002
Excess (Deficiency) of Revenues over Expenditures	(528,044)	(528,044)	(520,042)	8,002
OTHER FINANCING SOURCES (USES)				
Transfers in	528,044	528,044	528,044	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	528,044	528,044	528,044	-
Net Change in Fund Balances	-	-	8,002	8,002
Fund Balances Beginning	26,805	26,805	26,805	-
Fund Balances Ending	$ 26,805	$ 26,805	$ 34,807	$ 8,002

Concluded

Attachment 2

City of Carmel-By-The-Sea
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (GAAP Basis)
Capital Projects Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental revenues	$ -	$ 267,000	$ 12,768	$ (254,232)
Other revenues	125,000	200,789	75,792	(124,997)
Total Revenues	125,000	467,789	88,560	(379,229)
EXPENDITURES				
Capital outlay	9,761,100	9,836,889	2,750,084	7,086,805
Total Expenditures	9,761,100	9,836,889	2,750,084	7,086,805
Excess (Deficiency) of Revenues over Expenditures	(9,636,100)	(9,369,100)	(2,661,524)	6,707,576
OTHER FINANCING SOURCES (USES)				
Transfers in	9,377,567	9,377,567	10,081,107	703,540
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	9,377,567	9,377,567	10,081,107	703,540
Net Change in Fund Balance	(258,533)	8,467	7,419,583	7,411,116
Fund Balance Beginning	3,676,972	3,676,972	3,676,972	-
Fund Balance Ending	$ 3,418,439	$ 3,685,439	$ 11,096,555	$ 7,411,116

INTERNAL SERVICE FUNDS

Fund Title	Fund Description
Worker's Compensation	This fund accounts for workers compensation insurance provided to departments on a cost reimbursement basis.
OPEB Reserve Fund	This fund accounts for other postemployment benefits provided to departments on a cost reimbursement basis.
Vehicle & Equipment Replacement	This fund is to set aside financial resources for future purchases of replacement equipment essential to the operations of the City.

City of Carmel-By-The-Sea
Combining Statement of Net Position
Internal Service Funds
June 30, 2024

	Workers Compensation Fund	OPEB Reserve Fund	Vehicle & Equipment Replacement Fund	Total Governmental Activities - Internal Service Funds
ASSETS				
Current assets:				
Cash and investments	$ 874,033	$ 1,817,179	$ 997,156	$ 3,688,368
Accounts receivable	-	-	12,000	12,000
Other assets	3,386	-	914,692	918,078
Total current assets	877,419	1,817,179	1,923,848	4,618,446
Noncurrent assets:				
Capital assets - net	-	-	1,773,566	1,773,566
Total assets	$ 877,419	$ 1,817,179	$ 3,697,414	$ 6,392,012
LIABILITIES				
Current liabilities:				
Financed purchases - current	$ -	$ -	$ 24,861	$ 24,861
Claims payable - current	57,500	-	-	57,500
Total current liabilities	57,500	-	24,861	82,361
Noncurrent liabilities:				
Financed purchases	-	-	107,473	107,473
Claims payable	517,500	-	-	517,500
Total noncurrent liabilities	517,500	-	107,473	624,973
Total liabilities	$ 575,000	$ -	$ 132,334	$ 707,334
NET POSITION				
Net investment in capital assets	$ -	$ -	$ 1,641,232	$ 1,641,232
Unrestricted	302,419	1,817,179	1,923,848	4,043,446
Total net position	$ 302,419	$ 1,817,179	$ 3,565,080	$ 5,684,678

Attachment 2

City of Carmel-By-The-Sea
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
For the Year Ended June 30, 2024

	Workers Compensation Fund	OPEB Reserve Fund	Vehicle & Equipment Replacement Fund	Total Governmental Activities - Internal Service Funds
OPERATING REVENUES				
Charges for services	$ 61,116	$ -	$ -	$ 61,116
Other	-	-	242,678	242,678
Total operating revenues	61,116	-	242,678	303,794
OPERATING EXPENSES				
Claims	42,062	-	-	42,062
Depreciation	-	-	286,400	286,400
Total operating expenses	42,062	-	286,400	328,462
Operating income (loss)	19,054	-	(43,722)	(24,668)
NONOPERATING REVENUES(EXPENSES)				
Gain (loss) on disposal of capital assets	-	-	26,865	26,865
Grants and contributions	-	-	175,000	175,000
Interest expense	-	-	(4,897)	(4,897)
Investment income	23,649	48,469	-	72,118
Total nonoperating revenues(expenses)	23,649	48,469	196,968	269,086
Income (loss) before transfers	42,703	48,469	153,246	244,418
Transfers in	-	-	937,982	937,982
Transfers out	-	-	-	-
Transfers in and out, net	-	-	937,982	937,982
Change in net position	42,703	48,469	1,091,228	1,182,400
Total net position - beginning	259,716	1,768,710	2,473,852	4,502,278
Total net position - ending	$ 302,419	$ 1,817,179	$ 3,565,080	$ 5,684,678

Attachment 2

City of Carmel-By-The-Sea
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2024

	Workers Compensation Fund	OPEB Reserve Fund	Vehicle & Equipment Replacement Fund	Total Governmental Activities - Internal Service Funds
Cash flows from operating activities:				
Receipts from interfund services provided	$ 61,116	$ -	$ 239,866	$ 300,982
Payments for claims	(46,889)	-	-	(46,889)
Net cash provided (used) by operating activities	14,227	-	239,866	254,093
Cash flows from noncapital financing activities:				
Interfund transactions	-	-	937,982	937,982
Net cash provided (used) by noncapital financing activities	-	-	937,982	937,982
Cash flows from capital financing activities:				
Principal payments on debt	-	-	(24,106)	(24,106)
Interest payments on debt	-	-	(4,897)	(4,897)
Grants and contributions	-	-	175,000	175,000
Purchases of property and equipment	-	-	(780,321)	(780,321)
Net cash provided (used) by noncapital financing activities	-	-	(634,324)	(634,324)
Cash flows from investing activities:				
Investment income received	23,649	48,469	-	72,118
Net cash provided (used) by investing activities	23,649	48,469	-	72,118
Net increase (decrease) in cash and cash equivalents	37,876	48,469	543,524	629,869
Cash and cash equivalents - beginning	836,157	1,768,710	453,632	3,058,499
Cash and cash equivalents - ending	$ 874,033	$ 1,817,179	$ 997,156	$ 3,688,368
Reconciliation of operating income to net cash provided (used) by operating activities:				
Operating income (loss)	$ 19,054	$ -	$ (43,722)	$ (24,668)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	-	-	286,400	286,400
Change in operating assets and liabilities:				
Accounts receivable	-	-	(2,812)	(2,812)
Other assets	(3,386)	-	-	(3,386)
Accounts payable	(1,441)	-	-	(1,441)
Net cash provided (used) by operating activities	$ 14,227	$ -	$ 239,866	$ 254,093

STATISTICAL SECTION

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STATISTICAL SECTION
(Unaudited)

This part of the City of Carmel-by-the-Sea's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the city's overall financial health.

Financial Trends

These tables contain trend information to help the reader understand how the city's financial performance and well-being have changed over time.

Revenue Capacity

These tables contain information to help the reader assess the city's most significant local revenue source, the property tax.

Debt Capacity

These tables present information to help the reader assess the affordability of the city's current levels of outstanding debt and the city's ability to issue additional debt in the future.

Demographic and Economic Information

These tables offer demographic and economic indicators to help the reader understand the environment within which the city's financial activities take place.

Operating Information

These tables contain service and infrastructure data to help the reader understand how the information in the city's financial report relates to the services the city provides and the activities it performs.

Sources: Unless otherwise noted, the information in these tables is derived from the comprehensive annual financial reports for the relevant year.

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City of Carmel-by-the-Sea

TABLE 1

Net Position By Component
Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental activities:										
Net investment in capital assets	$ 32,547,268	$ 36,006,046	$ 36,931,575	$ 35,216,550	$ 37,132,103	$ 36,611,510	$ 34,846,110	$ 33,545,605	$ 32,930,884	$ 34,957,532
Restricted	3,862,473	3,584,687	5,027,082	2,628,238	2,817,741	3,310,294	4,748,736	6,773,624	5,536,383	4,614,831
Unrestricted	(12,992,711)	(12,666,545)	(14,167,354)	(12,141,385)	(12,645,571)	(14,479,015)	(11,775,303)	(8,155,852)	5,110,622	10,005,741
Total governmental activities net position	$ 23,417,030	$ 26,924,188	$ 27,791,303	$ 25,703,403	$ 27,304,273	$ 25,442,789	$ 27,819,543	$ 32,163,377	$ 43,577,889	$ 49,578,104

Notes:
1) In 2015, net position decreased mostly due to the implementation of GASB 68 for pension benefit liabilities and related amounts.

Source: City of Carmel-by-the-Sea Finance Department

City of Carmel-by-the-Sea

TABLE 2

Changes in Net Position
Last Ten Fiscal Years

	2015	2016	2017	2018	2019
Expenses					
Governmental activities:					
General government	$ 3,724,546	$ 5,162,323	$ 4,981,304	$ 4,896,809	$ 5,906,304
Community planning and building	-	-	1,146,860	1,206,295	1,191,826
Public safety	6,685,310	6,445,695	7,281,137	7,771,104	8,390,616
Public works	2,003,332	1,454,895	2,605,036	2,950,423	4,162,376
Library	-	-	1,144,883	1,303,989	1,894,410
Community activities	-	-	446,445	153,224	283,512
Economic revitalization	326,956	306,505	1,110,857	1,125,261	1,144,022
Building maintenance	1,832,618	1,542,170	-	-	-
Forest, parks and beach	581,319	558,592	-	-	-
Culture and recreation	2,605,877	2,082,591	-	-	-
Interest and fiscal charges on long-term debt	365,043	336,551	322,181	319,974	283,606
Depreciation (Unallocated)	-	1,528,260	1,747,960	1,786,021	-
Total governmental activities expenses	18,125,001	19,417,582	20,786,663	21,513,100	23,256,672
Program Revenues					
Governmental activities:					
Charges for services:					
General government	66,190	34,040	38,795	318,414	256,645
Community planning and building	-	-	-	1,167,308	1,454,523
Public safety	918,644	684,612	373,716	692,187	790,428
Public works	525,310	534,224	751,844	58,931	44,636
Library	-	-	-	14,794	10,097
Community activities	-	-	-	79,067	146,443
Economic revitalization	-	-	-	97,142	102,366
Forest, parks and beach	-	-	-	-	-
Culture and recreation	18,953	20,326	31,817	-	-
Operating grants and contributions	1,444,296	668,239	675,765	681,240	865,370
Capital grants and contributions	331,719	327,029	166,726	-	-
Total governmental activities program revenues	3,305,112	2,268,470	2,038,663	3,109,083	3,670,508
Net (expense)/revenue:					
Governmental activities	(14,819,889)	(17,149,112)	(18,748,000)	(18,404,017)	(19,586,164)
General Revenues and Other Changes in Net Assets					
Governmental activities:					
Taxes					
Property taxes	5,127,974	5,598,743	5,825,889	6,192,126	6,524,331
Sales and use taxes	5,280,418	4,897,325	5,373,800	5,486,449	5,732,885
Transient occupancy taxes	5,593,689	5,890,538	6,112,347	6,329,074	6,882,015
Franchise taxes	430,430	587,514	672,554	637,136	636,397
Business license tax	606,128	626,625	649,525	544,392	594,941
Unrestricted grants and contributions	382,145	413,334	436,073	462,989	-
Unrestricted investment earnings	163,648	160,172	182,366	101,743	205,791
Gain (loss) on sale of assets	-	-	-	(2,439,255)	(160,794)
Miscellaneous or other revenues	249,537	1,963,750	362,561	212,820	12,928
Total governmental activities	17,833,969	20,138,001	19,615,115	17,527,474	20,428,494
Change in Net Position	$ 3,014,080	$ 2,988,889	$ 867,115	$ (876,543)	$ 842,330

Note: In 2012 and 2018, the City changed the classification of its program expenses and revenues based on operations at the time.

Cont'd

Source: City of Carmel-by-the-Sea Finance Department

City of Carmel-by-the-Sea

TABLE 2

Changes in Net Position

Last Ten Fiscal Years

	2020	2021	2022	2023	2024
Expenses					
Governmental activities:					
General government	$ 5,356,174	$ 5,423,821	$ 6,494,737	$ 6,290,757	$ 7,076,239
Community planning and building	1,214,005	1,280,518	1,789,916	1,618,884	1,888,267
Public safety	9,166,804	8,968,364	10,511,669	5,427,362	10,332,228
Public works	4,410,995	4,162,030	4,961,215	4,572,764	6,462,552
Library	2,011,886	1,539,410	1,644,498	1,677,297	2,145,612
Community activities	256,698	119,562	205,869	201,277	173,958
Economic revitalization	1,081,813	819,202	1,034,150	1,101,644	1,127,937
Building maintenance	-	-	-	-	-
Forest, parks and beach	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Interest and fiscal charges on long-term debt	268,721	387,525	168,038	148,051	87,779
Depreciation (Unallocated)	-	-	-	-	-
Total governmental activities expenses	23,767,096	22,700,432	26,810,092	21,038,036	29,294,572
Program Revenues					
Governmental activities:					
Charges for services:					
General government	211,067	165,541	478,709	177,654	189,021
Community planning and building	1,112,512	1,142,277	1,332,086	1,268,455	1,490,531
Public safety	808,559	796,471	911,902	973,358	845,411
Public works	42,395	156,838	53,251	73,206	196,965
Library	11,793	5,544	2,239	8,485	6,655
Community activities	85,060	33,140	43,922	56,919	82,238
Economic revitalization	91,528	111,093	119,646	141,471	164,514
Forest, parks and beach	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Operating grants and contributions	695,186	813,139	960,670	958,933	1,064,653
Capital grants and contributions	-	-	-	-	263,557
Total governmental activities program revenues	3,058,100	3,224,043	3,902,425	3,658,481	4,303,545
Net (expense)/revenue:					
Governmental activities	(20,708,996)	(19,476,389)	(22,907,667)	(17,379,555)	(24,991,027)
General Revenues and Other Changes in Net Assets					
Governmental activities:					
Taxes					
Property taxes	6,690,948	7,389,657	7,694,722	8,164,266	8,770,847
Sales and use taxes	4,766,762	7,028,041	9,596,727	9,353,372	10,078,592
Transient occupancy taxes	5,115,271	5,339,285	7,787,643	8,455,742	8,579,344
Franchise taxes	632,833	756,358	851,738	880,958	986,558
Business license tax	592,466	524,220	613,559	734,640	751,306
Unrestricted grants and contributions	672,399	704,337	734,550	771,258	837,891
Unrestricted investment earnings	207,153	47,554	(126,009)	155,181	613,944
Gain (loss) on sale of assets	-	-	-	-	-
Miscellaneous or other revenues	169,680	63,691	98,571	278,650	372,760
Total governmental activities	18,847,512	21,853,143	27,251,501	28,794,067	30,991,242
Change in Net Position	$ (1,861,484)	$ 2,376,754	$ 4,343,834	$ 11,414,512	$ 6,000,215

Note: In 2012 and 2018, the City changed the classification of its program expenses and revenues based on operations at the time.

Concluded

Source: City of Carmel-by-the-Sea Finance Department

City of Carmel-by-the-Sea

TABLE 3

Fund Balances of Governmental Funds
Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund										
Restricted	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 942,628	$ 1,983,781	$ 3,124,794
Nonspendable	-	-	-	-	-	-	-	-	26,469	28,693
Committed	4,561,070	2,166,165	2,173,138	2,806,045	2,808,138	2,684,665	2,421,958	4,410,254	666,700	754,323
Assigned	1,747,589	3,308,636	2,448,461	1,922,008	1,926,008	1,025,194	1,025,194	2,298,939	4,180,736	4,505,124
Unassigned	1,541,150	1,738,067	4,693,897	3,278,341	4,515,984	5,048,288	9,167,717	10,017,467	15,540,715	11,893,970
Total Fund Balance	7,849,809	7,212,868	9,315,496	8,006,394	9,250,130	8,758,147	12,614,869	17,669,288	22,398,401	20,306,904
Other Governmental Funds										
Restricted	$ 3,903,533	$ 3,624,383	$ 5,065,310	$ 2,628,238	$ 2,817,741	$ 3,310,294	$ 4,748,736	$ 6,773,624	$ 5,536,383	$ 4,614,831
Committed	1,783,310	-	-	-	-	-	-	-	-	-
Assigned	90,158	1,146,832		1,627,098	362,034	571,657	539,863	1,596,719	3,676,972	11,096,555
Unassigned	(684,400)	(706,427)	(1,264,197)	(483)	-	-	-	-	-	-
Total Fund Balance	5,092,601	4,064,788	3,801,113	4,254,853	3,179,775	3,881,951	5,288,599	8,370,343	9,213,355	15,711,386
Total Fund Balance	$ 12,942,410	$ 11,277,656	$ 13,116,609	$ 12,261,247	$ 12,429,905	$ 12,640,098	$ 17,903,468	$ 26,039,631	$ 31,611,756	$ 36,018,290

Source: City of Carmel-by-the-Sea Finance Department

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City of Carmel-by-the-Sea

TABLE 4

Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years

	2015	2016	2017	2018	2019
Revenues					
Taxes	$ 17,420,784	$ 18,014,079	$ 19,041,911	$ 19,652,166	$ 20,370,569
Intergovernmental revenues	874,152	294,952	365,304	454,997	1,088,044
License and permits	720,257	788,578	850,547	1,087,953	1,192,242
Contributions	686,025	314,600	323,495	318,398	314,450
Fines and forfeitures	119,152	111,930	87,154	91,813	121,470
Charges for services	905,526	712,321	440,439	1,070,999	1,261,169
Interest	-	-	-	58,055	167,544
Rents and concessions	163,648	163,875	182,367	100,899	185,156
Other revenues	249,537	389,136	1,979,561	211,153	158,029
Total revenues	19,176,042	21,139,081	20,789,471	23,270,778	23,046,433
Expenditures					
General government	3,593,094	5,045,332	5,681,103	4,696,923	5,517,516
Community Planning and Building	-	-	-	1,128,977	1,116,689
Public Safety	6,398,876	6,264,950	7,033,862	7,024,092	7,617,310
Public Works	1,284,030	1,301,160	2,554,752	2,769,129	2,902,461
Library	-	-	-	1,217,687	1,258,390
Community Activities	-	-	-	141,378	179,426
Economic Revitalization	315,780	306,505	351,425	1,095,636	1,103,993
Building maintenance	1,637,602	1,525,038	1,138,983	-	-
Forest, parks and beach	544,902	547,211	108,764	-	-
Culture and recreation	1,999,728	2,054,872	1,448,129	-	-
Capital Outlay	2,396,667	4,439,279	1,877,053	1,833,014	3,778,271
Debt Service					
Principal	1,046,128	898,379	914,105	934,860	950,770
Interest and fiscal charges	360,610	337,915	323,649	302,202	286,606
Total expenditures	19,577,417	22,720,641	21,431,825	21,143,898	24,711,432
Excess of revenues					
over (under) expenditures	1,561,664	(1,931,170)	1,838,953	1,902,535	147,241
Other financing sources (uses)					
Asset dispositions	-	-	-	-	-
Long-term debt issued	-	-	-	-	-
Retirement of PERS side fund	-	-	-	-	-
Payments to refunded bonds escrow agent	-	-	-	-	-
Interagency transfers in (out)	-	-	-	31,000	-
Transfers in	4,927,935	6,483,069	3,405,710	13,924,490	4,581,594
Transfers out	(4,927,935)	(6,483,069)	(3,405,710)	(16,713,387)	(4,681,594)
Total other financing sources (uses)	-	-	-	(2,757,897)	(100,000)
Net change in fund balances	$ 1,561,664	$ (1,931,170)	$ 1,838,953	$ (855,362)	$ 47,241
Total Expenditures	$ 19,577,417	$ 22,720,641	$ 21,431,825	$ 21,143,898	$ 24,711,432
Capitalized Portion of Capital Outlay	2,396,667	4,311,179	1,870,844	1,900,132	3,533,858
Total Non-Capitalized Expenditures	$ 17,038,681	$ 17,180,750	$ 18,409,462	$ 19,560,981	$ 19,243,766
Debt Service: Principal & Interest	$ 1,406,738	$ 1,236,294	$ 1,237,754	$ 1,237,062	$ 1,237,376
Debt service as a percentage of noncapital expenditures	8.3%	7.2%	6.7%	6.3%	6.4%

Note: In 2012 and 2018, the City changed the classification of its program expenditures and revenues based on operations at the time.

Source: City of Carmel-by-the-Sea Finance Department

Cont'd

City of Carmel-by-the-Sea

TABLE 4

Changes in Fund Balances of Governmental Funds

Last Ten Fiscal Years

	2020	2021	2022	2023	2024
Revenues					
Taxes	$ 17,798,280	$ 21,037,561	$ 26,544,389	$ 29,166,646	$ 29,166,646
Intergovernmental revenues	1,126,260	1,212,506	1,323,845	1,414,091	1,542,641
License and permits	928,752	889,822	1,276,260	957,429	1,359,671
Contributions	241,324	304,972	371,377	316,100	359,903
Fines and forfeitures	72,152	48,947	55,506	108,144	180,843
Charges for services	1,193,992	1,204,113	1,448,681	1,420,281	1,140,295
Interest	178,244	40,033	(115,882)	139,827	541,826
Rents and concessions	130,792	138,138	132,551	148,896	164,514
Other revenues	206,908	193,575	127,327	200,996	235,097
Total revenues	24,858,673	25,069,667	31,164,054	33,872,410	34,691,436
Expenditures					
General government	5,008,054	5,083,467	5,990,601	6,806,933	7,002,824
Community Planning and Building	1,094,736	1,172,337	1,550,702	1,939,088	1,845,642
Public Safety	7,774,916	7,833,156	8,236,353	8,866,616	9,057,317
Public Works	2,847,091	2,635,206	3,184,957	3,880,769	5,192,057
Library	1,344,340	917,694	929,258	1,356,896	1,598,147
Community Activities	209,554	82,366	136,788	216,366	163,054
Economic Revitalization	1,076,542	808,540	1,033,307	1,130,510	1,134,030
Building maintenance	-	-	-	-	-
Forest, parks and beach	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Capital Outlay	869,596	98,907	149,872	1,199,077	2,823,048
Debt Service					
Principal	971,460	640,000	660,000	715,013	446,242
Interest and fiscal charges	272,721	406,525	199,212	178,189	157,524
Total expenditures	21,469,010	19,678,198	22,071,050	26,289,457	29,419,885
Excess of revenues					
over (under) expenditures	3,389,663	5,391,469	9,093,004	7,582,953	5,271,551
Other financing sources (uses)					
Asset dispositions	-	-	-	-	-
Long-term debt issued	-	4,761,901	-	-	72,964
Retirement of PERS side fund	-	-	-	-	-
Payments to refunded bonds escrow agent	-	(4,890,000)	-	-	-
Interagency transfers in (out)	-	-	-	-	-
Transfers in	3,188,456	3,210,000	5,217,994	8,021,643	10,767,151
Transfers out	(3,385,956)	(3,210,000)	(6,174,835)	(8,454,803)	(11,705,133)
Total other financing sources (uses)	(197,500)	(128,099)	(956,841)	(433,160)	(865,018)
Net change in fund balances	$ 3,192,163	$ 5,263,370	$ 8,136,163	$ 7,149,793	$ 4,406,533
Total Expenditures	$ 21,469,010	$ 19,678,198	$ 22,071,050	$ 26,289,457	$ 29,419,885
Capitalized Portion of Capital Outlay	918,075	133,875	151,238	1,199,077	2,822,447
Total Non-Capitalized Expenditures	$ 21,177,574	$ 19,544,323	$ 21,919,812	$ 25,090,380	$ 26,597,438
Debt Service: Principal & Interest	$ 1,244,181	$ 1,046,525	$ 859,212	$ 893,202	$ 603,766
Debt service as a percentage of noncapital expenditures	5.9%	5.4%	3.9%	3.6%	2.3%

Note: In 2012 and 2018, the City changed the classification of its program expenditures and revenues based on operations at the time.

Source: City of Carmel-by-the-Sea Finance Department

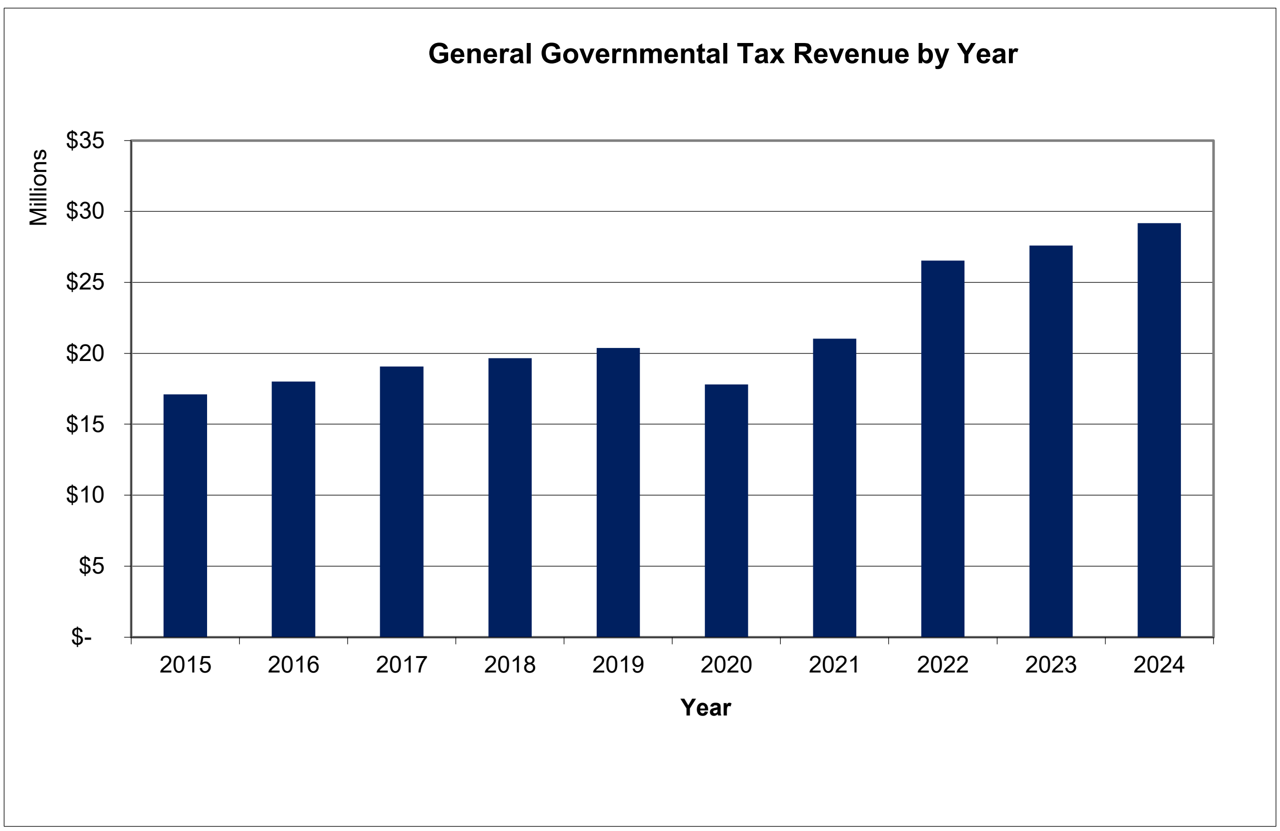
Concluded

City of Carmel-by-the-Sea

TABLE 5

General Governmental Tax Revenues by Source
Last Ten Fiscal Years

Fiscal Year Ended June 30	Property	Sales and Use	Franchise	Transient Occupancy	Business License	Other Tax	Total
2015	$ 5,127,974	$ 5,280,418	$ 430,430	$ 5,280,418	$ 606,128	$ 382,145	$ 17,107,513
2016	$ 5,598,743	$ 4,897,325	$ 587,514	$ 5,890,538	$ 626,625	$ 413,334	$ 18,014,079
2017	$ 5,825,889	$ 5,373,800	$ 672,554	$ 6,112,347	$ 649,525	$ 436,073	$ 19,070,188
2018	$ 6,192,126	$ 5,486,449	$ 637,136	$ 6,329,074	$ 544,392	$ 462,989	$ 19,652,166
2019	$ 6,524,331	$ 5,732,885	$ 636,397	$ 6,882,015	$ 594,941	$ -	$ 20,370,569
2020	$ 6,690,948	$ 4,766,762	$ 632,833	$ 5,115,271	$ 592,466	$ -	$ 17,798,280
2021	$ 7,389,657	$ 7,028,041	$ 756,358	$ 5,339,285	$ 524,220	$ -	$ 21,037,561
2022	$ 7,694,722	$ 9,596,727	$ 851,738	$ 7,787,643	$ 613,559	$ -	$ 26,544,389
2023	$ 8,164,266	$ 9,353,372	$ 880,958	$ 8,455,742	$ 734,640	$ -	$ 27,588,978
2024	$ 8,770,847	$ 10,078,591	$ 986,558	$ 8,579,344	$ 751,306	$ -	$ 29,166,646



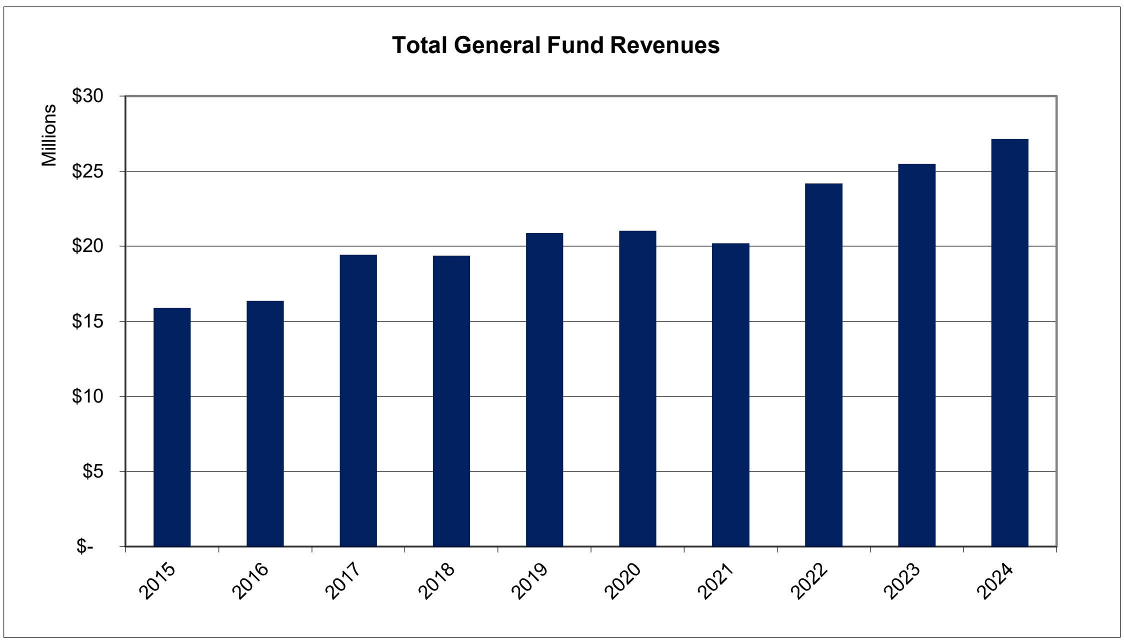
Source: City of Carmel-by-the-Sea Finance Department

City of Carmel-by-the-Sea

TABLE 6

General Fund Revenues by Source
Last Ten Fiscal Years

Fiscal Year Ended June 30	Taxes	Inter-Governmental	Licenses and Permits	Fines and Forfeitures	Charges for Services	Interest, Rents and Concessions	Other Revenues	Total
2015	$ 14,702,528	$ -	$ 504,419	$ 9,246	$ 256,097	$ 161,620	$ 249,537	$ 15,883,447
2016	$ 15,124,699	$ 74,014	$ 553,602	$ 7,245	$ 57,818	$ 159,632	$ 389,136	$ 16,366,146
2017	$ 16,296,757	$ 136,367	$ 762,257	$ 8,422	$ 66,957	$ 170,631	$ 1,979,561	$ 19,420,952
2018	$ 16,753,721	$ 42,846	$ 1,087,953	$ 91,813	$ 1,056,205	$ 123,382	$ 211,133	$ 19,367,053
2019	$ 17,290,655	$ 583,573	$ 1,192,242	$ 121,470	$ 1,251,072	$ 309,418	$ 132,776	$ 20,881,206
2020	$ 17,798,280	$ 610,960	$ 928,752	$ 72,152	$ 1,177,695	$ 273,176	$ 165,131	$ 21,026,146
2021	$ 17,030,457	$ 693,873	$ 889,822	$ 48,947	$ 1,198,569	$ 164,929	$ 171,329	$ 20,197,926
2022	$ 20,573,925	$ 678,437	$ 1,276,260	$ 55,506	$ 1,446,442	$ 18,014	$ 127,327	$ 24,175,911
2023	$ 21,720,283	$ 832,011	$ 957,429	$ 108,144	$ 1,411,796	$ 259,500	$ 200,990	$ 25,490,153
2024	$ 22,780,525	$ 910,428	$ 1,359,671	$ 180,843	$ 1,133,640	$ 609,370	$ 159,296	$ 27,133,773



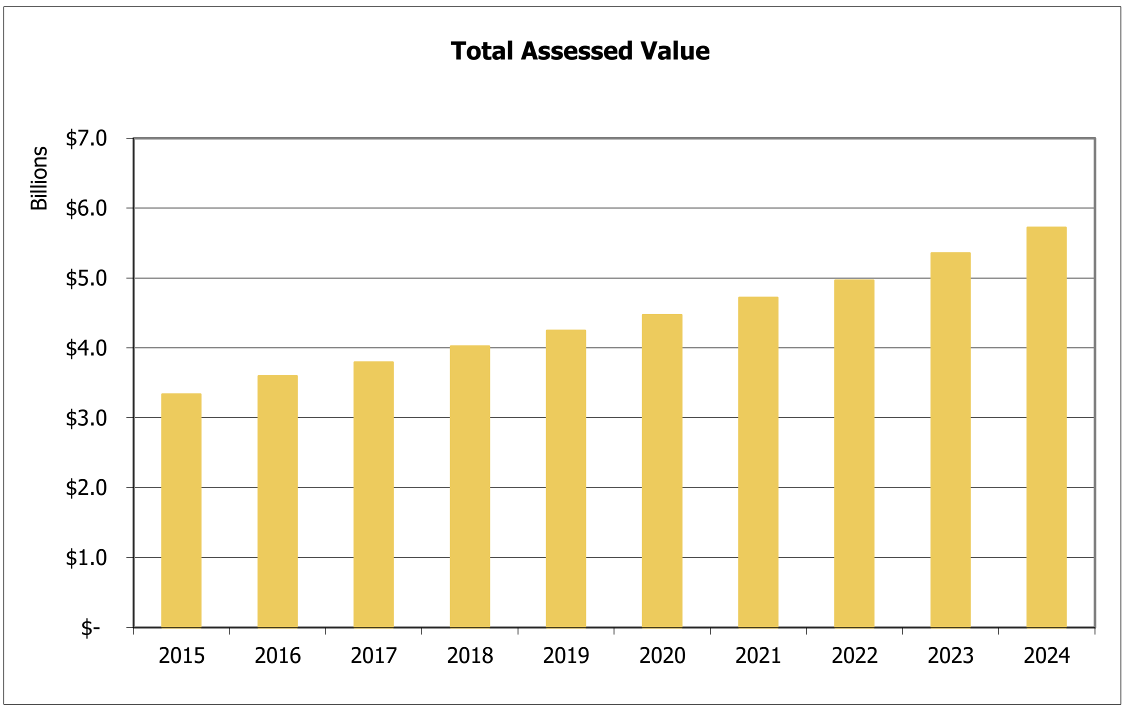
Source: City of Carmel-by-the-Sea Finance Department

City of Carmel-by-the-Sea

TABLE 7

Net Assessed Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended June 30	Secured	Unsecured	Total Assessed Value	Total Direct Tax Rate
2015	$ 3,309,856,089	$ 26,813,656	$ 3,336,669,745	1.00%
2016	$ 3,569,065,524	$ 26,719,717	$ 3,595,785,241	1.00%
2017	$ 3,766,258,441	$ 26,280,598	$ 3,792,539,039	1.00%
2018	$ 3,999,182,757	$ 25,708,168	$ 4,024,890,925	1.00%
2019	$ 4,220,683,852	$ 26,668,954	$ 4,247,352,806	1.00%
2020	$ 4,446,041,301	$ 28,251,679	$ 4,474,292,980	1.00%
2021	$ 4,686,463,940	$ 31,785,264	$ 4,718,249,204	1.00%
2022	$ 4,933,554,941	$ 31,058,835	$ 4,964,613,776	1.00%
2023	$ 5,322,503,952	$ 33,821,025	$ 5,356,324,977	1.00%
2024	$ 5,680,286,869	$ 42,938,652	$ 5,723,225,521	1.00%



Notes:

Total Direct Tax Rate is from Table 8. Rates are based on a $100 of taxable value.

Exempt values are not included in Total.

With the passage of a constitutional amendment (Proposition 13) and subsequently enacted State legislation, property is assessed according to a base year rather than on a percentage of market value. Accordingly, a reliable estimate of actual value of taxable property within the City is not possible.

Source: County of Monterey Assessors Office

City of Carmel-by-the-Sea

TABLE 8

Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(Rate per $100 of Taxable Value)

		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Direct Rates:	(1)	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Overlapping Rates:	(2)										
Carmel Unified		0.014	0.014	0.014	0.014	0.016	0.015	0.010	0.015	0.007	0.022
Monterey Peninsula Community College		0.022	0.022	0.022	0.022	0.021	0.021	0.027	0.032	0.030	0.029
Total Direct and Overlapping Rate		1.036	1.036	1.036	1.036	1.037	1.036	1.037	1.047	1.037	1.051
City Share of 1% Levy per Prop. 13	(3)	0.904	0.918	0.925	0.929	0.919	0.906	0.918	0.929	0.929	0.932

Notes:

1 The passage of a constitutional amendment (Proposition 13) in June 1978 limits the property tax rate to a base of $1.00 per $100.00. The $1.00 rate is levied by the County and apportioned to local agencies according to a formula prescribed by the California legislature.

2 Overlapping rates are those of entities that apply to property owners within the City of Pacific Grove. Not all overlapping rates apply to all property owners (e.g., the rates for school districts apply only to the proportion of the city's property owners whose property is located within the geographic boundaries of the school district).

3 This is the percentage of $1 countywide tax levy

Source: County of Monterey Assessors Office
Source: County of Monterey CAFR

City of Carmel-by-the-Sea

TABLE 9

Principal Property Tax Owners
Current Year and Nine Years Ago

	2024			2015		
Tax Owner	Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
OWRF CARMEL LLC	$ 62,658,000	1	1.09%	$ 53,178,337	1	1.59%
ESPERANZA CARMEL COMMERCIAL LLC	$ 58,085,168	2	1.01%	na		na
HINES JEFFREY C	$ 40,035,970	3	0.70%	na		na
PAUL ANDREW M	$ 31,508,098	4	0.55%	na		na
ESPERANZA CARMEL LLC	$ 29,456,893	5	0.51%	na		na
GUNNER RICHARD V & MARGARET S GUNNER TRS	$ 23,050,752	6	0.40%	$ 19,371,712	3	0.58%
LA PLAYA CARMEL HOTEL LLC	$ 18,828,219	7	0.33%	$ 16,600,697	2	0.50%
LPP OCEAN PROP LLC	$ 22,165,348	8	0.39%	na		na
LPP JUNIPERO PROP LLC	$ 17,632,095	9	0.31%	na		na
HOSEIT MANAGEMENT LLC ET AL	$ 14,970,464	10	0.26%	na		na
LEVETT FAMILY PROPERTIES				$ 11,727,210	4	0.35%
CYPRESS INN INVESTORS				$ 11,665,774	5	0.35%
PANATTONI CARL D TR				$ 8,122,932	6	0.24%
SCHOTT STEPHEN C & PATRICIA A TRS				$ 8,395,300	7	0.25%
MARINA SQUARE PARTNERS LP				$ 9,334,432	8	0.28%
HOSEIT MAX H ET AL				$ 8,435,814	9	0.25%
DRAPER MICHAEL R ET AL				$ 8,539,247	10	0.26%
Totals	$ 318,391,007		5.56%	$ 155,371,455		4.66%
Total assessed value	$ 5,723,225,521			$ 3,336,669,745		

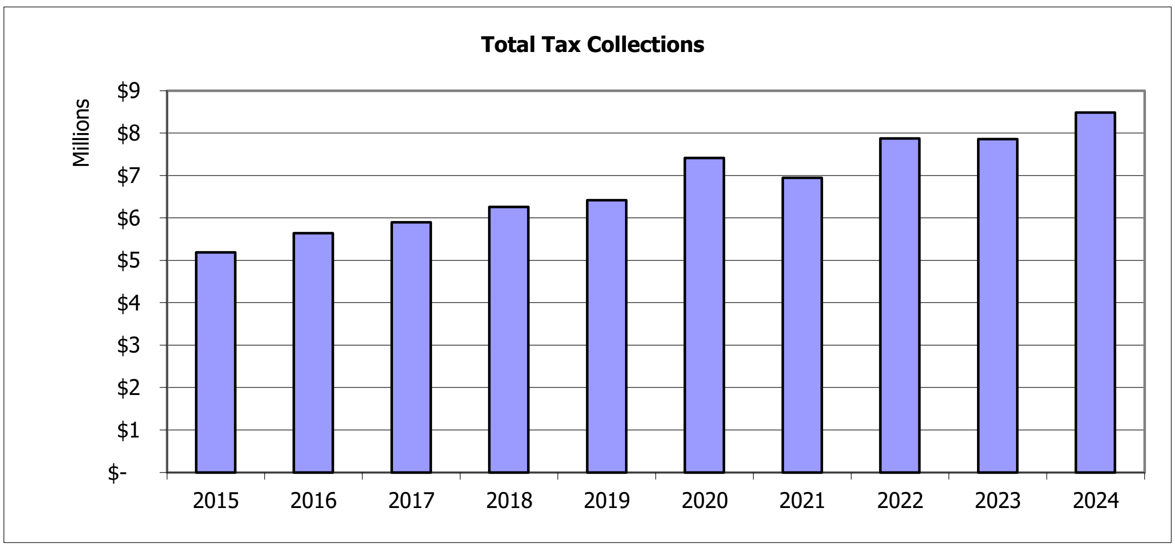
Source: County of Monterey Assessors Office
na= not available

City of Carmel-by-the-Sea

Table 10

Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30	Total Tax Levy	Current Tax Collections [1]	Percent of Levy Collected	Supplemental Tax Collections	Delinquent Tax Collections	Total Collections
2015	$ 5,127,974	$ 4,994,647	97.4%	$ 117,309	$ 74,547	$ 5,186,503
2016	$ 5,598,743	$ 5,453,176	97.4%	$ 106,567	$ 80,397	$ 5,640,140
2017	$ 5,825,889	$ 5,691,894	97.7%	$ 124,505	$ 76,128	$ 5,892,528
2018	$ 6,192,126	$ 6,049,707	97.7%	$ 131,185	$ 80,213	$ 6,261,105
2019	$ 6,524,331	$ 6,242,449	95.7%	$ 107,412	$ 64,523	$ 6,414,384
2020	$ 6,690,948	$ 7,219,695	107.9%	$ 118,629	$ 71,261	$ 7,409,584
2021	$ 7,389,657	$ 6,712,274	90.8%	$ 144,856	$ 85,217	$ 6,942,347
2022	$ 7,694,722	$ 7,612,601	98.9%	$ 174,951	$ 83,468	$ 7,871,020
2023	$ 8,164,266	$ 7,603,636	93.1%	$ 198,307	$ 53,537	$ 7,855,480
2024	$ 8,770,847	$ 8,169,333	93.1%	$ 188,880	$ 128,327	$ 8,486,540



Source: County of Monterey Auditor-Controller's Office
City of Carmel-by-the-Sea Finance Department

City of Carmel-by-the-Sea

Ratios of Outstanding Debt By Type

Last Ten Fiscal Years

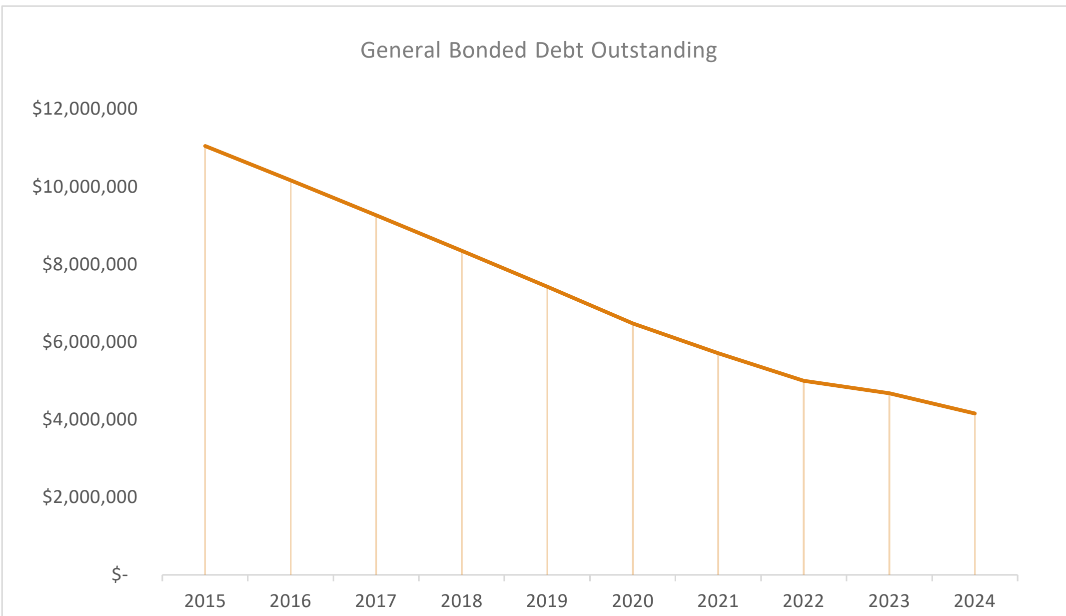
	Governmental Activities									
Fiscal Year Ending June 30	Pension Obligation Bonds	Lease Revenue Bonds	NGEN Public Safety Joint Agree	Financed Purchases	SBITAs	**Total Outstanding Debt**	Median Household Income	Percentage of Household Income	Population	Debt per Capita
2015	$ 5,005,000	$ 6,435,000	$ 264,625	$ -	$ -	**$ 11,704,625**	$ 74,758	0.58%	3,886	2,780
2016	$ 4,420,000	$ 6,140,000	$ 246,246	$ -	$ -	**$ 10,806,246**	$ 81,607	0.64%	3,903	3,012
2017	$ 3,825,000	$ 5,840,000	$ 227,141	$ -	$ -	**$ 9,892,141**	$ 87,532	0.76%	3,897	2,769
2018	$ 3,220,000	$ 5,530,000	$ 207,281	$ -	$ -	**$ 8,957,281**	$ 87,532	0.88%	3,897	2,538
2019	$ 2,605,000	$ 5,215,000	$ 186,511	$ -	$ -	**$ 8,006,511**	$ 87,532	0.98%	3,987	2,299
2020	$ 1,980,000	$ 4,890,000	$ 157,741	$ -	$ -	**$ 7,027,741**	$ 98,638	1.09%	3,949	2,008
2021	$ 1,340,000	$ 4,761,901	$ 165,051	$ -	$ -	**$ 6,266,952**	$ 98,188	1.40%	4,023	1,780
2022	$ 680,000	$ 4,733,004	$ 165,051	$ -	$ -	**$ 5,578,055**	$ 101,696	1.82%	3,041	1,834
2023	$ -	$ 4,704,107	$ 15,033	$ 156,440	$ 159,154	**$ 5,034,734**	$ 100,365	1.82%	3,105	1,621
2024	$ -	$ 4,190,175	$ -	$ 132,334	$ 255,909	**$ 4,578,418**	$ 126,406	1.82%	3,122	1,467

Source: City of Carmel-by-the-Sea Finance Department
Demographics from Table 16

City of Carmel-by-the-Sea
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

TABLE 12

Fiscal Year Ended June 30	General Obligation Bonds	Lease Revenue Bonds	Less: Amount Available in Debt Service Fund	Net Obligation Total	Percentage of Assessed Value	Debt Per Capita	Assessed Value	Population
2015	$ 5,005,000	$ 6,435,000	$ 400,015	$ 11,039,985	0.33%	$ 2,841	$ 3,336,669,745	3,886
2016	$ 4,420,000	$ 6,140,000	$ 400,381	$ 10,159,619	0.28%	$ 2,603	$ 3,595,785,241	3,903
2017	$ 3,825,000	$ 5,840,000	$ 400,582	$ 9,264,418	0.24%	$ 2,377	$ 3,792,539,039	3,897
2018	$ 3,220,000	$ 5,530,000	$ 405,742	$ 8,344,258	0.21%	$ 2,141	$ 4,024,890,925	3,897
2019	$ 2,605,000	$ 5,215,000	$ 402,335	$ 7,417,665	0.17%	$ 1,860	$ 4,247,352,806	3,987
2020	$ 1,980,000	$ 4,890,000	$ 400,381	$ 6,469,619	0.14%	$ 1,638	$ 4,474,292,980	3,949
2021	$ 1,340,000	$ 4,761,901	$ 393,132	$ 5,708,769	0.12%	$ 1,419	$ 4,718,249,204	4,023
2022	$ 680,000	$ 4,733,004	$ 416,577	$ 4,996,427	0.10%	$ 1,643	$ 4,964,613,776	3,041
2023	$ -	$ 4,704,107	$ 26,805	$ 4,677,302	0.09%	$ 1,506	$ 5,356,324,977	3,105
2024	$ -	$ 4,190,175	$ 34,807	$ 4,155,368	0.07%	$ 1,331	$ 5,723,225,521	3,122



Source: California Department of Finance
City of Carmel-by-the-Sea Finance Department

City of Carmel-by-the-Sea

TABLE 13

Computation of Direct and Overlapping Debt

June 30, 2024

	Total Debt Outstanding	Percentage Applicable to City (1)	Amount Applicable to City
2023-2024 Assessed Value	$ 5,723,225,521		
DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:			
Monterey Peninsula Community College District	$ 105,055,022	11.671%	$ 12,260,972
Carmel Unified School District	13,402,093	24.220%	3,245,987
Total Direct and Overlapping Tax and Assessment Debt	$ 118,457,115		$ 15,506,959
DIRECT AND OVERLAPPING GENERAL FUND DEBT:			
Monterey County General Fund Obligations	109,814,997	6.436%	7,067,693
Monterey County Judgment Obligations	4,423,190	6.436%	284,677
Monterey County Water Resources Agency Gen Fund Debt	17,895,000	6.436%	1,151,722
City of Carmel-by-the-Sea General Fund Obligations	**4,446,084**	**100.000%**	**4,446,084**
Total Gross Direct and Overlapping General Fund Debt			12,950,176
TOTAL NET DIRECT AND OVERALAPPING GENERAL FUND DEBT			$ 12,950,176
TOTAL DIRECT DEBT			**$ 4,446,084**
TOTAL GROSS OVERLAPPING DEBT			$ 24,011,051
TOTAL NET OVERLAPPING DEBT			$ 24,011,051
GROSS COMBINED TOTAL DEBT [2]			$ 28,457,135
NET COMBINED TOTAL DEBT			$ 28,457,135

Notes:

(1) 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 total taxable assessed value.

(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue, and tax allocation bonds and non-bonded capital lease obligations.

Ratios to 2021-22 Assessed Valuation:

Direct Debt	
Total Direct and Overlapping Tax and Assessment Debt	0.27%
Total Direct Debt	**0.08%**
Gross Combined Total Debt	0.50%
Net Combined Total Debt	0.50%

Source: MuniServices, LLC

City of Carmel-by-the-Sea

TABLE 14

Legal Debt Margin Information
Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Debt limit	$ 125,125,115	$ 134,841,947	$ 142,220,214	$ 150,933,410	$ 159,275,730	$ 167,785,987	$ 176,934,345	$ 186,173,017	200,862,187	214,620,957
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	$ 125,125,115	$ 134,841,947	$ 142,220,214	$ 150,933,410	$ 159,275,730	$ 167,785,987	$ 176,934,345	$ 186,173,017	$ 200,862,187	$ 214,620,957
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Notes:
California Government Code, Section 43605, sets the debt limit at 15% of the total assessed valuation of all real personal property within the city, when assessed values were at 25% of full market value. This has changed to 100% of full market value, with the rate adjusting to 1/4 of 15%.

Source: City of Carmel by the Sea Finance Department

Legal Debt Margin Calculation:

Total assessed value	$ 5,723,225,521
Debt limit (3.75% of total assessed value)	214,620,957
Debt applicable to limit:	
General obligation bonds	-
Less: Amount available in debt service fund for repayment of bonds	-
Total net debt applicable to limit	-
Legal debt margin	$ 214,620,957

City of Carmel-by-the-Sea

TABLE 15

Pledged-Revenue Coverage

Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Sunset Center Certificates of Participation										
General City Revenues	$ 21,139,081	$ 22,406,471	$ 21,653,778	$ 23,167,967	$ 24,061,114	$ 21,424,311	$ 26,120,715	$ 27,251,501	$ 28,794,067	$ 30,991,242
Less: operating expenses	(16,332,293)	(17,552,771)	(18,716,522)	(19,407,105)	(20,069,662)	(20,883,375)	(18,148,230)	(22,576,272)	(20,889,985)	(29,206,793)
Net available revenue	4,806,788	4,853,700	2,937,256	3,760,862	3,991,452	540,936	7,972,485	4,675,229	7,904,082	1,784,449
Debt service:										
Principal	290,000	295,000	300,000	310,000	315,000	325,000	-	-	-	355,000
Interest	213,963	208,063	202,063	198,188	190,375	173,320	106,957	155,798	155,800	147,975
Total	503,963	503,063	502,063	508,188	505,375	498,320	106,957	155,798	155,800	502,975
Coverage	9.54	9.65	5.85	7.40	7.90	1.09	74.54	30.01	50.73	3.55
Pension Obligation Bonds										
General City Revenues	$ 21,139,081	$ 22,406,471	$ 21,653,778	$ 23,167,967	$ 24,061,114	$ 21,424,311	$ 26,120,715	$ 27,251,501	$ 28,794,067	$ 30,991,242
Less: operating expenses	(16,332,293)	-17,552,771	(18,716,522)	(19,407,105)	(20,069,662)	(20,883,375)	(18,148,230)	(22,576,272)	(20,889,985)	(29,206,793)
Net available revenue	4,806,788	4,853,700	2,937,256	3,760,862	3,991,452	540,936	7,972,485	4,675,229	7,904,082	1,784,449
Debt service:										
Principal	580,000	585,000	595,000	605,000	615,000	625,000	640,000	660,000	680,000	-
Interest	118,243	112,443	105,131	96,206	85,120	71,892	57,666	40,414	21,080	-
Total	698,243	697,443	700,131	701,206	700,120	696,892	697,666	700,414	701,080	-
Coverage	6.88	6.96	4.20	5.36	4.91	0.78	11.43	6.67	11.27	-
Combined coverage	4.00	4.04	2.44	3.11	2.85	3.31	3.31	5.46	9.22	3.55

Details regarding the city's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest or depreciation.

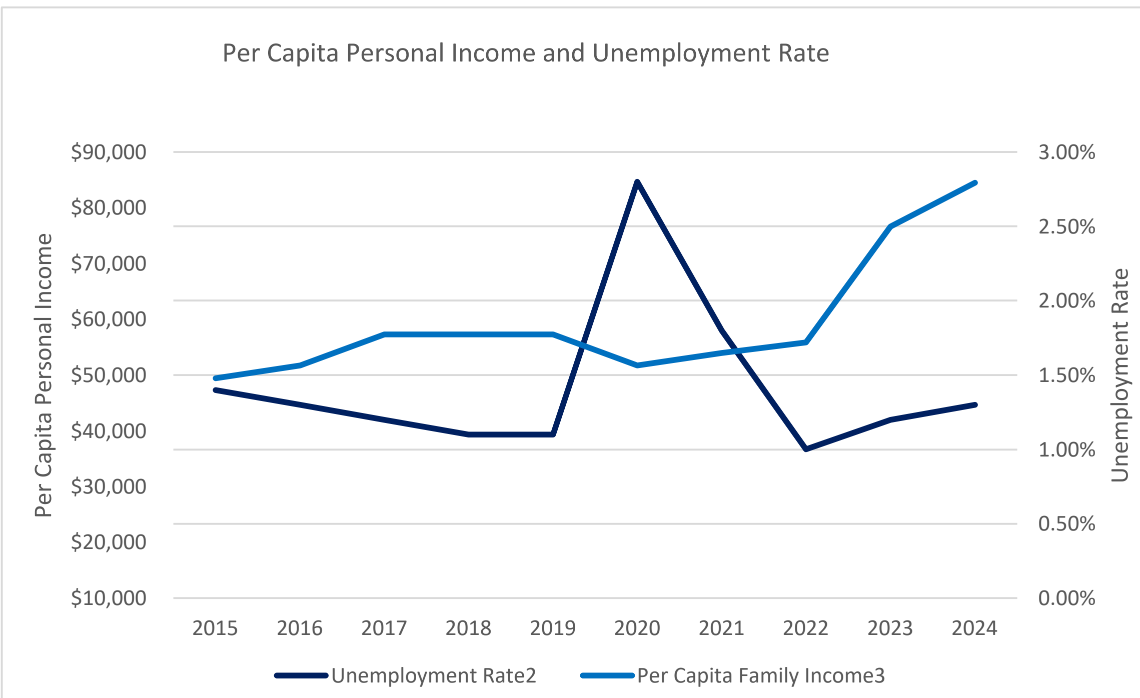
Source: City of Carmel-by-the-Sea Finance Department

City of Carmel-by-the-Sea

TABLE 16

Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year Ended June 30	Population[1]	Unemployment Rate[2]	Median Household Income	Per Capita Family Income[3]	Median Age	% of Population 25+ with High School Diploma	% of Population 25+ with Bachelor's Degree
2015	3,886	1.40%	$ 74,758	$ 49,425	54.3	97.30%	58.60%
2016	3,903	1.30%	$ 81,607	$ 51,778	53.1	97.30%	63.70%
2017	3,897	1.20%	$ 87,532	$ 57,307	55.8	96.90%	64.70%
2018	3,897	1.10%	$ 87,532	$ 57,307	55.8	96.90%	64.70%
2019	3,987	1.10%	$ 87,532	$ 57,307	55.8	96.90%	64.80%
2020	3,949	2.80%	$ 81,607	$ 51,778	61.3	97.30%	63.70%
2021	4,023	1.80%	$ 98,188	$ 53,961	59.6	82.72%	55.03%
2022	3,041	1.00%	$ 101,696	$ 55,889	65.0	95.80%	74.70%
2023	3,105	1.20%	$ 100,365	$ 76,590	63.6	95.80%	74.70%
2024	3,122	1.30%	$ 126,406	$ 84,508	65.0	95.50%	76.00%



Notes:

A For calendar year ending during the fiscal year.

B Total Personal Income is presented in thousands.

Source: [1] California Department of Finance

[2] California Employment Development Department

[3] U.S. Department of Commerce, Bureau of Economic Analysis

City of Carmel-by-the-Sea

TABLE 17

Principal Employers
Current Year and Nine Years Ago [1]

	Fiscal Year Ended June 30					
	2024			2015		
	Number of Employees	Rank	Percentage of Total Employment	Number of Employees	Rank	Percentage of Total Employment
Employer:	.					
Cypress Inn	89	1	4.68%	Unavailable	1	n/a
City of Carmel	80	2	4.21%	Unavailable	2	n/a
La Playa Hotel	71	3	3.74%	Unavailable	3	n/a
La Bicyclette	68	4	3.58%	Unavailable	4	n/a
Grasings	56	5	2.95%	Unavailable	5	n/a
Casanova	52	6	2.74%	Unavailable	6	n/a
Il Fornaio	49	7	2.58%	Unavailable	7	n/a
Alvarado Street Brewery & Bist	48	8	2.53%	Unavailable	8	n/a
Terry's Lounge	48	8	2.53%	Unavailable	9	n/a
Dametra	45	9	2.37%	Unavailable	10	n/a
Carmel Beach Hotel & Spa	45	9	2.37%			
Totals	651		34.26%	-		-
Total employment	1,900			na		

Notes: This is the second year that the City is including a statistical section. Due to the small size of the City, employee counts for prior years were not available through a database or third party. Prior year information will be included as the City reports this information in forthcoming years.

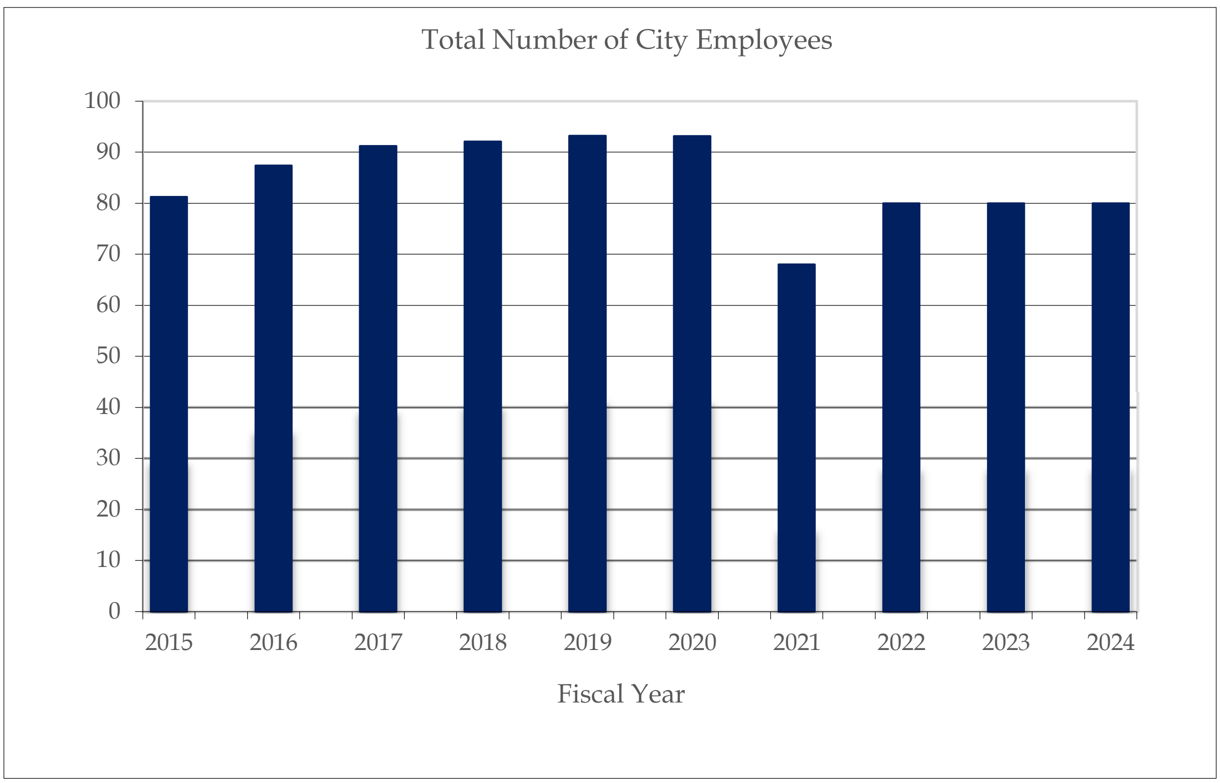
Source: City of Carmel-by-the-Sea Finance Department

City of Carmel-by-the-Sea

TABLE 18

Number of City Employees by Department
Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Departments:										
General Government	18.20	17.60	18.60	16.20	15.70	15.66	15.00	15.00	15.00	15.00
Public Safety	28.80	30.70	30.70	31.70	32.00	32.00	25.00	24.00	24.00	24.00
Public Works	14.00	18.00	21.00	21.00	21.00	21.00	15.00	18.00	20.00	21.00
Community Activities	1.70	1.70	1.50	1.40	1.50	1.50	0.50	1.00	0.50	0.50
Library	11.60	12.40	12.40	12.80	14.00	13.98	5.50	11.00	10.50	10.50
Community Plng. and Bldg.	6.97	7.00	7.00	9.00	9.00	9.00	7.00	11.00	10.00	9.00
Totals	81.27	87.40	91.20	92.10	93.20	93.14	68.00	80.00	80.00	80.00



Source: City of Carmel-by-the-Sea Finance Department

City of Carmel-by-the-Sea

TABLE 19

Operating Indicators By Function

Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Function:										
Police										
Calls for service	14,813	14,360	13,701	12,674	13,252	11,385	8,778	8,959	9,709	10,587
Fire										
Calls for service	851	925	856	843	1,006	803	754	794	951	821
Inspections	822	636	346	504	112	184	107	88	135	93
Public Works										
Potholes patched			18	52	25	20	25	50	35	40
Tree permits Issued				166	90	177	216	183	305	242
Calls for service			300	250	500	750	433	1,455	6,935	7,834
Road asphalt used				48	34	28	32	44	28	43
Trees planted			32	82	82	59	57	139	254	216
Library										
Circulation of library materials	140,848	114,137	106,976	99,802	104,456	104,456	84,810	55,414	127,777	164,719
Reference questions	24,318	20,233	19,252	16,276	15,789	15,789	13,579	9,062	14,199	16,074
Community Activities										
Special Event permits	45	30	81	75	42	35	5	31	55	24
Community Development										
Building Permits	500	422	416	580	590	677	446	411	458	502
Architectural Approvals	466	524	468	440	452	402	280	171	163	181
Administration										
Business Licenses (All businesses)	1350	1472	1615	1836	2187	2276	1,984	1,884	1,834	1,849
Public Records Requests (Calendar Yr)	147	127	160	184	187	199	248	101	215	125

Source: City of Carmel-by-the-Sea Departments

City of Carmel-by-the-Sea

TABLE 20

Capital Asset Statistics By Function

Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Function:										
General Government										
Number of buildings	1	1	1	1	1	1	1	1	1	1
Public Safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Parking meters	1	1	1	1	1	1	1	1	1	1
Fire stations	1	1	1	1	1	1	1	1	1	1
Public Works										
Miles of paved streets	27	27	27	27	27	27	27	27	27	27
Parking lots	3	3	3	3	3	3	3	3	3	3
Fleet Vehicles (City-wide)	43	43	43	43	45	41	42	44	44	48
Recreation										
Parks	10	10	10	10	10	10	10	10	10	10
Playgrounds	1	1	1	1	1	1	1	1	1	1
Tennis courts	2	2	2	2	2	2	2	2	2	2
Library										
Library facilities	2	2	2	2	2	2	2	2	2	2

Source: City of Carmel-by-the-Sea Departments

OTHER INDEPENDENT AUDITOR'S REPORTS

Chavan and Associates, llp
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Honorable Mayor and Members of the
City Council of the City of Carmel-By-The-Sea
Carmel-by-the-Sea, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the City of Carmel-By-The-Sea (the "City") as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated January 24, 2025.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses and significant deficiencies may exist that were not identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of 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 determination of financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not

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Chavan and Associates, llp
Certified Public Accountants

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*.

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 entity'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.

C & A LLP

January 24, 2025
Morgan Hill, California

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info@cnallp.com • www.cnallp.com

CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL
Staff Report

February 3, 2025
ORDERS OF BUSINESS

TO:	Honorable Mayor and City Council Members
SUBMITTED BY:	Brandon Swanson, Assistant City Administrator
APPROVED BY:	Chip Rerig, City Administrator
SUBJECT:	Resolution 2025-014 for a Professional Services Agreement with Conti, LLC, with a not to exceed value of $110,543, to complete Audio/Visual upgrades to the Council Chambers (Estimated time - 10 min)

RECOMMENDATION:

Adopt Resolution 2025-014 (**Attachment 1**) authorizing the City Administrator to execute the following:

1. A Professional Services Agreement with Conti LLC for the proposed upgrades to the Council Chambers AV systems, in the amount of $103,333.
2. A Purchase Order with OuttaTheWoods Custom Woodworking for the installation of flush-mount monitors and construction of a new Clerk's station, in the amount of $7,210.

BACKGROUND/SUMMARY:

EXECUTIVE SUMMARY

City Council is being asked to approve a contract with Conti LLC for upgrades to the Council Chambers' audio-visual (AV) systems. The proposed upgrades are detailed in Conti's scope of work and cost proposal, which includes modernizing the AV technology to enhance the functionality, accessibility, and overall experience of the Council Chambers during public meetings. Additionally, the project includes supplemental upgrades to install flush-mount monitors retrofitted into the dais and construction of a new Clerk's station off of the dias.

BACKGROUND/SUMMARY

The Council Chambers AV systems are integral to facilitating public meetings, ensuring accessibility, and enhancing transparency. Over time, the existing AV equipment has become outdated and insufficient to meet the needs of Council meetings and public expectations.

In addition, the COVID-19 pandemic has highlighted the need for modern, robust technology to support virtual meetings (e.g., Zoom) and hybrid formats, which have become the norm for public engagement. The upgrades will ensure the Council Chambers can accommodate these virtual and hybrid meetings seamlessly, improving accessibility for the public and staff.

Conti LLC has provided a proposal (**Attachment 2**) to upgrade the AV systems. The scope includes:

1. Enhanced sound processing and audio quality in the chambers.
2. Installation of overhead microphone arrays to allow for discussion from the “floor” of the chambers.
3. Upgraded assistive listening systems.
4. New monitors.
5. Replace podium mic to allow for various height speakers.
6. Allow for two-way communication between chambers and production desk in City Hall basement
7. Replacement of outdated cameras with higher-quality units.
8. Integration of high definition laser projector for presentations.
9. Improved video and audio transmission, including to the City Hall lobby.
10. Upgraded touch panels, monitors, and presentation capabilities.

To further enhance functionality, staff proposes adding flush-mount monitors to the dais and constructing a new Clerk’s station, located off the dias, also with a flush-mount monitor. A phased approach will be used for installing the flush-mount monitors, beginning with the new Clerk’s station to ensure the system operates as expected before modifying the dais.

The total cost for these additional upgrades, as outlined in a proposal from OuttaTheWoods Custom Woodworking, is $7,210 (**Attachment 3**). It should be noted that given the cost of this work, a Professional Services Agreement does not need to be approved by Council. Typically, this would only require a purchase order be approved under the City Administrator’s purchasing authority. However, this part of the project has been included for the Council to consider as a whole.

The proposed upgrades align with the City’s goals of improving public engagement and operational efficiency during meetings.

STAFF ANALYSIS

The proposed upgrades will modernize the Council Chambers to meet current technological standards, address accessibility requirements, and improve the overall experience for Council members, staff, and the public. The addition of flush-mount monitors and a custom Clerk’s station will further enhance the usability and aesthetics of the chambers. The phased approach for flush-mount monitors ensures that functionality is verified with the Clerk’s station before expanding the installations to the dais, minimizing potential issues and disruptions.

SOLE-SOURCE RECOMMENDATION

Staff recommends adopting the attached Resolution (**Attachment 1**) awarding this contract to Conti LLC as a sole-source provider based on Carmel Municipal Code Section 3.12.180(C), which allows sole-source procurement when “there is only one vendor who can supply the requirements of a purchase.” Conti LLC was the original installer of the Council Chambers AV system, giving them unique knowledge of the existing infrastructure and requirements.

In addition, the Municipal Code also states that sole-source procurement may be justified when “it is in the City’s best interest to negotiate with and select a vendor that is best qualified and that offers the best value to the City.” Conti’s familiarity with the existing system and their detailed, cost-effective proposal makes them the best qualified vendor to perform the upgrades. This ensures the project is completed efficiently, minimizes disruptions, and avoids potential complications associated with hiring a different vendor unfamiliar with the current setup.

FISCAL IMPACT:

The total cost of the project, including Conti's AV upgrades ($103,333) and OuttaTheWoods' work on the Clerk's station and dais monitors ($7,210), is $110,543. The approved budget for this project had an allocation of $80,000; however, a budget transfer within the IT budget will be executed to cover the full cost. This ensures no additional funding outside of the approved fiscal year budget will be required.

PRIOR CITY COUNCIL ACTION:

None.

ATTACHMENTS:

Attachment 1) Resolution 2025-014
Attachment 2) PSA with Exhibits for Conti, LLC
Attachment 3) Outtathewoods Proposal

Attachment 1

CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL

RESOLUTION NO. 2025-014

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA AUTHORIZING THE CITY ADMINISTRATOR TO EXECUTE PROFESSIONAL SERVICES AGREEMENTS WITH CONTI LLC AND A PURCHASE ORDER WITH OUTTA THE WOODS CUSTOM WOODWORKING TO COMPLETE UPGRADES TO THE COUNCIL CHAMBERS WITH A TOTAL NOT TO EXCEED AMOUNT OF $110,543

WHEREAS, the City Council Chambers serve as the hub for public meetings, fostering transparency, accessibility, and engagement with the community; and

WHEREAS, the existing audio-visual (AV) systems in the Council Chambers have become outdated and insufficient to meet modern technological needs, including virtual and hybrid meeting capabilities; and

WHEREAS, Conti LLC, the original installer of the Council Chambers AV system, possesses the specialized knowledge of the existing infrastructure and requirements, making them uniquely qualified to perform the proposed upgrades; and

WHEREAS, pursuant to section 3.12.180(C) of the City's Purchasing Ordinance, a sole-source procurement is justified when there is only one vendor qualified to supply the required services, and when the selection of that vendor provides the best value to the City.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA DOES HEREBY:

1. Authorize the City Administrator to execute a professional services agreement with Conti LLC for a not-to-exceed amount of $103,333 to complete upgrades to the Council Chambers A/V systems.
2. Authorize the City Administrator to execute a Purchase Order with OuttaTheWoods Custom Woodworking for a not-to-exceed amount of $7,210 to install flush-mount monitors and construct a new Clerk's station.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF CARMEL-BY-THE-SEA this 3rd day of February, 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED: ATTEST:

____________________________ ____________________________

Dale Byrne, Mayor Nova Romero, MMC, City Clerk

PROFESSIONAL SERVICES AGREEMENT
for the
Council Chambers 2025 Audio/Visual Upgrade Project
Agreement # IT-CONTI-49-24-25

THIS AGREEMENT is executed this ____ day of ______________, 20___, by and between the City of Carmel-By-The-Sea, a municipal corporation, (hereinafter "City"), and Conti, LLC, (hereinafter "Consultant"), collectively referred to herein as the “parties”.

WHEREAS, the City wishes to engage Consultant to perform the services required by this Agreement; and

WHEREAS, Consultant is willing to render such professional services, as hereinafter defined, on the following terms and conditions; and

WHEREAS, Consultant represents that it is trained, experienced and competent and holds all necessary licenses and certifications to perform the services required by this Agreement.

NOW, THEREFORE, in consideration of the terms and conditions herein contained, the parties hereby covenant and agree as follows:

1. SERVICES

A. **Scope of Services**. Consultant agrees to provide to the City, as the scope of services (“Scope of Services”) under this Agreement, the following: for upgrades to the Council Chambers' audio-visual (AV) systems. The Scope of Services is attached hereto as Exhibit “A.” The Scope of Services under this Agreement should include, but is not limited to, a project description, project phases, task descriptions, identification of key personnel, identification of subconsultants, their key personnel and general description of services that will be performed, as further set forth in this Agreement and attachments hereto. Consultant agrees to all of the following:

i. Consultant will furnish all of the labor, technical, administrative, professional and other personnel, all supplies and materials, equipment, printing, vehicles, transportation, office space and facilities, and all tests, testing and analyses, calculations, and all other means whatsoever, except as otherwise expressly specified in this Agreement, necessary to perform the services required of Consultant under this Agreement.

ii. Consultant’s designated representative(s) who are authorized to act on its behalf and to make all decisions in connection with the performance of services under this Agreement are listed in Exhibit “A,“ which is made a part of this Agreement.

iii. Consultant must make every reasonable effort to maintain the stability and continuity of Consultant’s key personnel and subcontractors, if any, listed in Exhibit B to perform the services required under this Agreement. Consultant must notify City and obtain City’s written approval with respect of any changes in key personnel prior to the performance of any services by replacement personnel.

iv. Consultant must obtain City's prior written approval before utilizing any subcontractors to perform any services under this Agreement. This written approval must include the identity of the subcontractor and the terms of compensation.

v. Consultant represents that it has the qualifications, experience and facilities necessary to properly perform the services required under this Agreement in a thorough, competent and professional manner. Consultant will at all times faithfully, competently and to the best of its ability, experience and talent, perform all services described in this Agreement. In meeting its obligations under this Agreement, Consultant must employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing services similar to those required of Consultant under this Agreement.

vi. City may inspect and accept or reject any of Consultant's work under this Agreement, either during performance or when completed. Acceptance of any of Consultant's work by City will not constitute a waiver of any of the provisions of this Agreement.

vii. The Consultant must maintain any work site in the City in a safe condition, free of hazards to persons and property resulting from its operations.

B. **Change Orders**.

i. Agreements and Change Orders exceeding Fifty-Nine Thousand Nine Hundred and Ninety-Nine Dollars ($59,999.00) require City Council approval to be valid.

ii. The City may order changes to the Scope of Services, consisting of additions, deletions, or other revisions, and the compensation to be paid Consultant will be adjusted accordingly. All such changes must be authorized in writing, and executed by Consultant and City. The cost or credit to City resulting from changes in the services will be determined by the written agreement between the parties. However, any increase in compensation beyond the compensation limit amount approved by the City Council must be authorized in advance by the City Council and any service provided by Consultant in the absence of such approval are at Consultant's sole risk.

iii. Consultant will not be compensated for any services rendered in connection with its performance of this Agreement that are in addition to or outside of those set forth in the Scope of Services or otherwise required by this Agreement, unless such additional services are authorized in advance and in writing by City.

iv. If Consultant believes that additional services are needed to complete the Scope of Services, Consultant will provide the City Administrator with written notification describing the proposed additional services, the reasons for such services, and a detailed proposal regarding cost.

C. **Familiarity with Services and Site.**

i. By executing this Agreement, Consultant represents that Consultant:

a. has thoroughly investigated and considered the Scope of Services to be performed;

b. has carefully considered how the services should be performed;
c. understands the facilities, difficulties, and restrictions attending performance of the services under this Agreement; and
d. possesses all licenses required under local, state or federal law to perform the services contemplated by this Agreement, and will maintain all required licenses during the performance of this Agreement.

ii. If services involve work upon any site, Consultant has or will investigate the site and is or will be fully acquainted with the conditions there existing, before commencing its services. Should Consultant discover any latent or unknown conditions that may materially affect the performance of services, Consultant will immediately inform City of such fact and will not proceed except at Consultant's own risk until written instructions are received from City.

2. COMPENSATION

A. **Total Fee**. Subject to any limitations set forth in this Agreement, the City agrees to pay and Consultant agrees to accept as full and fair consideration for the performance of this Agreement, fees as set forth in Exhibit "A", in a base amount not-to-exceed One Hundred and Three Thousand Three Hundred and Thirty Three Dollars and zero cents ($103,333.00). Such compensation is the "Maximum Authorized Expenditure" under this Agreement. Fees include, but is not limited to, fees for each phase and task, not-to-exceed total fee, hourly rates, reimbursable rates and subconsultant mark-up rates. The use of subconsultants will not be considered a reimbursable expense, and such costs must be applied towards the approved budgeted amount. Payment of any compensation to Consultant is contingent upon performance of the terms and conditions of this Agreement to the satisfaction of the City. If the City determines that the Services set forth in the written invoice have not performed in accordance with the terms of this Agreement, the City is not responsible for payment until the Services have been satisfactorily performed.

B. **Invoicing**. Consultant must submit to the City monthly written invoices to the City's Project Representative, identified in Section 5 below. Invoices must be prepared in a form satisfactory to the City, describing the services rendered and associated costs for the period covered by the invoice. The City will provide invoicing format upon request. Consultant may not bill the City for duplicate services performed by more than one person. Consultant's invoices must include, but are not limited to, the following information:

i. Project Title, the City's Purchase Order number and City's Project Code(s) for each project;

ii. Invoice number and date;

iii. A brief description of services performed for each project phase and/or task;

iv. The budgeted amount for each phase, task and item, including the total amount, with the same for approved Change Orders, if any;

v. Amount invoiced to date divided by the agreed total compensation, expressed as a percentage, with the same for approved Change Orders, if any;

vi. The amount earned and invoiced to date for each phase, task and/or item, including the total amount, with the same for approved Change Orders, if any;

vii. The amount previously invoiced for each phase, task and/or item, including the total amount, with the same for approved Change Orders, if any;

viii. The amount due for the period covered by this invoice for each phase, task, and/or item, including the total amount, with the same for approved Change Orders, if any;

ix. For time and materials authorizations, the number of hours spent, by whom and their hourly rate for each phase, task and/or item, including the total amount;

x. The costs incurred, including reimbursables, for each phase, task, and/or item for the agreed total compensation and approved Change Orders, if any, along with a brief description of those costs;

xi. The total amount due for the period covered by this invoice, including subconsultants and vendors of services or goods;

xii. Copies of subconsultant, vendor, and reimbursable invoices including hourly breakdowns when requested by City.

xiii. Copies of subconsultant and vendor lien releases.

Any such invoices must be in full accord with any and all applicable provisions of this Agreement. Consultant must submit invoices to the City on or before the sixteenth (16^{th}) day of each month for services performed in the preceding month.

The City will review each invoice submitted by Consultant to determine whether the work performed and expenses incurred are in compliance with this Agreement. In the event that no charges or expenses are disputed, the invoice will be approved and paid.

Except as to any charges for work performed or expenses incurred by Consultant that are disputed by City, the City will pay on each such invoice within thirty (30) days of receipt; provided, however, that Consultant submits an invoice which is not incorrect, incomplete, or not in accord with the provisions of this Agreement. If any charges or expenses are disputed by City, the invoice will be returned by City to Consultant for correction and resubmission, and the City will not be obligated to process any payment to Consultant until thirty (30) days after a correct and complying invoice has been submitted by Consultant. Payment to Consultant for services performed under this Agreement may not be deemed to waive any defects in the services performed by Consultant, even if such defects were known to City at the time of payment. City reserves the right to withhold future payment to Consultant if any aspect of the Consultant's work is found to be non-conforming to the terms of this Agreement.

The City is not obligated to pay Consultant a greater percentage of the Maximum Authorized Expenditure than the actual percentage of services completed as of the invoice date.

Consultant agrees to remit and is responsible for all withholding taxes, income taxes, unemployment insurance deductions, and any other deductions required by applicable federal, state or local laws and regulations for Consultant, its employees, subconsultants and vendors of services or goods.

C. **Adjustment of Maximum Authorized Expenditure**. The City may increase or decrease the Maximum Authorized Expenditure by issuing a Change Order to the Agreement in accordance with Section 1.B "Change Orders" above. Should Consultant consider that any request or instruction from the City's Project Representative constitutes a change in the scope of services, Consultant will advise the City's Project Representative, in writing, within fourteen (14) calendar days of such request or instruction. Without said written advice within the time period specified, the City is not obligated to make any payment of additional compensation to Consultant.

D. **Hourly Rates**. Payment for all authorized services, including payment for authorized on-call, as-needed services, will be made by the City to Consultant in accordance with the various hourly rates as set forth in Exhibit "A".

E. **Subconsultants and Vendors**. Invoices for subconsultants and vendors of services or goods will be paid by the City to Consultant in accordance with the various rates as set forth in Exhibit "A". All reimbursable expenses will be considered as included within the Maximum Authorized Expenditure. Consultant is solely responsible for payment to subconsultants and vendors of services or goods, and the City is not responsible or liable for any payments to subconsultants and vendors, either directly or indirectly.

F. **Audit and Examination of Accounts**:

i. Consultant must keep and will cause any assignee or subconsultant under this Agreement to keep accurate books of records and accounts, in accordance with sound accounting principles, which pertain to services to be performed under this Agreement.

ii. Any audit conducted of books of records and accounts must be kept in accordance with generally accepted professional standards and guidelines for auditing.

iii. Consultant must disclose and make available any and all information, reports, books of records or accounts pertaining to this Agreement to the City and any city of the County of Monterey, or other federal, state, regional or governmental agency which provides funding for these Services.

iv. Consultant must include the requirements of Section 2F, "Audit and Examination of Accounts," in all contracts with assignees or subconsultants under this Agreement.

v. All records provided for in this Section are to be maintained and made available throughout the performance of this Agreement and for a period of not less than four (4) years after full completion of the Services. All records, which pertain to actual disputes, litigation, appeals or claims, must be maintained and made available for a period of not less than four (4) years after final resolution of such disputes, litigation, appeals or claims.

3. AGREEMENT TERM

A. **Term**. The work under this Agreement will commence by February 5th, 2025 and must be completed by June 30th, 2025 unless sooner terminated or the City grants an extension of time in writing pursuant to the terms of this Agreement, except for provisions in this Agreement that will survive the termination or completion of this Agreement. Consultant will perform Change Order services as set out in Section 1.B, "Amendment of Services (Change Orders)," in a timely manner or in accordance with the agreed upon Change Order Project Schedule.

B. **Timely Work**. Consultant will perform all Services in a timely fashion. Failure to perform is deemed a material breach of this Agreement, and the City may terminate this Agreement with no further liability hereunder, or may authorize, in writing, an extension of time to the Agreement.

C. **Notice to Proceed**. Upon execution of this Agreement by both parties and the receipt of all documentation required by this Agreement to be provided by Consultant to the City, including proof of insurance and tax identification numbers, the City will issue a written Notice to Proceed to the Consultant. The City may, in its sole discretion, issue subsequent notices from time to time regarding further portions or phases of the work. Upon receipt of such notices, Consultant will diligently proceed with the Services authorized and complete those Services within the agreed time specified in said notice. Consultant will not proceed with any of the Services unless they have received a Notice to Proceed from the City.

4. CONSULTANT'S EMPLOYEES AND SUBCONSULTANTS

A. **Listed Employees and Subconsultants.** Consultant will perform the Services using the individuals listed in the Key Employees and Subconsultants List attached hereto in Exhibit "A."

B. **Substitution of Employees or Subconsultants:**

i. Consultant may not substitute any key employee or subconsultant listed in Exhibit "A" without the prior written approval of the City, and such approval will not be unreasonably withheld. The City will not approve removal or substitution of employees or subconsultants for the reason that Consultant or its affiliates has called on such individuals to perform services for another client of the Consultant.

ii. If, at any time, the City reasonably objects to the performance, experience, qualifications or suitability of any of Consultant's employees or subconsultants, then Consultant may, upon written request from the City, replace such employee or subconsultant. Consultant must, subject to scheduling and staffing considerations, make reasonable efforts to replace the individual with an individual of similar competency and experience.

iii. Whether or not the City consents to, or requests a substitution of any employee or subconsultant of Consultant, the City will not be liable to pay additional compensation to Consultant for any replacement or substitution.

C. **Sub-agreements with Subconsultants.** Consultant will incorporate the terms and conditions of this Agreement into all sub-agreements with subconsultants in respect of the Services necessary to preserve all rights of the City under this Agreement. Consultant is fully responsible to the City of all acts and omissions of subconsultants and of persons employed by any subconsultant.

D. **Not an Agent of the City.** Nothing in this Agreement will be interpreted to render the City the agent, employer, or partner of Consultant, or the employer of anyone working for or subcontracted by Consultant, and Consultant must not do anything that would result in anyone working for or subcontracted by Consultant being considered an employee of the City. Consultant is not, and must not claim to be, an agent of the City.

E. **Independent Contractor**:

i. Consultant is an independent contractor. This Agreement does not create the relationship of employer and employee, a partnership, or a joint venture. The City may not control or direct the details, means, methods or processes by which Consultant performs the Services. Consultant is responsible for performance of the Services and may not delegate or assign any Services to any other person except as provided for in this Agreement. Consultant is solely liable for the work quality and conditions of any partners, employees and subconsultants.

ii. No offer or obligation of permanent employment with the City or particular City department or agency is intended in any manner, and Consultant may not become entitled by virtue of this Agreement to receive from the City any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. Consultant will be solely liable for and obligated to pay directly all applicable taxes, including federal and state income taxes and social security, arising out of Consultant's performance of Services under this Agreement. Consultant will defend, indemnify and hold the City harmless from any and all liability, which the City may incur because of Consultant's failure to pay such taxes.

5. REPRESENTATIVES AND COMMUNICATIONS

A. **City's Project Representative.** The City appoints the individual named below as the City's Project Representative for the purposes of this Agreement ("City's Project Representative"). The City may unilaterally change its project representative upon notice to Consultant.

Name:	Brandon Swanson
Title:	Assistant City Administrator
Address:	PO Box CC, Carmel-by-the-Sea, CA 93921
Telephone:	831-402-1381
Email:	bswanson@cbts.us

B. **Consultant's Project Manager.** Consultant appoints the person named below as its Project Manager for the purposes of this Agreement ("Consultant's Project Manager").

Name:	Bill Famini
Title:	Technology Division Manager
Company:	Conti, LLC
Address:	920 Stillwater Rd, Suite 180, West Sacramento, 95605
Telephone:	702-561-8163
Email:	bstewart@conticorporation.com

C. **Meet and Confer**. Consultant agrees to meet and confer with the City's Project Representative, its agents or employees with regard to Services as may be required by the City to insure timely and adequate performance of this Agreement.

D. **Communications and Notices**. All communications between the City and Consultant regarding this Agreement, including performance of Services, will be between the City's Project

Representative and Consultant's Project Manager. Any notice, report, or other document that either party may be required or may wish to give to the other must be in writing and will be validly given to and received by the addressee, if delivered personally, on the date of such personal delivery, if delivered by email, on the date of transmission, or if by mail, seven (7) calendar days after posting.

6. **INDEMNIFICATION**

Consultant hereby agrees to the following indemnification clause:

To the fullest extent permitted by law (including, without limitation, California Civil Code Sections 2782 and 2782.6), Consultant will defend (with legal counsel reasonably acceptable to the City), indemnify and hold harmless the City and its officers, designated agents, departments, officials, representatives and employees (collectively "Indemnitees") from and against claims, loss, cost, damage, injury expense and liability (including incidental and consequential damages, Court costs, reasonable attorneys' fees as may be determined by the Court, litigation expenses and fees of expert consultants or expert witnesses incurred in connection therewith and costs of investigation) to the extent they arise out of, pertain to, or relate to, the negligence, recklessness, or willful misconduct of Consultant, any subconsultant or subcontractor, anyone directly or indirectly employed by them, or anyone that they control (collectively "Liabilities"). Such obligations to defend, hold harmless and indemnify any Indemnitee will not apply to the extent that such Liabilities are caused in part by the active negligence or willful misconduct of such Indemnitee.

Notwithstanding the provisions of the above paragraph, Consultant agrees to indemnify and hold harmless the City from and against all claims, demands, defense costs, liability, expense, or damages arising out of or in connection with damage to or loss of any property belonging to Consultant or Consultant's employees, subconsultants, representatives, patrons, guests or invitees.

In no event will the obligation of the Consultant exceed the limitations on the duty to defend and indemnify as set forth in Civil Code Sections 2782, 2782.6, and 2782.8.

7. **INSURANCE**

Consultant must submit and maintain in full force all insurance as described herein. Without altering or limiting Consultant's duty to indemnify, Consultant must maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

A. <u>Commercial General Liability Insurance</u> including but not limited to premises, personal injuries, bodily injuries, property damage, products, and completed operations, with a combined single limit of not less than $1,000,000 per occurrence and $2,000,000 in the aggregate.

B. <u>Professional Liability Insurance</u> with limits of not less than $1,000,000 per occurrence or claim and $2,000,000 in the aggregate. Consultant will have a policy for professional liability coverage that provides coverage on an occurrence basis or obtain extended reporting (tail) coverage (with the same liability limits) for at least three years following the City's acceptance of the work.

C. Automobile Liability Insurance covering all automobiles, including owned, leased, non-owned, and hired automobiles, used in providing Services under this Agreement, with a combined single limit of not less than $1,000,000 per occurrence.

D. Workers' Compensation Insurance. If Consultant employs others in the performance of this Agreement, Consultant must maintain Workers' Compensation insurance in accordance with California Labor Code section 3700 and with a minimum of $1,000,000 per occurrence.

E. Other Insurance Requirements:

i. All insurance required under this Agreement must be written by an insurance company either:

a. admitted to do business in California with a current A.M. Best rating of no less than A:VI; or
b. an insurance company with a current A.M. Best rating of no less than A:VII. Exception may be made for the State Compensation Insurance Fund when not specifically rated.

ii. Each insurance policy required by this Agreement may not be canceled, except with prior written notice to the City.

iii. All liability and auto policies must:

a. Provide an endorsement naming the City of Carmel-by-the-Sea, its officers, officials, employees, and volunteers as additional insureds. General liability coverage can be provided in the form of an endorsement to the Consultant's insurance (at least as broad as ISO Form CG 20 10 11 85 or both CG 20 10 and CG 23 37 forms if later revisions used).

b. Provide that such Consultant's insurance is primary as respects the City, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City is excess to the Consultant's insurance and will not contribute with it.

c. Contain a "Separation of Insureds" provision substantially equivalent to that used in the ISO form CG 00 01 10 01 or their equivalent.

d. Provide for a waiver of any subrogation rights against the City via an ISO CG 24 01 10 93 or its equivalent.

iv. Prior to the start of work under this Agreement, Consultant will file certificates of insurance and endorsements evidencing the coverage required by this Agreement with the City. Consultant will file a new or amended certificate of insurance promptly after any change is made in any insurance policy which would alter the information on the certificate then on file.

v. Neither the insurance requirements hereunder, nor acceptance or approval of Consultant's insurance, nor whether any claims are covered under any insurance, may in any way modify or change Consultant's obligations under the indemnification clause in this Agreement, which will continue in full force and effect. All coverage available to the Consultant as named insured will also be available and applicable to the additional insured. Notwithstanding these insurance requirements, Consultant is financially liable for its indemnity obligations under this Agreement.

vi. All policies must be written on a first dollar coverage basis or contain a deductible provision. Any deductibles or self-insured retentions ("SIR") must be declared to and approved by the City. At the option of the City, either: the insured will reduce or eliminate such deductibles or SIR as respects the City, its officers, officials, employees and volunteers; or Consultant will provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration, and defense expenses. In no event will any SIR or insurance policy contain language, whether added by endorsement or contained in the policy conditions, that prohibits satisfaction of any self-insured provision or requirement by anyone other than the named insured, or by any means including other insurance, or which is intended to defeat the intent or protection of an additional insured.

vii. City reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

viii. Consultant must require and verify that all subconsultants and subcontractors maintain insurance meeting all the requirements in this Agreement.

ix. If Consultant, for any reason, fails to have in place at all times during the term of this Agreement all of the required insurance coverage, the City may, but is not obligated to, obtain such coverage at Consultant's expense and deduct the cost from the sums due Consultant. Alternatively, City may terminate the Agreement.

x. The existence of the required insurance coverage under this Agreement will not be deemed to satisfy or limit Consultant's indemnity obligations under this Agreement. Consultant acknowledges that the insurance coverage and policy limits set forth in this Agreement constitute the minimum coverage and policy limits required. Should any coverage carried by the Consultant or any subcontractor of any tier have limits of liability that exceed the limits or have broader coverage than required in this Agreement, those higher limits and that broader coverage are deemed to apply for the benefit of any person or organization included as an additional insured and those limits and broader coverage will become the required minimum limits and insurance coverage in all sections of this Agreement. Any insurance proceeds available to City in excess of the limits and coverages required by this Agreement, and which is applicable to a given loss, must be made available to City to compensate it for such losses.

xi. Consultant must give City prompt notice of claims made of lawsuits initiated that arise out of or result from Consultant's performance under this Agreement, and that involve or may involve coverage under any of the required liability insurance policies.

xii. The Consultant hereby waives any right of subrogation that any of its insurers may have or that they may accrue out of the payment of any claim related to the Consultant's performance of this Agreement, regardless of whether any endorsements required by this section are obtained.

8. PERFORMANCE STANDARDS

A. Consultant warrants that Consultant and Consultant's agents, employees, and subconsultants performing Services under this Agreement are specially trained, experienced, and competent and have the degree of specialized expertise contemplated within California Government Code Section 37103, and further, are appropriately licensed to perform the work and deliver the Services required under this Agreement.

B. Consultant, its agents, employees, and subconsultants must perform all Services in a safe and skillful manner consistent with the usual and customary standards of care, diligence and skill ordinarily exercised by professional consultants in similar fields in accordance with sound professional practices. All work product of Consultant must comply with all applicable laws, rules, regulations, ordinances and codes. Consultant also warrants that it is familiar with all laws that may affect its performance of this Agreement and will advise City of any changes in any laws that may affect Consultant's performance of this Agreement. All Services performed under this Agreement that are required by law to be performed or supervised by licensed personnel must be performed in accordance with such licensing requirements.

C. Consultant must furnish, at its own expense, all materials, equipment and personnel necessary to carry out the terms of this Agreement. Consultant may not use the City premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.

D. Consultant agrees to perform all work under this Agreement to the satisfaction of City and as specified herein. The City's Project Representative or his or her designee will evaluate the work. If the quality of work is not satisfactory, City in its discretion may meet with Consultant to review the quality of work and resolve the matters of concern, and may require Consultant to repeat the work at no additional fee until it is satisfactory.

9. CITY INFORMATION AND RESOURCES

A. **Available Information.** The City will make available to Consultant all relevant information, plans, maps, reports, specifications, standards and pertinent data which is in the hands of the City and is required by Consultant to perform the Services. Consultant may rely upon the accuracy and completeness of such information and data furnished by the City, except where it is stated otherwise or unreasonable.

B. **City Resources.** The City acknowledges that Consultant's ability to provide the Services in accordance with this Agreement may be dependent on the City providing available information and resources in a prompt and timely manner as reasonably required by Consultant. To the extent that the City fails to provide City resources, Consultant will not be liable for any resulting delay in the Services or failure to meet the Project Schedule, but in no event will such delay or failure to provide City resources constitute a breach of this Agreement by the City, nor will

Consultant be entitled to extra compensation for same. Consultant's sole remedy shall be an extension of time to complete the Scope of Services.

C. **Obligations of Consultant.** No reviews, approvals, or inspections carried out or supplied by the City will derogate from the duties and obligations of Consultant, and all responsibility related to performance of the Services will be and remain with Consultant.

10. OWNERSHIP AND USE OF MATERIALS

A. **Ownership of the Materials.** All data, studies, reports, calculations, field notes, sketches, designs, drawings, plans, specifications, cost estimates, manuals, correspondence, agendas, minutes, notes, audio-visual materials, photographs, models, software data, computer software (if purchased on the City's behalf) and other documents or products produced by Consultant under this Agreement (collectively, "the Materials") are and will remain the property of the City even though Consultant or another party may have physical possession of them or a portion thereof. Consultant hereby waives, in favor of the City, any moral rights Consultant, its employees, subconsultants, vendors, successors or assignees may have in the Materials.

B. **No Patent or Copyright Infringement.** Consultant guarantees that in its creation of the Materials produced under this Agreement, no federal or state patent or copyright laws were violated. Consultant agrees that all copyrights, which arise from creation of the work or Services pursuant to this Agreement, will be vested in the City and waives and relinquishes all claims to copyright or intellectual property rights in favor of the City. Consultant covenants that it will defend, indemnify and hold City harmless from any claim or legal action brought against the City for alleged infringement of any patent or copyright related to City's use of Materials produced by Consultant and its employees, agents and subconsultants under this Agreement.

C. **Delivery and Use of the Materials.** All Materials will be transferred and delivered by Consultant to the City without further compensation following the expiration or sooner termination of this Agreement, provided that the City may, at any time prior to the expiration or earlier termination of this Agreement, give written notice to Consultant requesting delivery by Consultant to the City of all or any part of the Materials in which event Consultant must forthwith comply with such request. The Materials created electronically must be submitted in a format and medium acceptable to the City. The Materials may be used by the City in any manner for the intended purpose or as part of its operations associated with the Materials.

D. **Survival of Ownership and Use Provisions.** The provisions contained in Section 10, Ownership and Use of Materials survives the expiration or earlier termination of this Agreement, and that this Section is severable for such purpose.

E. **Additional Copies**. If the City requires additional copies of reports, or any other material that Consultant is required to furnish as part of the Services under this Agreement, Consultant must provide such additional copies, and the City will compensate Consultant for the actual costs related to the production of such copies by Consultant.

11. CONFIDENTIALITY

A. **No Disclosure.** Consultant must keep confidential and may not disclose, publish or release any information, data, or confidential information of the City to any person other than representatives of the City duly designated for that purpose in writing by the City. Consultant may not use for Consultant's own purposes, or for any purpose other than those of the City, any information, data, or confidential information Consultant may acquire as a result of the performance of the Services under this Agreement. Consultant must promptly transmit to the City any and all requests for disclosure of any such confidential information or records. The obligations under this Section will survive the expiration or earlier termination of this Agreement.

B. **California Public Records Act.** Consultant acknowledges that the City is subject to the California Public Records Act (Government Code Section 6250 et seq.), known as the "PRA," and agrees to any disclosure of information by the City as required by law. Consultant further acknowledges that it may have access to personal information as defined under the PRA, and Consultant will not use any such personal information for any purposes other than for the performance of Services under this Agreement without the advance written approval of the City.

All Scopes of Services and related documents received will be public records, with the exception of those elements, identified by the Consultant as business trade secrets and are plainly marked "Trade Secret," "Confidential," or "Proprietary." If disclosure is required under the PRA or otherwise by law, the City will not be liable or responsible for the disclosure of any such records and the Consultant will indemnify, defend, and hold the City harmless for any such disclosure.

12. CONFLICT OF INTEREST

Consultant covenants that neither Consultant, nor any officer, principal or employee of its firm, has or will acquire any interest, directly or indirectly, that would conflict in any manner with the interests of City relating to this Agreement or that would in any way hinder Consultant's performance of services under this Agreement. Consultant's attention is directed to the conflict of interest rules applicable to governmental decision-making contained in the Political Reform Act (California Government Code Section 87100 and following) and its implementing regulations (California Code of Regulations, Title 2, Section 18700 et seq.), and California Government Code section 1090.

Consultant is required to file a Form 700 in compliance with the City's Conflict of Interest Code unless a written determination by the City Administrator is made modifying or eliminating said requirement, or unless otherwise exempted by law.

In addition, Consultant, Consultant's employees, and subconsultants agree as follows:

A. That they will conduct their duties related to this Agreement with impartiality, and must, if they exercise discretionary authority over others in the course of those duties, disqualify themselves from dealing with anyone with whom a relationship between them could bring the impartiality of Consultant or its employees into question;

B. May not influence, seek to influence, or otherwise take part in a decision of the City knowing that the decision may further their private interests;

C. May not accept any commission, discount, allowance, payment, gift, or other benefit connected, directly or indirectly, with the performance of Services related to this Agreement, that causes, or would appear to cause, a conflict of interest;

D. May have no financial interest in the business of a third party that causes, or would appear to cause, a conflict of interest in connection with the performance of the Services related to this Agreement, and if such financial interest is acquired during the term of this Agreement, Consultant must promptly declare it to the City, and;

E. May not, during the term of this Agreement, perform a service for, or provide advice to, any person, firm, or corporation, which gives rise to a conflict of interest between the obligations of Consultant under this Agreement and the obligations of Consultant to such other person, firm or corporation.

13. DISPUTE RESOLUTION

A. **Dispute Resolution Procedures.** The parties will make reasonable efforts to promptly resolve any dispute, claim, or controversy arising out of or related to this Agreement ("Dispute") using the Dispute Resolution Procedures set forth in this Section.

B. **Negotiations.** First, the City's Project Representative and Consultant's Project Manager will make reasonable efforts to resolve any Dispute by amicable negotiations and will provide frank, candid, and timely disclosure of all relevant facts, information, and documents to facilitate negotiations. Should these negotiations be unsuccessful in resolving the Dispute, the matter will be promptly referred to the City Administrator or designee, and the Consultant's Principal, who will meet and confer, in good faith, to resolve the Dispute to mutual satisfaction of the parties.

C. **Mediation.** If all or any portion of a Dispute cannot be resolved by good faith negotiations as set forth above within thirty (30) days of the date that the matter was referred to the City Administrator pursuant to subsection B above, either party may, by notice to the other party, submit the Dispute for formal mediation to a mediator selected mutually by the parties from the Monterey Superior Court's Court-Directed Mediator Panel list. The duration of any such mediation may not exceed 2 hours unless otherwise agreed to by the parties. The cost of the mediation (including fees of mediators) will be borne equally by the parties, and each party will bear its own costs of participating in mediation. The mediation will take place within or in close proximity to the City of Carmel-by-the-Sea.

In any mediation conducted pursuant to this section, the provisions of California Evidence Code section 1152 will be applicable to limit the admissibility of evidence disclosed by the parties in the course of the mediation. In the event the parties are unsuccessful in resolving the dispute through the mediation process, then the parties agree that the dispute will be submitted to Binding Arbitration to a single Arbitrator in accordance with the existing Rules of Practice and Procedure of the Judicial Arbitration and Mediation Services, Inc. (JAMS) within thirty (30) days of the close of mediation as declared by the mediator.

D. **Arbitration.** The submission to Mediation and Arbitration in accordance with the requirements of this section of any and all agreements, differences, or controversies that may arise hereunder is made a condition precedent to the institution of any action or appeal at law or in equity with respect to the controversy involved. The award by the arbitrator will have the same force and effect and may be filed and entered, as a judgment of the Superior Court of the State of California and is subject to appellate review upon the same terms and conditions as the law permits for judgments of Superior Courts. A "Prevailing Party" will be determined in the Arbitration, and the prevailing party will be entitled to reasonable attorney's fees and costs incurred, and accrued interest on any unpaid balance that may be due. Costs will include the cost of any expert employed in the preparation or presentation of any evidence. All costs incurred and reasonable attorney fees will be considered costs recoverable in that proceeding, and be included in any award.

14. TERMINATION OF AGREEMENT

A. **Termination for Cause or Default.** The City reserves the right to immediately terminate this Agreement, in whole or in part, if Consultant or any subconsultant defaults or fails to deliver the Services in accordance with the terms and conditions of this Agreement. Such termination must be in writing, setting forth the effective date of termination, and will not result in any penalty or other charges to the City, and may be issued without any prior notice. Without limitation, Consultant is in default of its obligations contained in this Agreement if Consultant, or any subconsultant:

i. Fails to perform the required Services within the term and/or in the manner provided under this Agreement;

ii. Fails to supply sufficient, properly skilled workers or proper workmanship, products, material, tools and equipment to perform the Services;

iii. Fails to observe or comply with all laws, ordinances, including all requirements of governmental or quasi-governmental authorities, including federal, state, and local government enactments, bylaws, and other regulations now or, following the date of this Agreement, in force that pertain to;

iv. Fails to observe or comply with the City's reasonable instructions;

v. Breaches the Conflict of Interest provisions of this Agreement; or

vi. Otherwise violates any provision of this Agreement.

B. **Termination for Convenience.** The City may, at its option and sole discretion, terminate this Agreement, in whole or in part, with or without cause, at any time during the Agreement Term for the convenience of the City, upon ten (10) days written notice to the Consultant.

C. **Steps after Termination:**

i. Upon termination of this Agreement by the City for any reason, the City will pay Consultant for satisfactorily performed Services and disbursements incurred by Consultant to the date of termination pursuant to this Agreement, less any amounts necessary to compensate the City for damages or costs incurred by the City arising from

Consultant's default. Termination will be without prejudice to any other rights or remedies the City may have.

ii. Upon receipt of written notice of termination of this Agreement by the City for any reason, Consultant must:

a. Promptly cease all Services, including Services provided by any subconsultant, unless otherwise directed by the City; and

b. Deliver to the City all the Materials provided to Consultant or prepared by or for Consultant or the City in connection with this Agreement. Such Materials are to be delivered to the City in completed form; however, notwithstanding the provisions of Section 10, Ownership and Use of Materials, herein, the City may condition payment for services rendered to the date of termination upon Consultant's delivery to the City of such Materials.

iii. If this Agreement is terminated by the City for any reason, the City is hereby expressly permitted to assume the projects and Services, and to complete them by any means including, but not limited to, an agreement with another party.

15. LEGAL ACTION / VENUE

A. Should either party to this Agreement bring legal action against the other, the validity, interpretation and performance of this Agreement will be controlled by and construed under the laws of the State of California, excluding California's choice of law rules.

B. Venue for any such action relating to this Agreement will be in Monterey County.

C. If any legal action or proceeding, including action for declaratory relief, is brought for the enforcement of this Agreement or because of an alleged dispute, breach, default or misrepresentation in connection with this Agreement, the prevailing party may recover reasonable attorneys' fees as may be determined by the Arbitrator, experts' fees, and other costs, in addition to any other relief to which the party may be entitled.

16. MISCELLANEOUS PROVISIONS

A. **Non-discrimination**. During the performance of this Agreement, Consultant, and its subconsultants, may not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age, or sexual orientation, either in Consultant's employment practices or in the furnishing of services to recipients. Consultant further acknowledges that harassment in the workplace is not permitted in any form, and will take all necessary actions to prevent such conduct.

B. **Acceptance of Services Not a Release**. Acceptance by the City of the Services to be performed under this Agreement does not operate as a release of Consultant from professional responsibility for the Services performed.

C. **Force Majeure**. Either party is absolved from its obligation under this Agreement when and to the extent that performance is delayed or prevented, and in the City's case, when and to the extent that its need for vehicles, materials, or Services to be supplied hereunder are reduced or eliminated by any course, except financial, for reasons beyond its control. Such reasons include, but are not limited to: earthquake, flood, epidemic, fire, explosion, war, civil disorder, act of God or of the public enemy, act of federal, state or local government, or delay in transportation to the extent that they are not caused by the party's willful or negligent acts or omissions, and to the extent that they are beyond the party's reasonable control.

D. **Headings**. The headings do not govern, limit, modify, or in any manner affect the scope, meaning or intent of the provisions of this Agreement. The headings are for convenience only.

E. **Entire Agreement**. This Agreement, including the Exhibits attached hereto, constitutes the entire agreement between the parties hereto with respect to the terms, conditions, and Services and supersedes any and all prior proposals, understandings, communications, representations and agreements, whether oral or written, relating to the subject matter thereof pursuant to Section 1B, "Change Order of Services." Any Change Order to this Agreement will be effective only if it is in writing signed by both parties hereto and will prevail over any other provision of this Agreement in the event of inconsistency between them.

F. **Conflict between Agreement and Exhibits**. In the event of a conflict between a provision in this Agreement and a provision in an Exhibit attached to this Agreement, the provisions in this Agreement will take precedence.

G. **Counterparts**. This Agreement may be executed in one or more counterparts, each of which will be deemed an original, and may be signed in counterparts, but all of which together will constitute one and the same Agreement.

H. **Multiple Copies of Agreement**. Multiple copies of this Agreement may be executed, but the parties agree that the Agreement on file in the office of the City's City Clerk is the version of the Agreement that governs should any difference exist among counterparts of this Agreement.

I. **Authority**. Any individual executing this Agreement on behalf of the City or Consultant represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such party and bind the party to the terms and conditions of this Agreement.

J. **Severability**. If any of the provisions contained in this Agreement are held illegal, invalid or unenforceable, the enforceability of the remaining provisions will not be impaired thereby. Limitations of liability and indemnities will survive termination of the Agreement for any cause. If a part of the Agreement is valid, all valid parts that are severable from the invalid part remain in effect. If a part of this Agreement is invalid in one or more of its applications, the part remains in effect in all valid applications that are severable from the invalid applications.

K. **Non-exclusive Agreement**. This Agreement is non-exclusive and both the City and Consultant expressly reserve the right to enter into agreements with other Consultants for the same or similar services, or may have its own employees perform the same or similar services.

L. **Assignment of Interest**. The duties under this Agreement are not assignable, delegable, or transferable without the prior written consent of the City. Any such purported assignment, delegation, or transfer constitutes a material breach of this Agreement upon which the City may terminate this Agreement and be entitled to damages.

M. **City Business License**. Prior to receiving a Notice to Proceed from the City, Consultant will obtain and maintain a valid City of Carmel-by-the-Sea Business License for the duration of the Agreement. Costs associated with the license are the responsibility of Consultant.

N. **Laws**. Consultant agrees that in the performance of this Agreement it will comply with all applicable federal, state and local laws and regulations. This Agreement will be governed by and construed in accordance with the laws of the State of California and the City of Carmel-by-the-Sea.

IN WITNESS WHEREOF, the parties enter into this Agreement hereto on the day and year first above written in Carmel-by-the-Sea, California.

CITY OF CARMEL-BY-THE-SEA	CONSULTANT
______________________________	______________________________
City Administrator	Consultant Signature
______________________________	______________________________
Printed Name Date	Printed Name Date
	______________________________
	Title
	______________________________
	Consultant Legal Company Name

APPROVED AS TO FORM:

By: _________________________________ Date: _______________________

Brian Pierik, Esq., City Attorney

ATTEST:

By: Date: _______________________

Nova Romero, MMC, City Clerk

____

Exhibit “A” Scope, Fees, and Personnel

EXHIBIT A

Attachment 2

CONTI
AN EQUANS COMPANY

920 Stillwater Road Suite 180
West Sacramento, CA 95605
Tel:(916) 900-8111

January 28, 2025

To:

Joel Staker
IT Manager
City of Carmel-by-the-Sea
Phone: 831-620-2025

Re:

Carmel Council Chambers Upgrade

Description:

Conti Job #:

Attention:

Thank you for the opportunity to submit this pricing for the work as outlined below.

Item Number	Total Charge
Material/Tax	$ 74,458.00
Labor	$ 28,875.00
Lift Rental	
Total	**$ 103,333.00**

Please feel free to contact us if you have any questions or concerns.

Regards,

Bill Famini
TECHNOLOGY DIVISION MANAGER- NORTHERN CALIFORNIA

cc:

Attachment 2

Job Name / Description :

Customer :

Address :

Description :

A)		**Labor**			
	147.00	Labor Rate $125.00 Tech	$ 18,375.00		
	70.00	Labor Rate $150.00 Programming	$ 10,500.00		
			TOTAL JOB PREPARATION	**$**	**28,875.00**
C)		**MATERIAL**			
		Material	$ 65,171.12		
		Shipping	$ 3,258.56		
		Incidental labor			
		Labor Factoring/Lost Time			
		Sales Tax @9.25	$ 6,028.33		
			TOTAL MATERIAL COST	**$**	**74,458.00**
			Total On Site Opening Cost	**$**	**103,333.00**
D)		**SUBCONTRACTORS**			
		Lift rental			
		TOTAL SUBCONTRACTORS	$ -		
	Units	**Total On Site cost**		**$**	**103,333.00**
		Sub-Contractors	$ - @	**$**	-
	0	Unit Prices - Each Delivery	@ $ - **Delivery**	**$**	-
		TOTAL AMOUNT OF THIS CHARGE		**$**	**103,333.00**

Attachment 2

CONTI LLC

Materials

Date January 28, 2025

		Matl Unit	U	Matl Ext	Labor Unit	U	Labor Ext
AUDIO							
QSC QSYS Core110f	1	3031.200		$ 3,031.20	2.00		2.0
QSC QIO-ML4i Network Mic/Line Input	2	525.600		$ 1,051.20	2.00		4.0
QSC QIO-GP8x8 Q-SYS Network I/O Expander	2	327.600		$ 655.20	2.00		4.0
QSC MP-A40V Multi-Channel Amplifier	1	1375.200		$ 1,375.20	1.00		1.0
Listen EVERYWHERE 2 Channel Wi-Fi Audio Server Item:LW-160-02-01-D	1	1148.400		$ 1,148.40	2.00		2.0
Vaddio AV Bridge Mini Audio/Video Encoder 999-8240-000	1	2005.164		$ 2,005.16	2.00		2.0
Shure MXA920 Ceiling Array Microphone	2	3781.200		$ 7,562.40	2.00		4.0
Shure MX418D	1	225.600		$ 225.60	2.00		2.0
Barco/R9861622USB2 CX-50 GEN2 Set, ClickShare Base + 2 Buttons, TAA Compliant - Black	1	3105.600		$ 3,105.60	3.00		3.0
Demo/Rewire new to old system	1	1800.000		$ 1,800.00	32.00		32.0
VIDEO		6876.000					
PTZ Optics Move 4K 30x-4K-XX-G3 PT30X4KWHG3	4	2112.000		$ 8,448.00	2.00		8.0
PTZ Optics PT-WM-3-xx wall mount	4	105.600		$ 422.40	1.00		4.0
PTZOptics SuperJoy, a PTZ camera joystick controller	1	864.000		$ 864.00	2.00		2.0
Blacmagic Design ATEM Television Studio 4K8 SWATEMTVSTC/K4K8	1	5013.600		$ 5,013.60	2.00		2.0
Panasonic/PT-MZ880WU7 WUXGA 8000 4K Lmns LCD Laser Projector - White	1	8011.200		$ 8,011.20	4.00		4.0
Dalite Projection Screen 50x80 34456L	1	1267.920		$ 1,267.92	16.00		16.0
Extron SMP 401 12G-SDI 4K/60 Multi-Recording and Streaming w/12G-SDI 60-1825-02	1	8262.000		$ 8,262.00	2.00	0	2.0
Crestron DM-PSU-16-PLUS 16-Port PoDM+ Power Supply for DM 8G+® I/O Cards	1	1155.600		$ 1,155.60	2.00		2.0
Crestron DMC-SDI 3G-SDI Input Card for DM® Switchers	1	792.000		$ 792.00	1.00		1.0
Crestron USB-EXT-2-LOCAL-1G-W USB over Category Cable Extender Wall Plate, Local, White	1	396.000		$ 396.00	2.00		2.0
Crestron USB-EXT-2-REMOTE USB over Category Cable Extender, Remote	1	330.000		$ 330.00	2.00		2.0
Demo/Rewire new to old system	1	1839.450		$ 1,839.45	32.00		32.0
APC by Schneider Electric Smart-UPS 3000VA LCD RM 2U 120V with SmartConnect SMT3000RM2UC	2	2055.492		$ 4,110.98	2.00		4.0
QSC Q-SYS NM-T1 Network tabletop microphone for Q-SYS	1	835.200		$ 835.20	1.00		1.0
QSC AC-C4T 4" commercial in-ceiling speakers	2	84.600		$ 169.20	1.00		2.0
ASUS ZenScreen 16" (15.6 inch viewable) 1080P USB-C Portable Monitor (MB16AHV)	7	184.800		$ 1,293.60	1.00		7.0
Material Sub Total	0		E	$ 65,171.12	0.00		0.0
Miscellaneous Materials 3%	0		E	$ -	0.00		
Totals				**$ 65,171.12**			**147.00**

DIR #1000659639

Lic# 1067502

Conti LLC
920 Stillwater Rd, Suite 180
West Sacramento, CA 95605
P 916 900 8111
C 702-561-8163
F 916 256 3661
bstewart@conticorporation.com

Attachment 2

January 28,2025

To: Joel Staker
IT Manager
City of Carmel-by-the-Sea
Phone: 831-620-2025

Re: **Carmel Council Chambers AV Upgrade**

Dear Joel,
Conti LLC is pleased to submit a proposal for the Carmel Council Chambers AV Upgrade

Total Base Bid……………………………………………………………………………………………………….
$103,333.00

<u>Scope Of Work:</u>

1. Move the Clerk's position Move the clerk to the floor, near where the Police Chief sits
2. Delete the Presentation Limit Timer control unit and integrate its functions into the Clerk's touch panel/monitor.
3. Replace the sound processor with a more capable unit with Digital Signal Processing (DSP) features to allow better control of dais mic gain, feedback suppression and automatic muting of mics not directly being addressed.
4. Redirect or remount overhead speakers so they are aimed down at audience members for better sound control.
5. Replace the Assistive Listening System with the latest technology allowing the use of both small receivers and/or personal smart phones for audience members who would benefit from this assistance, as required by code.
6. Replace the existing PTZ cameras with higher quality units with improved light sensitivity to present higher quality images of dais members and presenters to the streaming encoders and locate new cameras at ~84" above finished floor for a more pleasing image angle.
7. Installation of beamforming microphone arrays (2 ea.) on bottom of ceiling beams. These will be connected to the new audio DSP processor via the new Ethernet switch installed with the built-in Acoustic Echo Cancellation (AEC).
8. Replace the existing 4000 lumen DLP projector with a 8000 lumen laser light source projector offering higher brightness and contrast and longer life with no bulb changes required.
9. Replace the existing manually operated projection screen with a motorized screen allowing its deployment automatically whenever the projector is turned on for presentations.
10. Replace the podium mic to more easily allow for people of varying heights

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Attachment 2

11. New encoder for downstairs
12. "Voice of god" feature added to downstairs
13. Audio and Video in the lobby when meetings are in process
14. Dedicated power management for production desk
15. A/V Bridge in the chambers is wireless capable
16. New monitors (note: meeting with cabinet maker on Wednesday to see how feasible it will be to flush mount monitors under dias desktop)

Replace the existing wireless presentation unit with one that fully supports iOS as well as Windows laptop/tablet presentation sources.

Clarifications:

1. This quote shall comply with the following standards: Applicable TIA/EIA standards; national, state, and local codes; as well as BICSI standards for installation and workmanship.
2. Bid bonds and performance/payment bonds, if required, are not included.
3. Any owner-provided material and equipment will be onsite and accessible prior to the sequence of work being performed.
4. Working hours are based on Normal working shift, 6:00am to 5:00pm.
5. This pricing shall remain in effect for a period of 60 days.

Exclusions:

1. Any other Low Voltage Systems not specifically listed in the above scope of work.
2. Grounding riser including conduit, and connection to main building ground bus.
3. All conduits and backboxes, demo and install.
4. Procurement and installation of active network hardware.
5. Premium time and shift work (no weekends/holidays).
6. Pricing does not include patching and painting of walls.
7. Parking fees.

Sincerely,
Bill Famini

OuttaTheWoods

25777 Tierra Grande Drive

Carmel, CA 93923

831.402.1584

Business Proposal and Quote

Date: 1/21/2025

To: City of Carmel-by-the-Sea

Attn: City Administrator

From: OuttaTheWoods Custom Woodworking

Department of Industrial Relations Number: PW-LR-1001172172

Subject: Proposal for Installation of Seven City Hall Dais Room Downview Monitor Mount Retrofit Kits and A Custom Recorder Desk With a Single Downview Monitor Mount Retrofit Kit

---

Scope of Work

1. **Workstation Downview Monitor Mount Retrofit Kit installation.**
   - Mount seven (7) downview monitor glass covers without keyboard trays on top of existing Formica on the City Hall dais.
2. **Custom L-Shaped Recorder Desk Construction:**
   - Build a custom portable L-shaped desk for the recorder's station - just the top, no drawers.
   - Integrate repurposed oak material from existing City Hall recorder desk with best effort.
   - Mount one (1) downview monitor mount retrofit kit to the top of the recorder desk.
   - Design will prioritize functionality and ergonomic accessibility while incorporating the repurposed oak materials.

Materials and Labor

Dais Downview Monitor Glass Covers:

- **Materials:** High-quality tempered glass with polished edges, custom-fitted to the dais dimensions.

Source: http://www.harborcitysupply.com || part SKU FPA-0-1818-NK-22 || Picture below. Note picture shows keyboard holder but we will order without keyboard holder. Choosing size 21x21" (FPA-0-2121) for now but an adjust as necessary and update quote. There is a 16x21" option (FPA-0-1621) and a 21x24" (FPA-0-2124) option as well if desired.

FPA-0-2121

- **Labor:** Installation by our skilled woodworkers to ensure precise alignment and secure mounting.

Recorder Desk:

- **Materials:**
  - Repurposed oak from existing City Hall recorder desk.
  - Supplemental oak as needed to maintain structural integrity and aesthetic consistency.
  - Durable hardware and finishings to enhance longevity.
- **Labor:**
  - Skilled craftsmanship for woodworking and assembly.
  - Final sanding and finishing.

Estimated Costs

1. Dais Downview Monitor Glass Covers (qty 7):

- **Materials:** \$560 x 7 = \$3,920 less 10% volume discount = \$3,528
- **Labor (installation):** ~12 hours at \$76/hourly prevailing wage rate = \$912
- **Subtotal:** \$4,494

2. Custom Moveable Recorder Desk:

- **Materials (repurposed City owned oak + supplemental materials):** $300
- **Downview monitor kit:** $560 x 1 = $560 less 10% = $504
- **Labor (construction, finishing):** ~12 hours at $76/hourly prevailing wage rate = $912
- **Subtotal:** $1,716

3. General & Administrative Costs:

- Documentation, reporting, and project coordination: $1,000

4. Total Project Cost:

- **Grand Total: <u>$7,210</u>** (not to exceed without prior approval)

Timeline

- **Project Start Date:** To be determined following approval
- **Downview Monitor Mount Retrofit Kit:** 2 weeks after project start
- **Recorder Desk Completion:** 4 weeks after project start
- **Project Completion Date:** To be determined following approval.

Deliverables

1. Eight (8) mounted downview monitor glass covers installed.
2. Completed and installed custom moveable L-shaped recorder desk.
3. Weekly progress reports.
4. Documentation of hours logged and materials used.

Terms and Conditions

1. A 50% deposit is required upon acceptance of this proposal.
2. Remaining balance is due upon project completion and final inspection.
3. Any changes to the scope of work may result in additional costs, which will require prior written approval.
4. OuttaTheWoods is committed to maintaining clean and safe workspaces throughout the project duration.

Authorization

To accept this proposal, please sign and return a copy. Thank you for the opportunity to contribute to the enhancement of City Hall's facilities.

Authorized Representative:

____
Brandon Swanson
City Administrator
Date: __________

OuttaTheWoods Custom Woodworking

Brian Steckler

brian@steckler.com

831.402.1584

CITY OF CARMEL-BY-THE-SEA
CITY COUNCIL
Staff Report

February 3, 2025
ORDERS OF BUSINESS

TO:	Honorable Mayor and City Council Members
SUBMITTED BY:	Brandon Swanson, Assistant City Administrator
APPROVED BY:	Chip Rerig, City Administrator
SUBJECT:	Discussion on establishing a Financial Stewardship Workgroup and an Emergency Preparedness Workgroup (Estimated time - 20 min)

RECOMMENDATION:

This discussion item was requested to be added by a majority of the City Council. Staff will be prepared to discuss options for establishing a Financial Stewardship Workgroup and/or an Emergency Preparedness Workgroup at the meeting.

BACKGROUND/SUMMARY:

FISCAL IMPACT:

PRIOR CITY COUNCIL ACTION:

ATTACHMENTS: