



# City of Martinez California



2017-18 and 2018-19  
Biennial Budget



# **City of Martinez**

## **California**

### **2017-18 and 2018-19 Biennial Budget**

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## **Section 1: Introduction**



## City of Martinez

525 Henrietta Street, Martinez, CA 94553-2394

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June 21, 2017

Honorable Mayor and City Council Members:

I respectfully submit to you the two-year budget for the City of Martinez for fiscal years 2017-18 and 2018-19 totaling \$109,447,640 across all funds, which includes the General Fund, Enterprise Funds, Special Revenue Funds, Internal Service Funds, Debt Service, and Capital Projects. Preparing this budget involved collaboration and contribution from all City departments. I would also like to acknowledge the efforts of Finance staff, as well as the Budget Subcommittee. The FY 2017-19 Budget strives to maintain current service levels, while also making strategic investments designed to place the city on a path toward long-term organizational sustainability.

### Financial Summary/Economic Outlook

The national economic recovery continues and has now crossed its 7th consecutive year of expansion. Despite global economic weakness among major international leaders such as Europe, China and Russia, the revised First Quarter 2017 Gross Domestic Product (GDP) released by the U.S. Department of Commerce Bureau of Economic Analysis showed an annual increase of 1.2% compared to a 2.1% increase for the Fourth Quarter of 2016. The deceleration in real GDP in the first quarter primarily reflected a downturn in private inventory investment and a deceleration in Personal Consumption Expenditures (PCE) that were partly offset by an upturn in exports and an acceleration in nonresidential fixed investment.

California is projected to continue to outpace the national economy, but its growth has also slowed. According to the February 2017 Regional Intelligence Report prepared by Beacon Economics, LLC for the East Bay Economic Development Alliance, the Health Care and Social Assistance industry lead the way with the largest private sector job gains in California, followed by Leisure and Hospitality; Professional, Scientific and Technical Services; and Retail. In the East Bay, the Construction sector has proven to be a significant source of new jobs for some time, including a 3,700 (or 5.7%) increase in payrolls from December 2015 to December 2016. The growth in construction jobs underscores the strong demand for housing in this region. The State's unemployment rate continues to decline

and now stands at 4.5% as of April 2017, compared to 3.6% for Contra Costa County, and 3.2% for Martinez, according to data provided by the California Employment Development Department.

Martinez, like most local agencies, faces considerable challenges in the near term as financial conditions have affected several of its major revenue sources including sales taxes and development fees. The City must also deal with its financial obligations for retirement and other post-employment benefits (OPEB), as well as ever-escalating healthcare costs, while trying to maintain current service levels. The City expects retirement costs to continue to increase due to the dramatic market losses of the stock market turmoil in 2008 and 2009, which eroded the value of the CalPERS pension fund. Retirement costs are rising, in part, because of the 2013 decision by the CalPERS Board of Administration to change their amortization and smoothing policy.

In April of 2013, CalPERS approved an amortization and smoothing policy that will pay for all gains and losses over a fixed 30-year period with the increases or decreases in the rate spread directly over a 5-year period, as opposed to the previous policy which spread investment returns over a 15-year period with gains and losses paid over a rolling 30-year period. Starting with FY 2015-16, public agencies are billed a contribution rate as a percentage of payroll plus a lump sum dollar payment towards the City's unfunded liability. Further, CalPERS recently decided to gradually lower the pension fund's forecast of annual investment profits (i.e., discount rate), which will have a significant fiscal impact on public agencies in CalPERS. CalPERS pension costs are now projected to account for approximately \$2.4 million of total operating expense in FY 2017-18 and \$2.9 million in FY 2018-19.

To help meet these and other significant budgetary challenges, the City strives to develop and diversify its economy in ways that will increase revenues and embrace its heritage. The downtown area historically accounts for only around 5% of the City's total sales tax revenues. Pursuing smart development opportunities as a mechanism to help revitalize the downtown area, as well as other areas of Martinez, is crucial to the City's long-term economic health. The City has begun to take affirmative measures to facilitate these opportunities, including the reinstatement of the Community and Economic Development Director position, which had been vacant since 2010, and creation of a new Economic Development Coordinator position. Additionally, the City is developing and implementing a market study, building and site inventory, and related marketing materials for the launch of a citywide economic development program.

### **A Budget Guided by Strategic Planning**

In December of 2016, the City of Martinez conducted a high-level review of the organization to develop recommendations that will support the City in meeting Council priorities and delivering high-quality municipal services to the community. This organizational scan assessed the City's existing staffing to determine whether the City is positioned well to deliver essential services and implement City Council priorities. The recommendations resulting from the scan call for a realignment of the City's organization structure, a renewed focus on strategic planning and economic development, as well as serious consideration of additional positions in critical service areas

that are currently under-resourced. Soon after completion of this report, the City initiated a strategic planning process in preparation for the FY 2017-19 Budget, and utilized the scan as a resource during that process.

As a result of the strategic planning study sessions, the Council identified updated Vision, Mission and Goal statements, as well as gained consensus on a number of action items consistent with the identified Goal categories and organized by three “tiers,” which are as follows:

**Tier 1** consists of mandatory items, or those items that the City is required to complete. For example, federal, state, and other agency mandates for the City fall under this tier. Tier 1 also includes those items that were identified as top Council priorities for the FY 2017-19 budget period.

**Tier 2** is comprised of items identified by Council and staff as priorities, but that do not rise to the level of being considered mandated and/or a “top Council priority.”

**Tier 3** are items identified as priorities for the prior budget cycle, but remain incomplete. For the most part, there are insufficient resources to undertake these items in this coming budget period, but are included as part of the overall list for planning purposes for future budget cycles.

As a result of that strategic planning process, the following were identified as guiding principles of the proposed FY 2017-19 Budget:

- Investing in the future of Martinez
- Taking steps toward addressing foundational needs of the organization to improve services and reduce costs
- Investing in a proactive economic development program to improve the financial well-being of the City and our residents and businesses
- Charting a path toward long-term organizational sustainability

With these principles in mind, the list of action items by tier were utilized as a guide for preparation of this budget document. Indeed, the majority of Tier 1 items are funded, since these items are, for the most part, mandatory. For example, costs related to the implementation of the recently approved Proposition 64 (Marijuana Legalization) have been estimated and included in this proposed budget. Other such mandatory items include compliance with the National Pollution Discharge Elimination Systems (NPDES) and related Water Board mandates. Allowing these regulated areas to be under-resourced could result in fines or similar consequences for the City.

Those items identified as top Council priorities are also included in Tier 1. These action items are:

- Complete Marina Master Plan
- Implement Measure D
- Develop and Implement a Community and Economic Development Department
- Continue to Implement Homeless Initiative
- Project Stabilization or Project Labor Agreement (PLA)
- General Plan Completion
- Addition of Crime Analyst to the Police Department
- Designate a School Resource Officer in the Police Department
- Enhance Community Image
- Alhambra Hills Negotiations

For those items in Tier 1 that are not fully funded in this budget, it is recommended that these items remain in Tier 1 and funding for those items be addressed separately during this budget cycle. Specifically:

- **Marina Master Plan:** Staff will be returning with funding recommendations this summer.
- **New Development Review:** Requires additional staff time, which is currently being evaluated and a recommendation will be presented at mid-year.
- **Clean Water Program:** For FY 2017-18, no additional resources are needed, but capacity for this program will need to be revisited prior to the following fiscal year.
- **Regional Transportation Planning:** Requires additional engineering staffing, which is currently being evaluated and a recommendation will be presented at mid-year.
- **Crime Analyst:** While additional analytical support would be advantageous to the Department, the administrative staffing needs are being further evaluated and may be revisited at mid-year.
- **Capacity for Department of Justice (DOJ) Reporting:** Given the Crime Analyst is not funded, this function will need to be absorbed by existing staff until a more sustainable solution is identified.

- **Enhance Community Image:** Scope of program and required funding remains to be determined. Recommended next steps for this action item are to conduct a study session with Council to better scope out the project, and then return with funding recommendations at a later date.

Finally, a number of Tier 2 items are also funded, and thus shifted to Tier 1 as part of this budget. These items include those that are already underway, recently added by the City Council, and/or do not require significant additional resources. For example, the Marina Breakwater Assessment, Senior Center technology enhancements, and pursuit of establishing ferry services are items originally identified as Tier 2, but moved to Tier 1 as funded given current status and needed funding level.

The Strategic Plan document is included in this budget, directly following this budget message. Whether the item is funded in this budget, as well as projected associated costs to accomplish the various goals is also included within the Strategic Plan.

### Local Issues and Concerns

The City encompasses approximately 13.1 square miles, 122 miles of streets, and hundreds of miles of sidewalks. Naturally, adequately addressing infrastructure needs and demands remain among the City's primary concerns. This infrastructure is constantly in need of attention and resources are often limited. Fortunately, Martinez voters overwhelmingly adopted Measure D in November 2016, a half-cent sales tax initiative projected to supply approximately \$2 million per year for paving from now until 2032. Additionally, Gas Tax revenues are expected to increase by approximately \$250,000 in FY 2017-18, and \$675,000 annually in FY 2018-19, thanks to the April 2017 passage of SB 1, the \$52 billion State transportation bill. With these substantial new recurring funding sources, the City will be better equipped than ever before to address much-needed paving concerns.

Another focal point is the need to adequately maintain the new and improved infrastructure funded through Measure H, a \$30 million Parks, Pool and Library Bond measure approved by residents in November 2008. \$25M in bonds have been issued and major parks projects continue to be completed. The final \$5 million in authorized bonds will need to be sold to complete the remaining park projects, which will include the major renovations at Waterfront Park. This park will be improved by adding new parking, ballfield lighting, picnic areas, and field renovations. Renovations at Golden Hills and Holiday Highland parks are also upcoming, as are upgrades to the pathways and picnic areas in John Muir Park and Alhambra Park.

Among the most notable in the past two years was the renovation of Susana Street and Mountain View parks, and the Hidden Lakes Soccer Field, a highly successful project that cost almost \$2 million to complete. With such a significant enhancement to City infrastructure comes expectations to maintain the parks to the new high-quality standards. To address these expectations, the City has sought ways to mitigate operating expenses. In some cases, the bulk of the maintenance issues are addressed during the design

phase. Opting for an artificial soccer field in place of a traditional sod field at Hidden Lakes Park is a good example. The artificial field will require significantly less operating expense due to reduced maintenance requirements such as irrigation, which will only be required for occasional cool-down or special maintenance purposes. Irrigation expense is expected to be reduced \$225K over the course of the field's projected 15-year lifecycle. Dedicated Parks staff continually look for cost-effective ways to maintain new infrastructure, such as replacing expensive "fibar" engineered wood fiber with synthetic surfacing and planting drought-tolerant ground cover in place of high maintenance turf. Recapturing a greater portion of the City's maintenance expenses for these facilities via user fees will continue to be essential in order to keep this new infrastructure up to the public's expectations.

Focusing more public safety efforts to address homeless issues remains another major local concern and a top priority of the Chief of Police. Even though the City adopted an ordinance banning "aggressive" panhandling in 2012, concerns surrounding the homeless population persist, particularly in the downtown. The Police Department entered into a partnership with Contra Costa Regional Medical Center in 2015 to have incident and call data for homeless and mentally ill individuals studied with the intent to identify long-term care options provided through County Health Services. The City has committed its own resources for many years to homeless outreach efforts, and in 2016 secured dedicated grant funding of \$90,000 through the Tesoro Foundation for this purpose. Recently, the City contracted with Contra Costa County for homeless outreach services as part of a joint contract, which also included Pleasant Hill.

Completing the update to the City's General Plan – the comprehensive, long-term plan for the physical development of the City – is another important local issue. Much of the City's existing General Plan was adopted in 1973 and after more than three and half decades of use, it is appropriate to re-evaluate the scope and content of the document, which exists as the community's statement of its fundamental values and a shared vision for future development. The General Plan is intended to articulate how the citizens of Martinez view the community, both now and in the future, and where the community stands on current and future planning and development issues. The General Plan is scheduled to be adopted in late 2017 or early 2018, depending on whether the draft Environmental Impact Report is required to be recirculated as a result of any changes made to the final draft of the General Plan document.

Planning for the long-term future of the Martinez Marina has been a key issue for many years. The City received a new grant of marina trust lands in September 2014 through Senate Bill 1424 which requires trust lands be held by the City, as trustee, for the benefit of all the people of the State for purposes consistent with the public trust doctrine. The doctrine includes protecting maritime or water dependent commerce, navigation, and fisheries, and the preservation of the lands in their natural state for scientific study, open space, wildlife habitat and water-oriented recreation. The land grant allows the City to manage and lease the granted lands according to the public trust doctrine with 100% of the revenue generated from the marina going back into the City's enterprise fund that supports

operation of the marina. The marina is an integral part of the shoreline experience that many residents of the region enjoy on a regular basis. It provides opportunities for landside and water recreational experiences, as well as education and research. SB 1424 will help maintain and preserve the Martinez Marina for the enjoyment and use by residents, businesses and public service agencies. As a condition of the land grant, the City must initiate development of a marina master land use plan and complete this process by 2020.

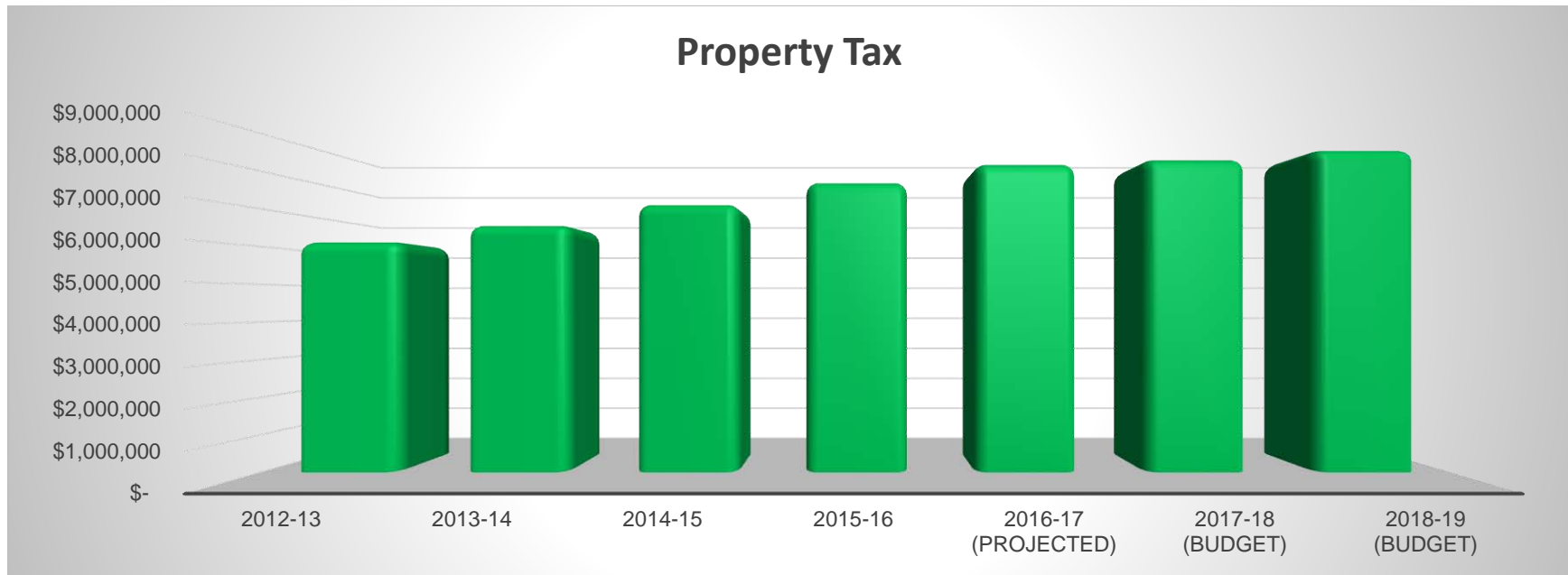
### Budget Highlights - General Fund

#### ***Revenues:***

The proposed budget shows an increase of approximately \$638,200 or 3.35% for FY 2017-18 and an increase of approximately \$481,400 or 2.44% for FY 2018-19. The major tax increases for fiscal year 2017-18 over the revised budget includes increases to property tax revenues of \$125,600 and VLF property tax increase of \$145,000, based on information provided from our tax consultants. Sales tax is expected to see an increase of \$88,000. Additionally, Franchise Fees for 2017-18 is projected to increase by \$45,000 over revised FY 2016-17. These four revenue sources account for 79% of the total General Fund Operating Budget and are highlighted in the table below:

|                   | 2016-17<br>(Budget) | 2016-17<br>(Revised) | 2017-18<br>Budget | 2018-19<br>Budget |
|-------------------|---------------------|----------------------|-------------------|-------------------|
| Property Tax      | \$7,591,100         | \$8,247,300          | \$8,372,900       | \$8,624,000       |
| Sales and Use Tax | \$4,400,000         | \$4,400,000          | \$4,488,000       | \$4,577,000       |
| Property Tax Swap | \$2,937,000         | \$3,101,100          | \$3,246,100       | \$3,311,000       |
| Franchise Fees    | \$1,580,000         | \$1,640,000          | \$1,685,600       | \$1,727,000       |

Property Tax growth continues to be the bellwether of the City's core financial strength. Following the deep recession that saw median home sales prices decline by approximately 50% at the low point in 2011, the 2017 sales data is indicating the potential to surpass the previous high-water mark of \$550,000 from 2006. Naturally, the improved home sales market is resulting in substantial increases to property tax receipts, as shown in the chart on the following page:



Other areas of revenue strength are Transient Occupancy Tax (TOT), which is derived from hotel and motel room occupancy, with projected revenues of \$515K each year, and Documentary Transfer Tax, which is collected through real estate transactions, with projected revenues of \$221,700 in FY 2017-18 and \$232,800 in FY 2018-19. It should also be noted that the City has completed a User Fee Study that is to be considered by Council in June 2017. Anticipated revenues from any resulting fee changes have not been incorporated in the proposed FY 2017-19 Budget at this time, but rather will be included as part of mid-year budget adjustments.

***Expenditures:***

In addition to funding the majority of mandated and priority items, the General Fund budget generally assumes an across-the-board 2% consumer price index (CPI) increase for departmental expenditures, as well as updates to payroll expenditures consistent with the agreed upon Memorandums of Understanding (MOUs) with the City's bargaining units. Additionally, expected legal expenses, increasing CalPERS rates, and increases in the cost of supplies for police and maintenance are also included. As part of the budget preparation process, department's actual costs for FY 2015-16 and estimated actuals for 2016-17 were closely reviewed, and proposed expenditures were evaluated and adjusted as needed to ensure continued delivery of departmental services.

A summary of some notable General Fund expenditures, by department, are highlighted below.

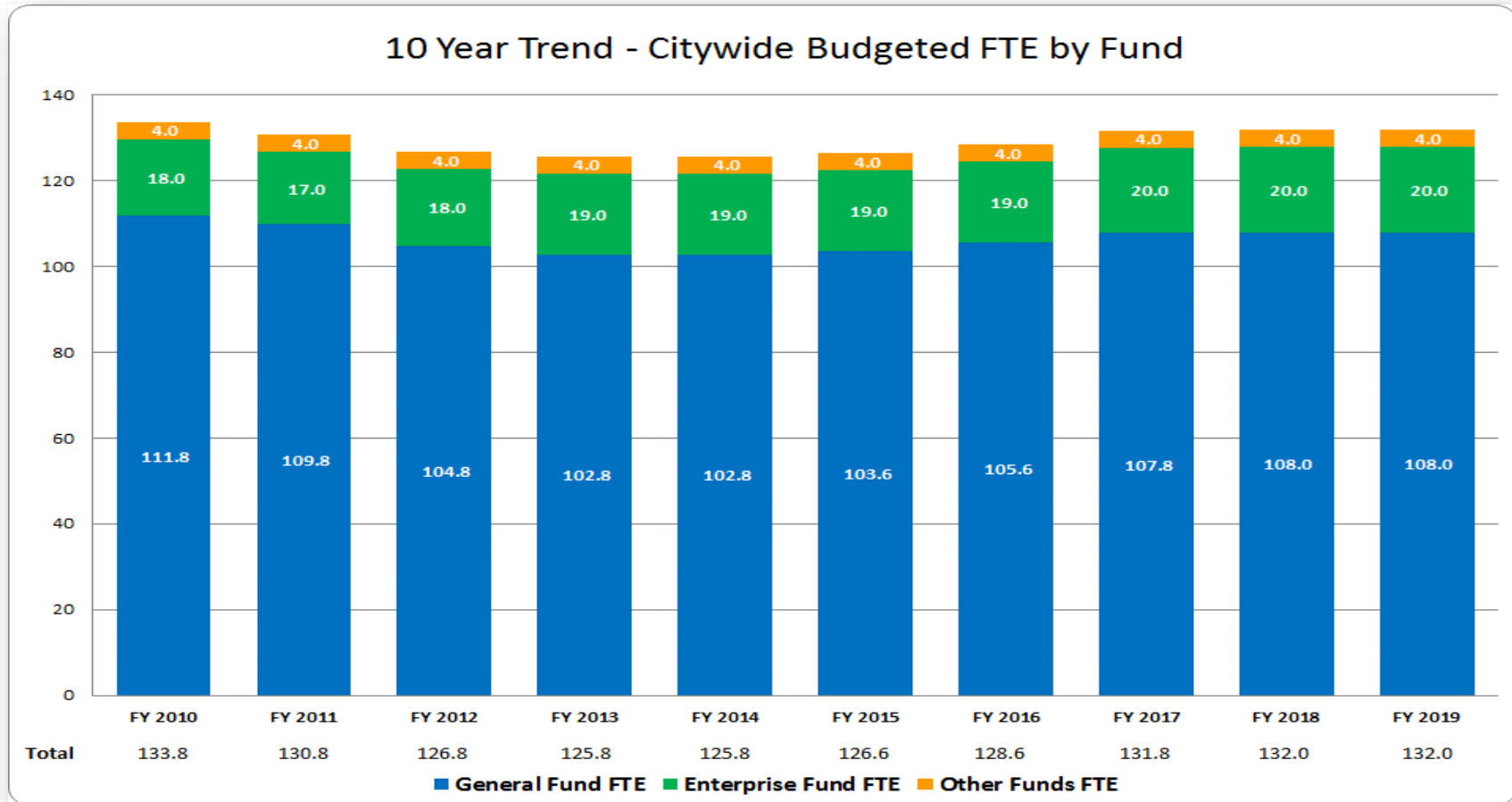
- General Government:
  - Expenses for audit and budget contractual services were moved from the Council budget to the Finance budget, and the crossing guard budget was moved to Police.
  - An increase to City Attorney appropriations for contractual services related costs that are more consistent with actual expenditures in the current budget.
- Administrative Services:
  - Professional services costs for the Human Resources division are elevated beyond current actual figures due to anticipated increased costs related to labor negotiations, PERS communications, and ACA compliance.
  - Finance has increased expenditures in FY 2017-18, in particular, due to the previously noted charges moved from the Council budget, as well as the HdL business license contract, armored car service, and actuarial services.
- Public Works
  - Inspection division professional services has been increased for needed plan check services and Certified Expert Specialist (CASP) training.
- Police
  - Expenses for increases in animal control costs from the County are included, as well as anticipated cell phone costs for the department. The reallocation of crossing guard costs from the Council budget is also now included under the Administration division of the Department's budget. An increase in CalPERS unfunded liability for sworn is captured under the Patrol division budget.
- Community and Economic Development
  - Expenditures related to the two recently approved positions, as well as start-up costs for the Economic Development program are netted against the elimination of a .80 FTE Planning Manager, per the Council action on February 15, 2017.
- Non-Departmental
  - A decrease in non-departmental appropriations includes a one-time appropriation in workers' compensation expense in the General Services division in FY 2016-17 netted against the increase of PERS unfunded liability in the Retiree Benefits division. The majority of the increase in FY 2018-19 is for CalPERS unfunded liability for miscellaneous employees.

Additionally, the inclusion of key positions that were highly recommended by the organization scan were subsequently approved by the Council in late 2016/early 2017. The funding of these positions represents a much-needed investment in areas that have historically been under-resourced at the City. In HR, in order to keep up with the ongoing needs of the organization from a human resources perspective, as well as play a key role in managing the City's risk, it is critical to adequately staff this division. Further, the addition of the aforementioned Community and Economic Development Director and Economic Development Coordinator positions is central to the success of implementing an effective economic development program. These positions are significant part of the investment in Economic Development that the Council highlighted as a top priority in the recent strategic planning sessions.

Other proposed changes to positions included with this budget are:

- Reassignment of the Assistant to the City Manager to the new position Deputy Director of Administrative Services, with the expanded scope of Recreation and Senior Center division oversight, consistent with the recommendation of the organization scan.
- Modifying the job specification and salary range for Dispatcher to be a flexibly staffed position of Dispatcher I/II, to aid in recruitment and retention efforts for this position, as well as better support the operations of the department.
- Update the salary range for Public Works Superintendent to be consistent with the salary range for Water Superintendent, as these positions have historically been set to be the same and the level of responsibility and span of control of the two positions are similar.
- Expand the Senior Center Coordinator position from a .80 FTE to a 1.0 FTE.
- While not a General Fund position, it should also be noted that a much needed Operator in Training (OIT) position is added to the Water Treatment Plant, to aid in recruitment efforts for Operators and to enhance the staffing of this critical division.

See the chart below for an illustration of the fluctuations in budgeted City staffing levels over the past decade:



To adequately fund the ongoing provision of City services, Tier 1 action items, and Council priorities, the proposed FY 2017-19 Budget recommends use of undesignated reserves of projected to be \$127,400 in FY 2017-18 and \$217,800 FY 2018-19. This is necessary

to fund several one-time or start-up costs that are included in this budget. As previously noted, one of the Council's top priorities discussed as part of the strategic planning sessions, and consistent with the organization scan recommendations, is investing in a comprehensive Economic Development Program. To that end, the proposed budget includes \$100k in each fiscal year for costs related to the start-up of such a program, including a market study, building and site inventory, and development of marketing materials. Other notable one-time costs included in the proposed budget are needed public safety IT expenditures (i.e., necessary upgrades for Police Department servers) and anticipated legal expenses for a variety of current and anticipated issues (e.g., Alhambra Hills negotiations).

The table below summarizes the General Fund revenues, expenditures, transfers and fund balances for each of the two budget years.

| <b>GENERAL FUND SUMMARY</b>                      | <b>FY 2017-18</b>  | <b>FY 2018-19</b>   |
|--|--------------------|---------------------|
| Revenues   | \$22,079,000       | <b>\$22,541,200</b> |
| Expenditures                                     | \$22,206,400       | <b>\$22,759,000</b> |
| Excess Revenues/(Expenditures)                   | (\$127,400)        | <b>(\$217,800)</b>  |
| Net Transfers from/(to) Assigned and Other Funds | \$370,200          | <b>\$379,300</b>    |
| Total Excess/(Deficiency)                        | \$242,800          | <b>\$161,500</b>    |
| Beginning Unassigned Fund Balance                | \$7,907,328        | <b>\$8,150,128</b>  |
| Net Change to Unassigned Fund Balance            | \$242,800          | <b>\$161,500</b>    |
| <b>Ending Unassigned Fund Balance</b>            | <b>\$8,150,128</b> | <b>\$8,311,628</b>  |

Changes in the Unassigned Fund Balance over the two-year budget period, from estimated FY 2016-17 close of \$7,907,328 to estimated FY 2018-19 close of \$8,311,628, are primarily due to transfers in from Assigned for various purposes, including support of the Economic Development Program and the Marina dredging project.

## Highlights – Other Funds

### Enterprise Funds

The City's Enterprise Funds include the Water System, Marina, and Parking Services. Each fund is financed and operated in a manner similar to a private business enterprise. The intent is that the costs of providing goods or services to the general public on a continuing basis are to be financed or recovered primarily through user charges. The table below provides a high-level summary of these Funds (not including transfers in or out):

|                                    | 2017-18             |                     | 2018-19             |                     |
|------------------------------------|---------------------|---------------------|---------------------|---------------------|
|                                    | Revenue             | Expense             | Revenue             | Expense             |
| Water System                       | \$11,878,500        | \$11,251,600        | \$12,179,700        | \$11,564,000        |
| Water CIPs                         | 0                   | 0                   | 0                   | \$1,800,000         |
| Water Debt Service                 | 0                   | \$1,155,200         | 0                   | \$1,143,200         |
| <b>Water System Total</b>          | <b>\$11,878,500</b> | <b>\$12,406,800</b> | <b>\$12,179,680</b> | <b>\$14,507,200</b> |
| Marina Fund                        | \$169,500           | \$111,500           | \$170,000           | \$111,600           |
| Marina CIPs                        | 0                   | \$765,000           | 0                   | 0                   |
| Marina Debt Service                | 0                   | \$71,300            | 0                   | \$71,300            |
| <b>Marina Fund Total</b>           | <b>\$169,500</b>    | <b>\$947,800</b>    | <b>\$170,000</b>    | <b>\$182,900</b>    |
| Parking Services                   | \$525,000           | \$395,800           | \$525,500           | \$368,600           |
| Parking Services CIP               | 0                   | \$135,000           | 0                   | \$350,000           |
| <b>Parking Services Fund Total</b> | <b>\$525,000</b>    | <b>\$530,800</b>    | <b>\$525,500</b>    | <b>\$718,600</b>    |
| <b>Total Enterprise Fund</b>       | <b>\$12,573,000</b> | <b>\$13,885,400</b> | <b>\$12,875,200</b> | <b>\$15,408,700</b> |

More information on the Enterprise Funds, including their major non-routine Capital Improvement Projects, can be found in Section 10.

### ***Special Revenue Funds***

Special Revenue Funds account for revenue sources that are legally restricted to specific purposes. As mentioned, a new special revenue fund in this budget expected to be of significant benefit to the citizens of Martinez is the Measure D fund, which is a result of the 2016 half-cent sales tax initiative that was passed by Martinez voters. Proceeds of this tax will be dedicated to Martinez roadway rehabilitation and maintenance projects for 15 years. Revenue is projected to be \$2,000,000 for both fiscal years.

In addition to Measure D, the City's other special revenue funds include:

- Public Safety Grants
- National Pollutant Discharge Elimination System (NPDES)
- Measure J
- Gasoline Tax
- Housing In-Lieu Fund
- Recycle Fund
- Public, Educational and Governmental (PEG) Access
- Lighting and Landscaping
- Mitigation/Impact Fees

Please see Section 11 for more information on these funds.

### ***Internal Service Funds***

Internal Service Funds are proprietary funds used by the City to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The City has an Equipment Replacement Fund and an Information System Fund.

More information on the Internal Service Funds can be found in Section 12.

***Debt Service Funds***

Debt Service Funds are used to account for the accumulation of resources for and the payment of general long-term debt principal, interest and related costs (other than those paid for by the Enterprise Funds). See Section 13.

***Capital Improvement Program***

The Capital Improvement Program (CIP) budget, excluding enterprise funds, is \$13,255,470 for FY 2017-18 and \$3,875,000 in FY 2018-19. These projects and others are described in detail in Section 14, Capital Improvement Projects.

***Conclusion***

As was discussed at the Council's strategic planning study session on January 25, 2017, the City's conservative use of reserves over the last several budget cycles afford the City with this opportunity to invest in the organization and pursue the needed resources to implement a comprehensive economic development program, which will greatly assist the City in its efforts to attract and retain businesses in Martinez and expand the City's revenue base. That said, the level of returns from this investment will need to be closely evaluated as part of the City's next strategic planning and budgeting efforts for FY 2019-21 to ensure that ongoing revenues will be adequate to fund ongoing expenditures.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'Brad Kilger', with a large, stylized initial 'B'.

Brad Kilger  
City Manager

## FY 2017-19 Strategic Plan

### Purpose of a Strategic Plan

The development of strategic plan is intended to help guide the City in several ways:

- Define what a sustainable organization will look like for the City of Martinez;
- Inform the community about City services, fundamental needs and financial capacity, and gain input from the community about the City's future;
- Provide a framework for making budgetary decisions;
- Assist in prioritizing programs and projects; and
- Assist in focusing the use of limited financial and staffing resources.

The end result is a strategic plan with a vision, mission, goals, and an implementation action plan with a focus on achieving and maintaining sustainability of services.

The key components of the City's strategic plan are as follows:

A **Vision** that sets the focus for the future. It is a statement of where the organization is going.

A **Mission** statement articulating the purpose of the organization. It fundamentally defines what the organization stands for and what it will do.

**Goals** that set the framework that guides the direction and focus of the organization, budget decisions and allocation of other resources, such as staff time. Since the City has finite resources, the goals included in the strategic plan must be achievable.

An implementation action plan is the blueprint for carrying out the strategic plan. It contains the **action items** that must be completed to assure that the goals and objectives are achieved. Action plans provide a framework for determining specific timelines, assignments, and resource allocations. They are designed to be a management tool to help the organization assure that goals are attained and are suited to periodic check-in about progress, changes or challenges.

### Summary of Strategic Plan Process

A key part of effectively preparing a budget that will set the City on a sustainable path is the strategic planning process. At the City Council's December 21, 2016 meeting, staff presented an outline for conducting such a process. The Council concurred with staff's recommendation and directed staff to schedule two strategic planning study sessions.

The first study session was held on January 25, 2017 and focused on a review of the basic elements of a Strategic Plan, as well as an overview of external and internal impacts on the organization. With that context in mind, the Council then worked on developing Vision, Mission and Goal statements. At the second study session, held on February 6th, the Council finalized the work initiated at the prior study session, as well as identified priorities, or “action items,” for the FY 2017-19 budget period.

This work has been compiled to serve as the City’s FY 2017-19 Strategic Plan and is included as part of this FY 2017-19 Budget. A more comprehensive, five-year strategic planning effort is recommended for the FY 2019-21 budget.

### **Vision Statement**

*“Martinez is an inclusive, family oriented, safe community, with small town waterfront character, diverse neighborhoods, complemented by plentiful parks and open spaces. Martinez has a historic downtown, with a legacy of culture and the arts, fostering a vibrant and sustainable economy, striving for well maintained infrastructure, and a responsive high performing government.”*

### **Mission Statement**

*“The City of Martinez will provide efficient and sustainable, responsive, high performing public services, and well maintained public facilities, that enhance the safety and livability of the community, and support fiscal stability and a healthy local economy through business development.”*

### **Goals**

- Sustainable Fiscal Health
- Infrastructure Improvements
- Safe Community
- Economic Health
- High Performing Government
- Enhance Quality of Life

### **Action Items**

The action items are listed on the pages that follow, and are organized by tier and color coded by Goal area.

Tier 1 consists of mandatory items, or those items that the City is required to complete. For example, federal, state, and other agency mandates for the City fall under this tier. Tier 1 also includes those items that were identified as top Council priorities for the FY 2017-19 budget period.

Tier 2 is comprised of items identified by Council and staff as priorities, but that do not rise to the level of being considered mandated and/or a “top Council priority.”

Tier 3 are items identified as priorities for the prior budget cycle, but remain incomplete. For the most part, there are insufficient resources to undertake these items in this coming budget period, but are included as part of the overall list for planning purposes for future budget cycles.

Additionally, action item criteria are noted, which were utilized to help prioritize action items for inclusion on the list. Finally, for each action item, the department or division responsible is noted, project description, what additional resources are needed and which selection criteria apply. Finally, each item notes whether it is funded in the FY 2017-19 budget. If funded, then the “additional resources” are incorporated in this budget. If it is not funded, the “additional resources” information speaks to what would be necessary in terms of additional funding or resources in order to accomplish the action item.

Please see the following pages for the FY 2017-19 Action Items by Tier.

## FY 2017-19 Action Items by Tier - June 13, 2017

### Goals:

Sustainable Fiscal Health

Infrastructure Improvements

Safe Community

Economic Health

High Performing Government

Enhance Quality of Life

### Tiers:

Tier 1: Council top action items and/or mandatory items

Tier 2: Other priority council & staff action items not currently funded

Tier 3: Incomplete FY 2015-17 priorities that are not included in preceding tiers or funded

### **ACTION ITEM SELECTION CRITERIA (Project must meet one or more of these criteria to be placed on project list)**

- 1 The work is mandated by the State (or other agency); the City could be fined or face similar consequences if the work is not done
- 2 The City is significantly committed financially to the project
- 3 The work would protect public health or safety
- 4 The work would assist the City in achieving fiscal sustainability
- 5 The work would generate revenue, grants or other funding
- 6 The work would promote job creation or investment in the community
- 7 The work would prevent higher costs from deferred maintenance

### Tier 1 - Council Top Action Items and/or Mandated Items

| Department or Division                               | Funded? | Project Name  | Project Description  | Additional Resources Needed   | Selection Criteria | Mandated |
|--|---------|---|--|---|--------------------|----------|
| <b>Bolded items are the Council Top Action Items</b> |         |   |  |   |                    |          |
| CMO  | Y       | Project stabilization (PLA)                             | Model collective bargaining agreement with local labor unions  | Legal expenses of \$5-10k and staff time in CMO/Admin   | 6                  |          |
| Finance  | Y       | Measure D Administration                                | Finance related responsibilities for administration of Measure D revenues and staffing support for oversight committee   | Related costs of approximately \$10k/year (estimated HdL contract costs)  | 1,2,3,4,6,7        | X        |
| HR/Finance   | Y       | Conduct labor negotiations                              | Conduct labor negotiations with bargaining units for MOUs expiring June 30, 2018   | Additional consulting support/expertise estimated at \$75-80k for employee negotiations, PERS communications, ACA compliance, and implementing any related needed payroll modifications | 1,4                | X        |
| HR/Finance   | Y       | Address various PERS and benefits administration issues | Address various administration updates related to benefits and PERS  |   | 1,4                | X        |
| HR/Finance   | Y       | Ensure compliance with Affordable Care Act (ACA)        | Ensure compliance with any upcoming changes to the ACA   |   | 1,4                | X        |
| Finance  | Y       | Refine reserve policy                                   | Per direction at 2/15/17 council meeting, work with Budget/Finance Subcommittee to refine allocation and use of funding within the Reserve Policy  | Staff time  | 4                  |          |
| Community & Economic Dev (CED)                       | N       | Marina Master Plan                                      | Plan required by AB 1424 and must be completed by 12/31/19. Requires 2 years to prepare (i.e., start by December 2017)   | TBD - staff will return to Council in Summer of 2017 with funding recommendations   | 1,2,4,5            | X        |
| Public Works   | Y       | National Pollutant Discharge Elimination System (NPDES) | Ensure compliance with 70% trash reduction mandate and related Water Board mandates  | Funded - some additional staff time   | 1                  | X        |
| Public Works   | N       | New development review                                  | New development review for Laurel Knoll, Pine Meadows, Jardine, Alhambra Highlands, Amare Apartments   | Additional staff time - to be revisited with mid-budget update  | 4,5,6              | X        |
| Public Works   | Y       | CIP management  | See CIP document for list of projects  | Funded  | 2,3,4,6,7          | X        |
| Public Works   | Y       | Implement Measure D Pavement Program                    | Measure D Pavement projects will significantly increase paving and pavement project size. Annual, in-lieu of bi-annual, projects including public workshops, outreach and oversight committee. | \$292.5K Design/PM + \$195K Inspection/CM + \$150K Maintenance for a total of approximately \$638k - funded by Measure D  | 3,4,5,6,7          | X        |

### Tier 1 - Council Top Action Items and/or Mandated Items

| Department or Division | Funded? | Project Name  | Project Description   | Additional Resources Needed  | Selection Criteria | Mandated |
|------------------------|---------|---|---|--|--------------------|----------|
| Public Works           | N       | Clean Water Program                                   | The Program ensures compliance with the Regional Municipal Permit (RMP-2) increasing mandates including trash PCB reduction components along with new "Green" infrastructure requirements   | FY 2017-18 - no additional resources needed; FY 2018-19 - need additional staff or consulting services - to be revisited with mid-year budget update   | 1,3                | X        |
| Public Works           | N       | Regional transportation planning                      | Participate in TRANSPAC and Contra Costa Transportation Authority for compliance with Measure J to ensure continual program revenues  | Requires additional engineering staff - to be revisited with mid-budget update   | 1,3,4,5,6,7        | X        |
| Public Works           | Y       | Marina breakwater assessment                          | Analyze repair/replacement alternatives and costs for Marina breakwater   | Update of assessment is underway for \$28,000 as part of 2016-17 budget; costs for repair TBD  | 2,4,6,7            |          |
| Public Works           | Y       | 2017 Storm Damage Projects                            | Additional, unplanned projects such as silt removal, culvert replacement and creek bank stabilization as the result of the January '17 flooding   | City cost TBD (approximately 6.75% of total cost - depends on amount of funding received)  | 3,6,7              | X        |
| Police                 | Y       | Homelessness initiative                               | Current Homeless Outreach efforts are funded for about 18 months based on AB109 funding and a grant - staff will need to further assess funding needs to sustain and expand the efforts     | \$55k/year with 1.5 years of funding currently covered with grants (AB109 and Tesoro), which equates to 2 full time outreach workers shared with Pleasant Hill   | 1,2,3,4            | X        |
| Police                 | N       | Add a Crime Analyst to Police Department              | Consistent with organization scan, this additional staff person would bolster department in terms of analytical resources   | Approximately \$120k/year for a Management Analyst - to be reevaluated by the department   | 3,4                |          |
| Police                 | Y       | Designate a School Resource Officer                   | Assess staffing for creating and sustaining a School Resource Officer   | No additional cost if fully staffed (department currently has 3 funded vacancies)  | 3,4,5,6            |          |
| Police/PW              | Y       | Homeless encampment abatement                         | In coordination with Public Works, increase efforts to clean up homeless encampments  | \$5-10k/year for operations  | 1,3                | X        |
| Police                 | N       | Capacity for mandated DOJ reporting and legal changes | Mandated DOJ reporting for use of force, racial stops, complaints, and detention certificates   | This function would typically be performed by a Crime Analyst, which is not funded, so priorities within the department will need to be shifted so that this mandated function can be absorbed by existing staff | 1,3                | X        |
| Police                 | Y       | Research/Implement Proposition 64                     | Staff will need to research and implement policy regarding Prop 64 which will consume staff time and staff may need to secure a consultant for staff and community education on the subject | Legal/consulting costs of approximately \$10-15k; staff time   | 1,3                | X        |
| Police/IT              | Y       | Upgrades for PD servers                               | Includes replacing PD Share and RIMS servers and Microsoft Server Operating System Software   | Hardware \$5k + Software \$600 + RIMS Server \$14k + Operating System Upgrade \$6k + Migration \$3k for a total of \$28,600  | 1,3,4              | X        |

### Tier 1 - Council Top Action Items and/or Mandated Items

| Department or Division | Funded? | Project Name  | Project Description  | Additional Resources Needed  | Selection Criteria | Mandated |
|------------------------|---------|---|--|--|--------------------|----------|
| CED/PW                 | Y       | Re-use Historic Train Depot                                   | Determine public/private reuse options   | Consultant costs - feasibility study underway  | 6                  |          |
| CMO/Admin              | Y       | Create a Community & Economic Development Department          | Create a new department that incorporates planning, zoning, economic development, code enforcement and eventually building permit and inspection functions as recommended in organization scan | Funded on 2/15/17 for FY 2016-17 - Estimated \$350k/year ongoing   | 2,3,4,5,6          |          |
| CMO                    | Y       | Develop and implement a citywide Economic Development program | Key components will include a market study, building and site inventory, and development of marketing materials  | Funded on 2/15/17 (One time cost of \$100k each fiscal year)   | 2,3,4,5,6          |          |
| CED                    | Y       | Downtown housing  | Implement recommendations of Downtown Specific Plan  | To be managed by CED Director  | 6                  |          |
| CED/PW                 | Y       | Downtown parking & reuse of County parcels                    | Implement recommendations of Downtown Specific Plan  | To be managed by CED Director  | 6                  |          |
| CED                    | Y       | County Administration Building Project                        | Coordinate with County on the Administration Building project  | Approximately \$25k in consulting assistance and TBD on streetscape / landscaping improvements                     | 3,4,6              |          |
| CMO                    | Y       | Ferry service   | Initiate and implement ferry service at the Marina   | N/A - utilizing existing staff in CMO/Admin  | 2,3,4,5,6          |          |
| CED                    | Y       | General Plan update   | Conclude revision of General Plan to comply with State law   | TBD - Dependent on whether EIR will need to recirculated   | 1,2                | X        |
| CMO/HR                 | Y       | Administrative policy review                                  | Several policies need to be updated due to changing Federal and State regulations.   | Majority of funding already dedicated via ERMA grant - some expense for legal review of approximately \$5k/year    | 1,2                | X        |
| IT                     | Y       | Upgrade internet to fiber                                     | Necessary to be able to utilize Cloud/Offsite Disaster Recovery, web streaming of meeting and for Office 365   | \$18,600/annually (start up cost of \$2k in FY 2016-17)  | 2,4,7              | X        |
| IT                     | Y       | IT Strategic Plan   | Develop an IT Strategic Plan - determine consulting and staffing assistance needed to develop a work plan  | Initially -staff time and subsequently consultant and staff time - amount TBD (currently \$50k in budget)          | 2,4,7              |          |
| IT                     | Y       | Implement Office 365  | Implementing Office 365 would allow for increased effectiveness and efficiency, and would allow for remote access to files from the Cloud  | Approximately \$34k annually for licensing and support   | 2,4,7              |          |
| IT                     | Y       | AV equipment upgrades   | Upgrade council chambers AV: cameras, recording system, projector, sound system, etc.  | Approximately \$75k (in addition to the approximately \$200k set aside for upgrades) - consider utilizing PEG fees | 2,4,7              |          |

### Tier 1 - Council Top Action Items and/or Mandated Items

| Department or Division | Funded? | Project Name  | Project Description  | Additional Resources Needed   | Selection Criteria | Mandated |
|------------------------|---------|---|--|---|--------------------|----------|
| CED                    | Y       | Complete Alhambra Hills negotiations                              | On July 13, 2016 the City Council approved entering into a negotiating agreement with Richfield Real Estate Corporation for the possible purchase as open space, the 297.5 acres of real property located in the City of Martinez, generally bounded by Alhambra Avenue to the north, Alhambra Valley Road and Reliez Road to the west, and Skyline Drive to the south | Consultant, appraisal and legal expenses - approximately \$25k  | 4                  |          |
| CMO                    | Y       | Martinez Unified School District (MUSD) Recycling program support | Transition implementation of effective recycling programs within MUSD campuses to the school district  | Approximately \$10K in additional grant or General Fund dollars for FY 17-18  | 6                  |          |
| CMO/PW                 | N       | Enhance community image   | Design a program focused on enhancing community image  | Council study session is needed to determine scope of program; may require consultant assistance  | 6                  |          |
| CMO/PW                 | Y       | Dog Park  | Finalize location of permanent dog park site and develop grant application for funding \$450,000 project (a temporary dog park will be located at the John Muir Amphitheater)  | Temporary park cost - Funded / Permanent park cost - TBD  | 6                  |          |
| HR/Recreation          | Y       | Prepare for upcoming retirements                                  | Several recreation staff members are retiring in next few years  | Staff time to evaluate options recommended in organization scan - approximately \$15k/year to allow overlap of staffing during transition | 1,2,3,4            | X        |
| Senior Center/IT       | Y       | Senior Center Technology Enhancements                             | Wi fi for the senior center  | Approximately \$150/month and set up cost of approximately \$1,500  | 6                  |          |
| Senior Center          | Y       | Review respite program  | Review of regulations applicable to respite program  | Increase Senior Center Coordinator position from part-time to full-time - approximately \$16k/year additional cost                        | 6                  |          |
| Senior Center/HR       | Y       | Review volunteer program  | Review and enhancement of volunteer program  |   | 6                  |          |

## Tier 2 - Council and/or Staff Recommended Action Items

| Department or Division | Funded? | Project Name  | Project Description  | Additional Resources Needed  | Selection Criteria |
|------------------------|---------|---|--|--|--------------------|
| CMO                    | N       | Enhance community involvement   | Design a program to expand community involvement efforts, such as Coffee with Cops, Crime Prevention related events, etc., to include other departments and information on a wider variety of topics                       | Initially, staff time  | 6                  |
| Public Works           | N       | Code enforcement enhancement  | Development of a Receivership Program to allow for cost recovery of staff's time   | City Attorney expenses of approximately \$5k, consideration of other cost recovery mechanisms as part of budgeted, ongoing NBS study   | 3,4,5              |
| Finance                | N       | Complete and implement Impact/Mitigation Fee Study                        | Release RFQ, select consultant, adopt new impact fees  | Requires some one-time consulting support/expertise (approximately \$95k) and a Management Analyst for Administration divisions for these and other special projects (approximately \$120k/year) | 2,4,5              |
| Finance                | N       | Review of Municipal Code business license regulations                     | Work with HdL to conduct needed review of regulations  |  | 2,4                |
| Finance                | N       | Evaluate and implement Munis Modules                                      | Implement Munis modules - timekeeping, position control and fixed assets   |  | 2,4                |
| Recreation             | N       | Review recreation related fees and establishing new special revenue funds | Review recreation fees in light of Measure H upgrades and increased costs related to the pool, and consider establishing new special revenue funds to support maintenance and replacement of existing park facility assets |  | 2,4,5              |
| Public Works           | N       | Implement GIS system  | Recently completed Water System layer, currently adding street and stormwater layer along with sign condition inventory  | Engineering/Planning Technician - approximately \$75k/year   | 2,4                |
| CMO/PW/CED             | N       | Misc. community special projects  | Examples include: Dog Park, pickleball, community murals   | Requires additional 0.5 professional/technical FTE   | 4                  |
| Public Works           | N       | City Hall facility improvements   | Replace roof, single pane windows and HVAC system  | Approximately \$100k for windows; \$250k for roof; and \$500k - \$750k for HVAC  | 2,3,4,7            |
| Police/IT              | N       | Technology and tools for PD   | Citywide Camera Expansion, UAV, Tactical Vehicle   | Approximately \$130k   | 3,4                |
| Police                 | N       | Acquiring/Implementing body cameras                                       | Includes devices, storage, training, policy, replication for DA  | Approximately \$75-100k/year   | 3,4                |
| Police                 | N       | Merchant Liaison/Crime Coordinator position                               | Add one non-sworn staff member serve as a liaison to all businesses for a Merchant Watch Program and Crime Prevention efforts  | Non sworn FTE - approximately \$93k/year   | 3,4,5              |
| CED                    | N       | Over-the-Counter Permitting   | Increased support for the function of providing counter permitting   | Permit Technician - approximately \$72k/year   | 4,6                |
| CMO                    | N       | Comprehensive 5-year Strategic Plan                                       | Initiate a comprehensive community visioning and strategic planning process as recommended in the organization scan  | Initially -staff time and subsequently consultant and staff time - amount TBD  | 3,4,5,6,7          |

## Tier 2 - Council and/or Staff Recommended Action Items

| Department or Division | Funded? | Project Name                                      | Project Description   | Additional Resources Needed  | Selection Criteria |
|------------------------|---------|---|---|--|--------------------|
| IT/PW                  | N       | Computerize Maintenance Management Program (CMMP) | Initiate a request for proposals process to procure a CMMP as recommended in the organization scan                                  | Approximately \$40k set up and \$30K ongoing - revisit with mid-year budget update | 2,4,7              |
| Public Works           | N       | Long-term maintenance plan                        | Develop a long-term maintenance plan that addresses existing infrastructure and asset needs as recommended in the organization scan | Initially -staff time and subsequently consultant and staff time - amount TBD      | 2,3,4,7            |
| CED                    | N       | Implement General Plan programs                   | Implementation of programs follows General Plan Update  | TBD  | 2,3,4,5,6          |
| CED                    | N       | Update Zoning Code                                | Comprehensive update of zoning code follows General Plan Update   | Approximately \$500k   | 1,2                |

## Tier 3 - Incomplete FY 2015-17 Council Goals and Priorities

| Department or Division | Funded? | Project Name   | Project Description   | Additional Resources Needed  | Selection Criteria |
|------------------------|---------|--|---|--|--------------------|
| Finance                | N       | Budget in Brief document                                     | Develop a concise and effective format to communicate the City's budget status to the public                            | Staff time (Note: an online budget transparency module through Munis is currently being evaluated by staff)                | 4                  |
| CED                    | N       | Research Enhanced Infrastructure Financing District (EIFD)   | Research and evaluate options for an EIFD   | \$30k for consultant to conduct study  | 4,5                |
| Public Works           | N       | Analysis of parks and community assets                       | Complete a facilities analysis of parks and community assets to ensure quality amenities                                | Approximately \$10-15k (one-time)  | 2,3,4,5,7          |
| CED                    | N       | Half-day tourism efforts in open space, parks and waterfront | Coordinate partnership efforts with Chamber and Main Street and continue to utilize City website as a resource          | Staff time   | 4,5,6              |
| CED                    | N       | Fiscal analysis for future land annexations                  | Update and evaluate annexation fiscal analysis  | Consultant assistance approximately \$10k (one-time)   | 4                  |
| CMO                    | N       | National Citizen Survey                                      | Utilize survey to track and measure City services and progress over time every two years                                | Staff time and approximately \$20k per survey - timing to be revisited depending on Strategic Planning process for 2019-21 | 4                  |
| CMO                    | N       | Implement use of metrics for City services                   | Research, evaluate and implement proven performance measurement systems and techniques                                  | Consultant assistant to establish a system and identify metrics - TBD  | 4                  |
| CMO                    | N       | City Wi-Fi upgrades  | Explore options for improving free Wi-Fi  | Approximately \$50k  | 6                  |
| Recreation             | N       | Programs that encourage and attract recreation               | Enhance and implement programs that encourage and attract outdoor recreation, sports activities and an active lifestyle | Primarily staff time to develop and market programs  | 6                  |
| CED                    | N       | Ensure future housing projects incorporate recreation        | Coordinate with developers to ensure appropriate amenities are included   | Staff time   | 6                  |

## RECAP OF 2015-17 CITY GOALS AND ACCOMPLISHMENTS

The Martinez City Council identified a series of overarching goals during the development of the 2015-17 Budget. Below is a list of those goals, and a recap of how the City accomplished those goals during the prior two-year period.

### Fiscal Health

- Created and implemented a budget reserve stabilization policy.
- Created a long range financial forecast.
- Completed labor negotiations with three bargaining groups.
- Initiated effort to ensure municipal revenues are at minimum covering City costs via a user fee study and other cost control mechanisms.
- Executed budget and fiscal measures to ensure long-term stability.

### Infrastructure

- Completed conversion of next group of parking meters to electronic payment.
- Developed and implemented plans to improve the local street transportation network and identify new alternative road pavement management funding sources (Measure D).
- Implemented adopted City Capital Improvement Program (CIP) plan.
- Initiated development of marina master waterfront plan with the drafting of a Request for Proposals for assistance with the plan.
- Invested capital to ensure a long-term safe water supply.

### Safe Community

- Executed a comprehensive program to combat homelessness in the City by partnering with Contra Costa County and successful nonprofit organizations serving this population and others to alleviate homeless related community issues.
- Initiated and communicated crime prevention information outreach services to the community.
- Recruited and hired a Police Chief to lead the Police Department.
- Upgraded the camera system.

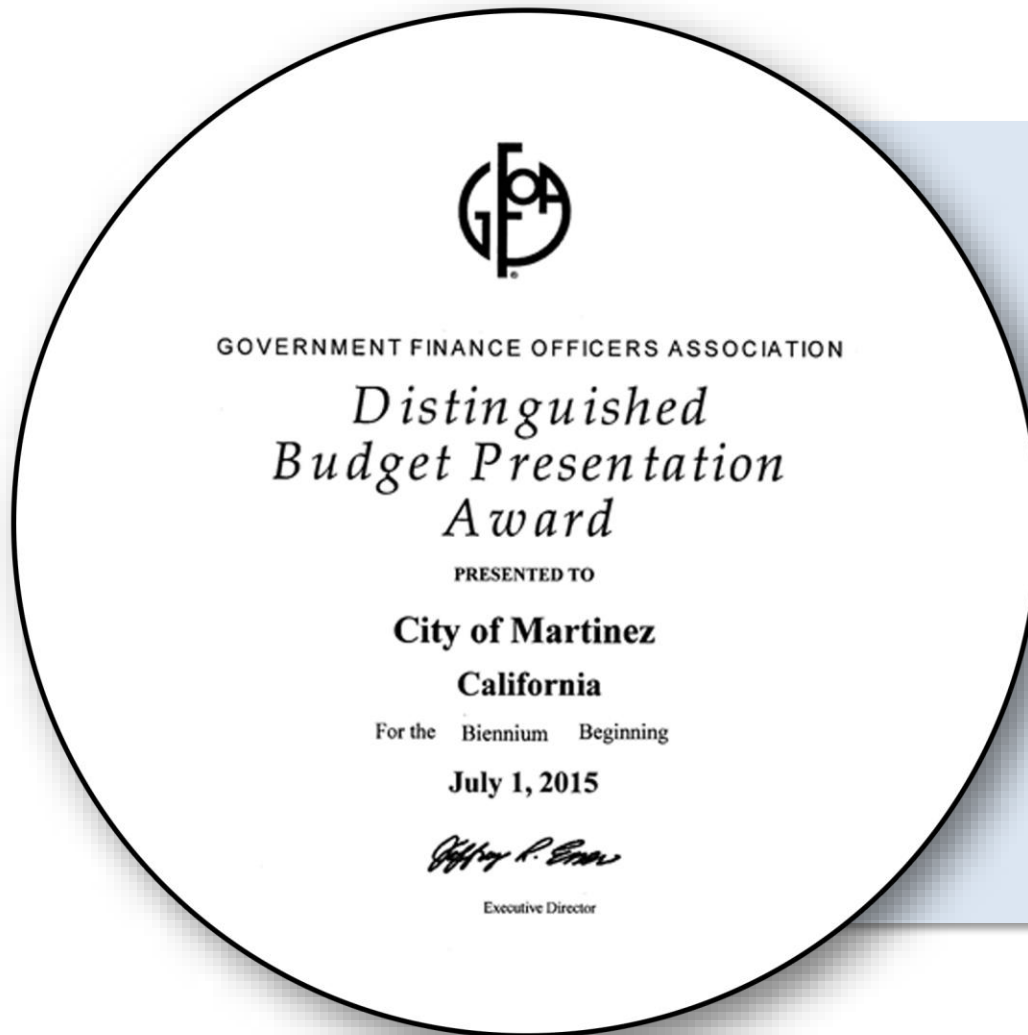
### **Economic Health**

- Continued partnerships with Chamber and Main Street for small business services.
- Implemented City economic development program focused on business retention, expansion and site locations (initiated in FY 2016-17 with funding of Community and Economic Development Director and Economic Development Coordinator, and hiring of Community and Economic Development Director).

### **High Performing Government**

- Implemented website Customer Relationship Management (CRM) mobile applications suite of software, and updates to website portal CRM software.
- Improved community engagement communications with residents.
- Improved presentation of budget and other municipal documents to make data more readable and transparent to the public.
- Used software tools to extent practicable to provide online services (e.g. online business licenses, building permits, recreation registrations, sign-up and terminate water service).

## GFOA AWARD

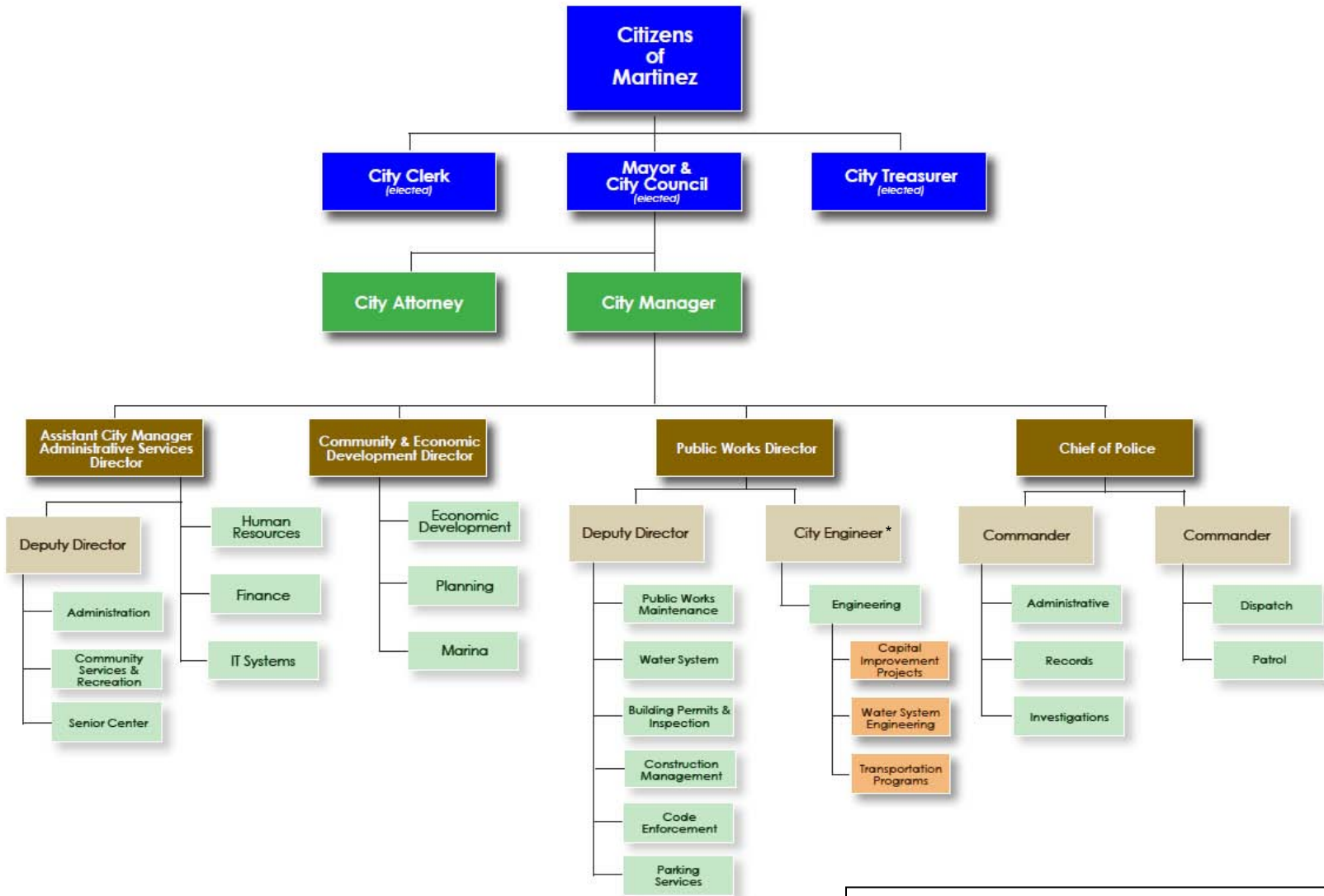


The Government Finance Officers Association (GFOA) and the California Society of Municipal Finance Officers (CSMFO) offer recognition programs for public entities to determine whether the City conforms to the highest level of governmental accounting and financial reporting standards. The City of Martinez received the Distinguished Budget Presentation Award from GFOA and the Excellence in Operating Budgeting Award from CSMFO for its two-year budget beginning Fiscal 2015-17. This achievement represents a significant accomplishment by a government and its management.

CSMFO AWARD

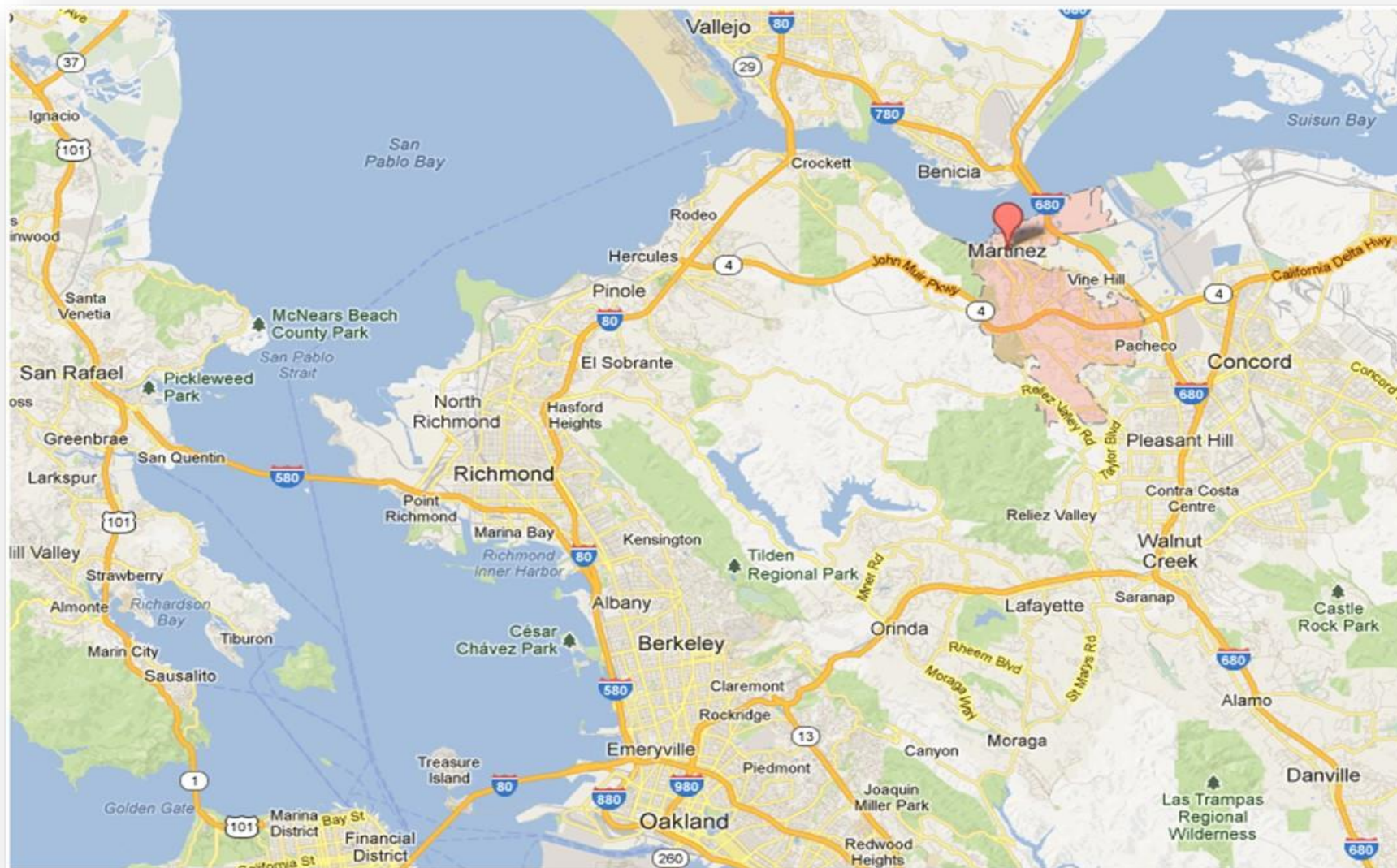


## ORGANIZATION CHART



\*Engineering, while budgeted in Community & Economic Development, currently reports to Public Works.

## AREA MAP



## MARTINEZ AT A GLANCE

### GENERAL INFORMATION AND HISTORY

Established in 1876, Martinez is the County seat of Contra Costa County. It is located along the Sacramento and San Joaquin rivers in the central part of the County. The City's roots can be traced to the late 1840's, when it served as a ferryboat transit point across the Carquinez strait on the way to the gold fields. By the time of its incorporation, Martinez had evolved into one of the area's most significant trading posts and shipping ports. Today, the City covers 13.1 square miles and has approximately 37,658 residents. As one of California's first towns, Martinez retains a strong sense of history and family. The renowned naturalist John Muir made Martinez his home for nearly a quarter of a century and in 1914, the year of Muir's death, the legendary baseball great Joe DiMaggio was born here. One of the unique aspects of Martinez is its architecture. Many of the downtown shops still retain their early 20th century look and charm, with some homes dating back more than 125 years.

The City is proud of its rich culture and heritage. Besides being the home to naturalist John Muir and the birth place of baseball great Joe DiMaggio, the City was also the home of the now defunct Christian Brother's Winery and the Alhambra Water Company, which used to pipe water from Alhambra Valley springs down to the Martinez Train Depot. Legend has it that Martinez is also the home of the famous "Martini" cocktail: an early settler was looking for a drink after a long day of looking for gold and ordered a "Martinez Special." A few drinks and a good buzz later, the "Martinez Special" became the "Martini," as it is known throughout the world today.

### CITY GOVERNMENT

The City operates under the Council-Manager form of government. The City Manager is responsible for the efficient implementation of Council policy and the effective administration of all City government affairs. The City is organized into four departments reporting directly to the City Manager. They are Administrative Services, Community and Economic Development, Police, and Public Works.

### PARKS AND RECREATIONAL FACILITIES

Martinez citizens of all ages continue to enjoy the outdoors. With 17 City parks and an award-winning Aquatic Center (most of which have been recently renovated, reconstructed or enhanced as part of the November 2008 passage of the Measure H Park Improvement Bond), 14 playgrounds, 14 ballfields, 10 tennis courts, 9 trails, 1 soccer field, 1 multi-use field, 1 skateboard park, a Senior Center and a Marina, there are plenty of recreational opportunities available to the public. The waterfront's top-flight bocce ball courts are host to the nation's largest bocce federation. Next door, the 10,000 square foot Skate Park offers an attraction for youth of the entire region. The Waterfront Amphitheater, constructed in August 2001 and located adjacent to the Marina complex, seats over 1,000 and has accommodated a variety of special events, including the first "Blues by the Bay" concert event in 2014.

## LARGEST PARKS OVERVIEW

### Rankin Park

The City's best known and largest park (42 acres). At the entranceway is a ADA accessible swimming complex with two pools that cost approximately \$6M in Measure H funding to complete. The Lap Pool includes a diving tank and eight lanes for lap swimming. The Recreational Pool has a teaching area with a play and spray structure. In the summer of 2011, the park and Tavan Ball Field began a \$2M renovation with Measure H Funding which has proven to be a tremendous success. New picnic facilities, bathrooms, playgrounds, and pathways were built, and significant grading and sculpted retaining walls were installed to conform the site to ADA accessible grades. The park is only a few minutes' walk from the downtown area and is accessible from the west end of Buckley Street.

### Waterfront Park

This scenic 31-acre park is located just north of downtown and the railroad tracks, adjacent to the Martinez Regional Shoreline and the marina, which makes the entire waterfront area a unique recreational attraction. This is the next major park rehabilitation project priority. Work will include softball fields, ballfield lighting, concession and restroom replacements, turf, playground surfacing, group and individual picnic areas. Additional notable features of Waterfront Park include a soccer field, bocce ball courts, and the Skate Park. Extensive picnic areas with tables and grills, water fountains, restrooms, a children's play area, large turf meadows, and horseshoe pits add to the family-friendly locale. The companion Martinez Regional Shoreline Park has two tot lots, green meadows, and a variety of jogging and nature study trails that weave in and around the waterfront. Waterfront Park is accessible from North Court Street via Ferry Street.

### Hidden Lakes Park

This park, one of the newest in the City's system, provides 24 acres of modern facilities including softball and multi-purpose fields, a concession stand, and tot lots. The playground equipment at this park was upgraded thanks to over \$500K in Measure H funding and in October 2016, a \$1.8M renovation of the artificial turf soccer field was completed. The park is set among the scenic oak lined hills and lakes of the Hidden Lakes Open Space. Various trails cross and interconnect this park with the Open Space and Hidden Valley Park. The entrance to this park is located at the section of two arterial streets, Morello Avenue from the northwest and south, and Chilpancingo Parkway from the east.

### Hidden Valley Park

This park recently underwent a \$3M Measure H renovation that included new picnic areas, ADA access, restrooms, walking circuit with active exercise stations, refurbished baseball/softball fields and a level grass play area. The park abounds with 17 acres of turf, with

the wooded hillside offering a panoramic view of Mount Diablo. Immediately to the south are the hills and lakes of the Hidden Lakes Open Space. The softball fields are located on property leased by the City from the school district. Park users also have access to the school's basketball courts. The park is centrally located and easily accessible from Center Avenue and Glacier Drive to the north and Beechwood Drive to the west.

### **Golden Hills Park**

This 10-acre park is located in the Virginia Hills area of Martinez. The children's play areas are of contemporary design with slides, swings, and other climbing and play apparatus. In addition to large areas of lawn and open space, the park features covered picnic areas, a community meeting facility with restrooms, two lighted tennis courts, and a half-court basketball area. The park is easily accessible from Eagle Nest Drive and Condor Drive to the north, and Reliez Valley Road to the west.

## CITY EVENTS

Tourists visiting Martinez today can find the City's many landmarks and point of interests, including John Muir's Historical Site, the City Amphitheater, and the City Marina. The City is also proud to preserve its culture by hosting and participating in various events during the year, including the annual Earth Day event celebrating John Muir's birthday and the Martini Festival recognizing Martinez as "birthplace of the Martini." Below is a list of City sponsored or co-sponsored events, followed by pictures of a few iconic Martinez attractions.

| City Sponsored Events                  |                   |
|--|-------------------|
| Earth Day.....                         | Annual, April     |
| Memorial Day Program .....             | Annual, May       |
| Mini Motorland .....                   | Annual, Spring    |
| Youth Baseball Parade .....            | Annual, Spring    |
| Waterfront Egg Hunt .....              | Annual, Spring    |
| King of County BBQ .....               | Annual, June      |
| Fourth of July Fireworks.....          | Annual, July      |
| Fourth of July Parade.....             | Annual, July      |
| Beaver Festival .....                  | Annual, August    |
| Art in the Park .....                  | Annual, August    |
| Martini Festival.....                  | Annual, September |
| Car and Bike Show .....                | Annual, September |
| Mutt Strutt .....                      | Annual, September |
| Downtown Restaurant Tour.....          | Annual, October   |
| Marty & Barbara's Halloween Hunt ..... | Annual, October   |
| Veterans Day Program.....              | Annual, November  |
| Holiday Frolic .....                   | Annual, Winter    |
| Light Parade .....                     | Annual, Winter    |
| Beer Fest .....                        | Biannual          |
| Fishing Derby.....                     | Biannual          |
| Oohs, Ahs and Giggles .....            | Triannual         |
| Cemetery Tours .....                   | Multi             |
| Dynomite Thursday .....                | Annual            |
| Farmers' Markets .....                 | Year-round        |

## ICONIC MARTINEZ ATTRACTIONS



**Amtrak Station**



**John Muir Historic Site**



**Downtown Main Street**



**Amphitheater**



**Marina**



**Museum**



**East Bay Regional Shoreline**



**Alhambra Cemetery**



**Golden Hills Park**



**Rankin Aquatic Center**



**Hidden Lakes Soccer Field**



**Holiday Highlands**

## MISCELLANEOUS STATISTICS

|  |              |                                     |     |
|--|--------------|-------------------------------------|-----|
| <b>AREA (Miles)</b>                    | 13.1         | <b><u>COMMUNITY SERVICES</u></b>    |     |
| <b>MILES OF STREETS</b>                | 122          | Neighborhood Parks                  | 17  |
|  |              | Swimming Pool                       | 1   |
| <b>AVERAGE MINIMUM TEMPERATURE</b>     | 44.3 degrees | Skateboard park                     | 1   |
| <b>AVERAGE MAXIMUM TEMPERATURE</b>     | 72.8 degrees | Community Gardens                   | 1   |
| <b>AVERAGE RAINFALL</b>                | 20.28"       | Senior Center                       | 1   |
|  |              | Amphitheater                        | 1   |
| <b>NUMBER OF HOUSEHOLDS</b>            | 14,611       | Indoor Sports Complexes (privately) | 2   |
| <b>MEDIAN HOME SALE VALUE (2016)</b>   | \$512,000    |                                     |     |
| <b>AVERAGE AGE OF REAL ESTATE</b>      | 33 years     | City Park acreage (developed)       | 271 |
|  |              | Playgrounds                         | 14  |
| <b><u>HOSPITALS</u></b>                |              | City Trails                         | 9   |
| Contra Costa Regional Medical Center   |              | Tennis Courts                       | 10  |
| Kaiser Permanente Hospital             |              | Baseball/softball diamonds          | 14  |
| Veterans Administration Medical Center |              | Soccer fields                       | 1   |
|  |              | Multi-use fields                    | 1   |
| <b><u>EDUCATION</u></b>                |              | Basketball Courts                   | 7   |
| Elementary Schools                     | 4            | Bocce Ball Courts                   | 15  |
| Middle Schools                         | 1            | Horseshoe Courts                    | 2   |
| High Schools                           | 2            | Gazebos                             | 1   |
| Continuation Schools                   | 1            | Picnic Facilities (rental areas)    | 18  |
| Private - Elementary/Middle            | 1            | BBQ Areas                           | 24  |
|  |              | Restrooms (permanent)               | 9   |

**MAJOR EMPLOYERS**

Contra Costa County  
Kaiser Permanente Hospital  
Shell Oil Refinery  
Veterans Administration Medical Center  
Private - Elementary/Middle

**EMPLOYMENT (APR 2017)**

|                               |        |
|-------------------------------|--------|
| Total Labor Force in Martinez | 20,600 |
| Total Employed                | 19,900 |
| Total Unemployed              | 700    |
| Unemployment Rate             | 3.2%   |

**PUBLIC SAFETY**

|                       |    |
|-----------------------|----|
| Police Stations       | 1  |
| Police sworn officers | 37 |
| Canine units          | 2  |
| Motorcycle units      | 2  |

**Sources:**

Various City Records  
Martinez Area Chamber of Commerce  
MDA DataQuick  
California Employment Development Department (April 2017)  
U.S. Census 2010/American FactFinder 2015 Update

## DEMOGRAPHICS INFORMATION

### POPULATION

|                           |        |
|---------------------------|--------|
| US Census (2015 estimate) | 37,300 |
| 2010 Census               | 35,824 |

### ELECTION & REGISTERED VOTERS

|                                 |        |
|---------------------------------|--------|
| Registered Voters (Nov. 8)***   | 24,064 |
| % Voting Last Election (Nov. 8) | 80.87% |

### US CENSUS DEMOGRAPHICS (2015 Update)

#### GENDER\*

|        |        |       |
|--------|--------|-------|
| Male   | 17,971 | 48.2% |
| Female | 19,329 | 51.8% |

#### AGE\*

|               |        |       |
|---------------|--------|-------|
| Under 5 Years | 1,641  | 4.4%  |
| 5 - 19 Years  | 6,378  | 17.1% |
| 20 - 44 Years | 11,339 | 30.4% |
| 45 - 64 Years | 12,607 | 33.8% |
| 65 - 84 Years | 4,849  | 13.0% |
| Over 85 Years | 485    | 1.3%  |

#### MEDIAN AGE\*

43.7

#### SCHOOL ENROLLMENT\*\*

|                   |       |
|-------------------|-------|
| Kindergarten      | 297   |
| Elementary School | 1,825 |
| High School       | 1,146 |

#### RACE\*

|                                 |        |       |
|---------------------------------|--------|-------|
| White                           | 25,504 | 68.4% |
| Hispanic or Latino              | 6,291  | 16.9% |
| Asian & Pacific Island          | 2,936  | 7.9%  |
| African American                | 964    | 2.6%  |
| American Indian & Alaska Native | 268    | 0.7%  |
| All Other                       | 1,337  | 3.6%  |

#### HOUSEHOLD INCOME\*

|                     |           |
|---------------------|-----------|
| Per Capita          | \$ 40,809 |
| Median Household    | \$ 87,959 |
| \$0 - \$14,999      | 6.5%      |
| \$15,000 - \$24,999 | 5.6%      |
| \$25,000 - \$34,999 | 5.2%      |
| \$35,000 - \$49,999 | 10.2%     |
| \$50,000 - \$74,999 | 15.3%     |
| \$75,000 - \$99,999 | 14.2%     |
| \$100,000 - >       | 42.9%     |

Sources: \*US Bureau of Census: Census 2010, updated with 20011-2015 American Community Survey 5-Year Estimates;

\*\*Martinez Unified School District; \*\*\*Contra Costa County Elections Division



## Section 2: Budget Guide

## ELEMENTS OF THE BUDGET DOCUMENT

Budgets play a crucial role communicating to elected officials, city employees, and the public the City's plans for using its resources. Budgets are complex documents that can be difficult to grasp at first glance and the City has made every effort to make the document as easy to navigate as possible. This section provides the reader with some basic understanding of the constituent components of the Biennial Budget document. The Budget for 2017-19 is a policy document that describes the City's goals and objectives and indicates how resources are allocated to achieve these goals. In addition, it serves as a financial plan, an operations guide, and a communications tool. The document includes the following key elements:

### Introduction

Includes the City Manager's Budget Message to the City Council highlighting the Council's priorities, summarizes the City's financial position, addresses key issues that are of local concern, documents proposed new programs, and recommends strategies for ensuring financial stability while continuing to provide high quality services to the community. The Introduction also includes the overall City organization chart, area map, and miscellaneous statistics and demographics.

### Budget Guide

Designed to inform the reader of the budget's purpose and how it is developed; show the budget schedule and explain the budget process; and provide an overview of the City's financial structure, revenue descriptions, key assumptions used to build the budget, and long term debt.

### Summary Schedules

Provides summary financial information regarding fund balances, projected revenues and expenditures, and transfers for all funds in the City. This section also includes a summary of positions by department.

### General Fund, General Government, and Departmental Operating Budgets

Provides financial detail for this fund, including 10-year revenue and expenditure history and 4-year projections. The General Government section provides descriptive information on the functions, accomplishments, objectives, and budget highlights of this budget group, and a listing of both historical and proposed expenditures for this area.

The Departmental Operating Budgets are divided into individual sections for the following operating departments: Administrative Services, Community and Economic Development, Police, and Public Works. Each section includes a departmental organization chart, staffing summary, and a list of major responsibilities. Additionally, each department budget provides summary narrative and financial information for each of its division/program areas that includes significant accomplishments for 2015-17 and objectives for 2017-19. The reader will note that some of the objectives are assigned symbols, which indicate that these items are council priorities and tie

back to the tiers described in the Strategic Plan document found on page xvi. The historical and proposed two-year budget expenditures by division are provided.

### **Enterprise Funds**

Provides information on the City's three enterprise funds: Water System, Marina and Parking Services.

### **Special Revenue Funds**

This section provides information on the City's ten special revenue funds: Public Safety Grants, Gasoline Tax, Measure J, National Pollutant Discharge Elimination System (NPDES), Recycling, Housing In-Lieu, 'Public, Education and Government (PEG) Access,' Measure D, Lighting and Landscaping, and Mitigation/Impact Fees.

### **Internal Service Funds**

Includes information on the City's two internal service funds: Equipment Replacement and Information Systems.

### **Debt Service Funds**

Provides information on the City's debt service.

### **Capital Improvement Program**

Details the proposed capital projects for the 2017-19 fiscal years and those projects carried forward from the prior year. This section includes projects that have been reviewed and approved by the City Council. Projects recommended for funding have been selected based on criteria approved by the City Council.

### **Financial Policies**

Includes copies of all the City's financial policies, including the Budget, Capital Financing and Debt Management, Capital Improvement Program (CIP), Fixed Assets Capitalization and Inventory Control, and Investment policies. The City's Fees Resolution is also included.

### **Appendices**

The Appendices section includes: Budget Resolution; Appropriation (Gann) Limit Resolution and Description; Summary of Benefits by Representative Unit; Guide to Funds by Number; Budget Glossary; List of Acronyms; and Budget Index.

## BUDGET DEVELOPMENT

### Budget Process

The City adopts a biennial budget for the General Fund, three (3) Enterprise Funds, ten (10) Special Revenue Funds, two (2) Internal Service Funds and three (3) Debt Service Funds. The City Council also adopts a five-year Capital Improvement Plan of which two years are presented in this operating budget. The City Council adopts this operating budget, in its entirety, by June 30 through passage of an adopting resolution. The proposed budget includes estimated expenditures and forecast revenues for the next two years on a basis consistent with Generally Accepted Accounting Principles (GAAP).

As with any budget preparation, the ongoing process includes the phases of development, proposal, adoption, and monitoring.

### Development

- Strategic Planning study sessions held with City Council on January 25, 2017 and February 6, 2017 to develop a Strategic Plan document and establish priorities for the upcoming Biennial Budget.
- Budget narrative instructions and worksheets distributed to departments in February 2017.
- Program revenue and operations budget instructions and worksheets distributed to departments with budget calendar in February 2017.
- Positions for staffing summaries reviewed by Human Resources and Finance in March 2017.
- Departments return first draft of completed budget narratives to Administrative Services in March 2017; narratives revised and returned to Departments for final review.
- Departments return program revenue and operations budget worksheets to Finance in March 2017.
- Strategic Plan adopted April 5, 2017.
- Department budget review meetings with Assistant City Manager and Finance Manager in April 2017.
- City Manager review of draft budget in April and May 2017.

## Proposal

- Franchise and Infrastructure Subcommittee met on May 8, 2017 to review the draft 5-year Capital Improvement Program (CIP).
- The Budget Subcommittee met on May 23, 2017 to review the budget and then recommended to move to a public workshop.
- City Council held a public workshop on May 31, 2017 to review the two-year budget and five-year CIP and then provided direction to staff to finalize the proposed budget and capital improvement plan.

## Adoption

- The 5-year CIP was adopted by resolution at a public City Council meeting on June 21, 2017.
- The Fiscal Year 2017-18 and 2018-19 operating budget was adopted by resolution at a public City Council meeting on June 21, 2017.

## Monitoring

- The budget is monitored through the fiscal year by the Finance Division.
- Department heads will maintain control over their respective funds and ensure adequate resources are available.
- In January, a mid-year review is conducted and any revisions to the budget are presented to the Budget Subcommittee.
- In February, any mid-year budget adjustments will be presented to the City Council for adoption by resolution.
- In June, a review of the second year of the biennial budget will be conducted and any changes will be presented by June 30<sup>th</sup> to the City Council for adoption by resolution.
- Any necessary adjustments to the budget throughout the two years will be enacted by City Council resolution.

## BUDGET CALENDAR

| JAN  | FEB  | MAR  | APR   | MAY  | JUN  |
|--|--|--|---|--|--|
| <ul style="list-style-type: none"> <li>• Council Strategic Plan Study Session 1</li> </ul> | <ul style="list-style-type: none"> <li>• Council Strategic Plan Study Session 2</li> <li>• Budget Packets Distributed to Depts.</li> </ul> | <ul style="list-style-type: none"> <li>• Review of Staffing Summaries</li> </ul> | <ul style="list-style-type: none"> <li>• Strategic Plan Adopted</li> <li>• City Manager Reviews Draft Budget</li> </ul> | <ul style="list-style-type: none"> <li>• Meeting with Franchise &amp; Infra-structure Sub-committee</li> <li>• Meeting with Budget Sub-committee</li> <li>• Public Workshop to Review CIP</li> </ul> | <ul style="list-style-type: none"> <li>• Operating Budget to Council for Adoption</li> </ul> |

### Level of Budget Control

The two-year budget is prepared by fund, function, and department. The City's department heads may make transfers of appropriations within their respective departments. The City Manager is authorized to revise the budget so long as the total revisions in any single budget year do not exceed 5% of the budget, and provided that sufficient revenues are available to offset such revisions. Council approval is required for additional appropriation from fund balances or new revenue sources. The legal level of budgetary control is the department level.

### Cost Allocation

The City uses three methods to allocate costs associated between funds and for grant purposes. These are: 1) direct costs, used to allocate, by percent, the cost of specific positions among funds; 2) indirect costs, which allocate overall department costs, by percent, to the other departments and other funds; and 3) job costing, which charges projects and service funds a base hourly rate times the hours spent. The methodology for computing these costs are as follows:

- **Direct Costs**

The employee's annual salary and total benefit costs are added together to get a total cost for the employee. All services that the employee is involved in providing are identified, as well as the percent of time spent on providing each service. The total annual cost of the employee is then multiplied by the percent and charged to the appropriate fund receiving the service. This allocation is charged out with every payroll.

- **Indirect Costs**

All services that a department provides to other departments or funds are identified by a percent. The department costs multiplied by the percent is then charged out to the identified departments and funds on a monthly basis.

- **Job costing**

The employee's annual salary and total benefit costs are added together and then divided by 2,080 hours to get an hourly rate. Hours spent by employees for specific projects and jobs are then multiplied by the hourly rate and charged to the project or job on a monthly basis.

## **Reporting Entity**

The City of Martinez was incorporated in 1876 under the laws of the State of California and enjoys all the rights and privileges applicable to a General Law City. The City is governed by a five-member City Council, under the Council-Manager form of government. The City provides a wide variety of services to its citizens, including police, public services, community development, engineering, recreation, and general administrative services. The City also operates a public water utilities system. All of these services are accounted for in the City's financial statements. The financial statements for the City of Martinez are prepared in conformity with Generally Accepted Accounting Principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing government accounting and financial reporting principles. The more significant of the City's accounting policies are described on the following pages.

## **Fund Accounting**

The City uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain City functions or activities.

A fund is an accounting entity with a self-balancing set of accounts established to record the financial position and results of operations of a specific governmental activity. The City maintains both governmental and proprietary fund types.

### **Governmental Fund Types**

- **General Fund:**

The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government operating fund of the City and accounts for all unrestricted financial resources except those required to be accounted for in another fund.

- **Special Revenue Funds:**  
Special Revenue Funds account for the proceeds of specific revenue sources (other than special assessments, expendable trusts or capital projects) that are restricted by law or administrative action to expenditures for specified purposes.
- **Debt Service Funds:**  
Debt Service Funds account for the accumulation of resources for the payment of interest and principal on general long-term debt and related costs.
- **Capital Projects Funds:**  
Capital Projects Funds account for financial resources segregated for the acquisition of major capital projects or facilities (other than those financed by proprietary fund types).

#### **Proprietary Fund Types**

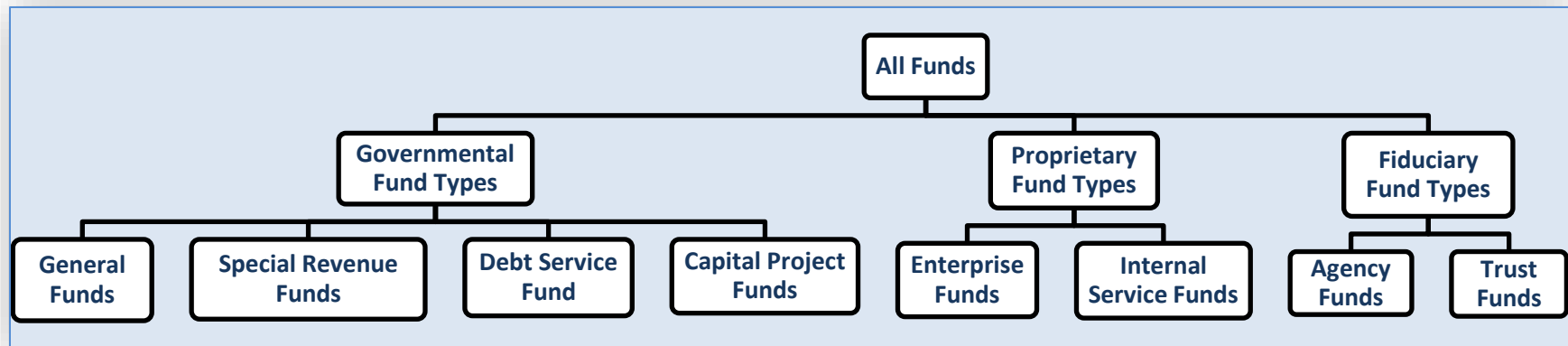
- **Enterprise Funds:**  
Enterprise Funds account for operations in a manner similar to private business enterprises where the intent is that the costs of providing goods or services to the general public on a continuing basis is to be financed or recovered primarily through user charges.
- **Internal Service Funds:**  
Internal Service Funds account for the financing of goods and services provided by one department or agency to other departments or agencies of the City or to other governmental units, on a cost-reimbursement basis. These cost-reimbursement rates are established to recover cost of replacement over time.

#### **Fiduciary Fund Types**

Fiduciary Funds account for assets held by the City as trustee or agent for individuals, private organizations, or other government units. Fiduciary Funds are not part of the City's operating budget.

- **Agency Funds:**  
Used to report resources held by the City in a custodial capacity.
- **Trust Funds:**  
Involve only the receipt, temporary investment, and remittance of fiduciary resources.

Please refer to the chart on the following page for a representation of the City's fund accounting.



### Basis of Accounting

Basis of accounting refers to how revenues and expenditures are recognized in the accounts and reported in the financial statements, regardless of the measurement of focus applied. Governmental fund types use a modified accrual basis of accounting. Revenues are recognized when available and measurable. Revenues which are accrued include Federal and State grants and subventions; transient occupancy taxes; document transfer tax; sales taxes collected by the State on behalf of the City prior to year-end; interest; and certain charges for current services. Revenues which are not considered susceptible to accrual include certain licenses, permits, fines, forfeitures and penalties. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt and special assessment debt are recorded as expenditures when paid.

All proprietary funds are accounted for using the accrued basis of accounting. Revenues are recognized when they are earned and expenses are recognized when they are incurred. Depreciation of all proprietary fund fixed assets is charged as an expense against operations each year, and the total amount of depreciation taken over the years, called accumulated depreciation, is reported on the proprietary fund's balance sheet as a reduction in the book value of fixed assets.

### Basis of Budgeting

The budgets of *General Governmental Type Funds* are prepared on a modified accrual basis, which means that obligations of the City are budgeted as expenditures, but revenues are recognized only when they are measurable and available.

The *Enterprise Funds* also recognize expenditures as encumbrances when a commitment is made. Revenues, on the other hand, are recognized when they are obligated to the City, for example water user fees are recognized as revenue when service is provided.

In all cases for the General Governmental and Enterprise funds, when goods and services are not received by year end, the encumbrance lapse. The Comprehensive Annual Financial Report (CAFR) shows the status of the City's finances on the basis of "Generally Accepted Accounting Principles" (GAAP). In most cases, the way the City prepares its budget conforms to GAAP, with the following exceptions:

- Principal payments on long-term debt within the Enterprise Funds are applied to the outstanding liability on a GAAP basis, but are expended on a Budget basis.
- Capital Outlay within Enterprise Funds are recorded as assets on a GAAP basis and expended on a Budget basis.
- Depreciation expense is recorded on a GAAP basis only.

## STRUCTURE OF THE CITY'S FINANCES

The City's finances are structured in a variety of funds, which are the basic accounting and reporting entities in governmental accounting. The funds that comprise the 2017-2019 Budget are described as follows:

### General Fund

The General Fund is the City's primary reporting entity for current general government operations of the City of Martinez. It accounts for all financial resources not required by law or administrative action to be accounted for in another fund. Section 4 of this Budget provides detailed financial information of the General Fund. Section 5 provides narrative and financial information on the General Government group. The budget by department can be found under Sections 6-9.

### Enterprise Funds

The City's Enterprise Funds include the Water System, Marina, and Parking Services. Each fund is financed and operated in a manner similar to a private business enterprise. The intent is that the costs of providing goods or services to the general public on a continuing basis are to be financed or recovered primarily through user charges. The rate schedules for these services are established to ensure that revenues are adequate to meet all necessary expenditures. Section 10 provides the financial information for the City's Enterprise Funds, which includes their respective Capital Improvement Program (CIP) information.

- **Water System Fund**

The Water System Fund accounts for the funds received from customers receiving water service provided by the City and the related expenditures for administration, system improvements, maintenance and repair, and debt service issue related to the provision of water service to the customers.

- **Marina Fund**

The Marina Fund revenues include management fees, lease payments, sales and property taxes.

- **Parking Services Fund**

The Parking Services Fund accounts for the activities related to the various parking lots and parking meters in the City. Revenue is generated from parking meters and parking permits.

### Special Revenue Funds

Special Revenue Funds account for revenue sources that are legally restricted to specific purposes. These funds can be found in detail under Section 11.

- **Public Safety Grants**

These are Federal and State grants received by the Police Department for improvements in public safety technology and other special projects.

- **National Pollutant Discharge Elimination System (NPDES)**

The City participates in the Contra Costa County Flood Control and Water Conservation District for the collection, administration, distribution, and expenditure of funds derived from stormwater utility assessments. The assessment is collected with property taxes received by the County Tax Collector and is used for pollution control improvements and drainage system maintenance.

- **Measure D**

Measure D funds are from a 2016 voter-approved, half-cent citywide sales tax to be used exclusively to fund Martinez roadway rehabilitation and maintenance projects for 15 years.

- **Measure J**

Measure J funds are from a voter-approved, half-cent countywide sales tax levied to fund transportation improvements and disburses these funds to pay for local street improvements.

- **Gasoline Tax**

Gasoline tax is a tax on each gallon of fuel used to propel a motor vehicle or aircraft. Gas tax revenue is distributed to cities using several formulas. These funds must be used exclusively for engineering costs, maintenance and repair, and capital improvement projects related to City streets.

- **Housing In-Lieu Fund**

This fund accounts for developer fees which are paid in-lieu of affordable housing. The funds are to be used at the City's discretion for the provision of affordable housing to low and moderate income households.

- **Recycle Fund**

This fund accounts for the grants the City receives for the disposal of used oil and recycling. This fund also accounts for funds received from the solid waste hauler to cover costs to implement Assembly Bill 939 waste diversion programs and Climate Action Plan initiatives.

- **PEG Access**

This fund accounts for the payments received by the City's cable provider to be used for public, educational and governmental (PEG) capital support as provided by the City's franchise agreement.

- **Lighting and Landscaping**

This fund accounts for the installation, maintenance and improvements of subdivision lighting and landscaping within the various special assessment districts. Monies are collected through an annual levy on the property owners within each district.

- **Mitigation/Impact Fees**

This fund accounts for fees collected from developers to mitigate the impact of new development. The City established the following impact fees: traffic, park in-lieu, child care, drainage, cultural facilities, police facilities, and park and recreation.

### **Internal Service Funds**

Internal Service Funds are proprietary funds used by the City to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The following are the City's two Internal Service Funds, which can be found within Section 12:

- **Equipment Replacement**

The Equipment Replacement Fund accounts for the accumulation of funds for the maintenance and subsequent replacement of the equipment under City control. Costs are charged to departments by way of "rental charges" of City vehicles and equipment.

- **Information Systems**

The Information System Fund accounts for the services rendered to all City departments for management of the City's hardware and software needs. Costs are charged to departments by percent based on the number of computer work stations and overall use of technology.

### **Debt Service Funds**

Debt Service Funds are used to account for the accumulation of resources for and the payment of general long-term debt principal, interest and related costs (other than those paid for by the Enterprise Funds). Information on the debt service of the General Fund can be found in Section 13.

- **2008, Series A General Obligation Bond**

This fund accounts for funds received and used for payment of debt service on the 2008, Series A General Obligation Bond issued May, 2009. Interest and principal payments are payable from *ad valorem* property tax levied by the City and collected by the County.

- **2008, Series B General Obligation Bond**

This fund accounts for funds received and used for payment of debt service on the 2008, Series B General Obligation Bond issued March, 2012. Interest and principal payments are payable from *ad valorem* property tax levied by the City and collected by the County.

### **Capital Improvement Program**

The Capital Improvement Program (CIP) budget is for expenditures on capital projects such as major street or park improvements, building construction, and major facility maintenance. Section 14 provides information on those projects that are in progress or will be undertaken in the next two budget years (other than those paid for by Enterprise Funds).

The matrix below provides an overview of how the major City operating departments correspond with the various funds:

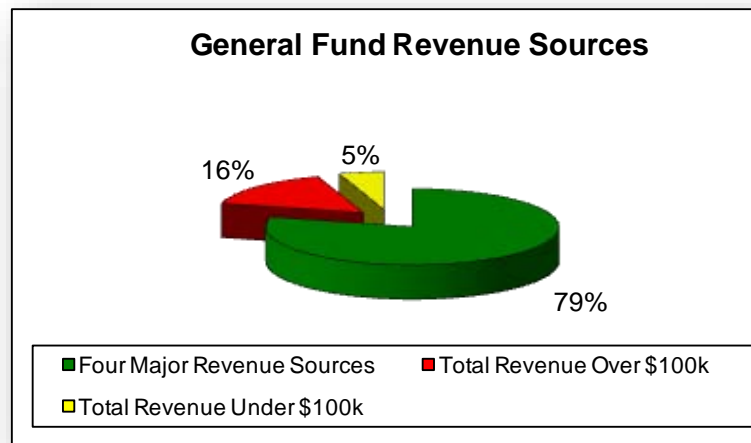
| DEPARTMENT-FUND RELATIONSHIP SUMMARY |              |                       |            |                        |              |              |                 |                           |                            |                          |
|--------------------------------------|--------------|-----------------------|------------|------------------------|--------------|--------------|-----------------|---------------------------|----------------------------|--------------------------|
| Department                           | General Fund | Special Revenue Funds |            |                        |              |              |                 |                           | Internal Service Funds     |                          |
|                                      |              | Public Safety Grants  | NPDES Fund | Measure J - Local Fund | Gas Tax Fund | Recycle Fund | PEG Access Fund | Lighting & Landscape Fund | Equipment Replacement Fund | Information Systems Fund |
| General Government                   | •            |                       |            |                        |              |              |                 |                           |                            |                          |
| Administrative Services              | •            |                       |            |                        |              | •            | •               |                           |                            | •                        |
| Public Works                         | •            |                       |            |                        |              |              |                 |                           | •                          |                          |
| Police                               | •            | •                     |            |                        |              |              |                 |                           |                            |                          |
| Community Development                | •            |                       | •          | •                      | •            |              |                 | •                         |                            |                          |

## REVENUE DESCRIPTIONS

### General Fund

The General Fund is the City's primary reporting entity for current general government operations of the City of Martinez. It accounts for all financial resources not required by law or administrative action to be accounted for in another fund. All revenues not restricted to specific purposes are recorded in the General Fund, and likewise, all services that are of a general nature – police, routine public works activities, development-related functions (such as planning, engineering, and building inspections), leisure activities, and general administrative support – are budgeted here. The General Fund is the City's largest operating fund.

The General Fund is comprised of eight major revenue categories: Taxes; License, Permit and Fees; Fines and Forfeitures; Intergovernmental; Charges for Services; Use of Money and Property; Other Revenue; and Transfers In. For specific details of what comprises each category, please refer to the revenue schedules on pages (74-76). Within these categories, the City of Martinez relies on four major revenue sources to balance the General Fund which make up 79% of the total operating General Fund budget. They are property tax; sales and use tax; VLF property tax swap; and franchise fees. The chart below illustrates the significance of these revenues, and the composition of the remaining revenue sources (either over or under \$100K):



## Property Tax

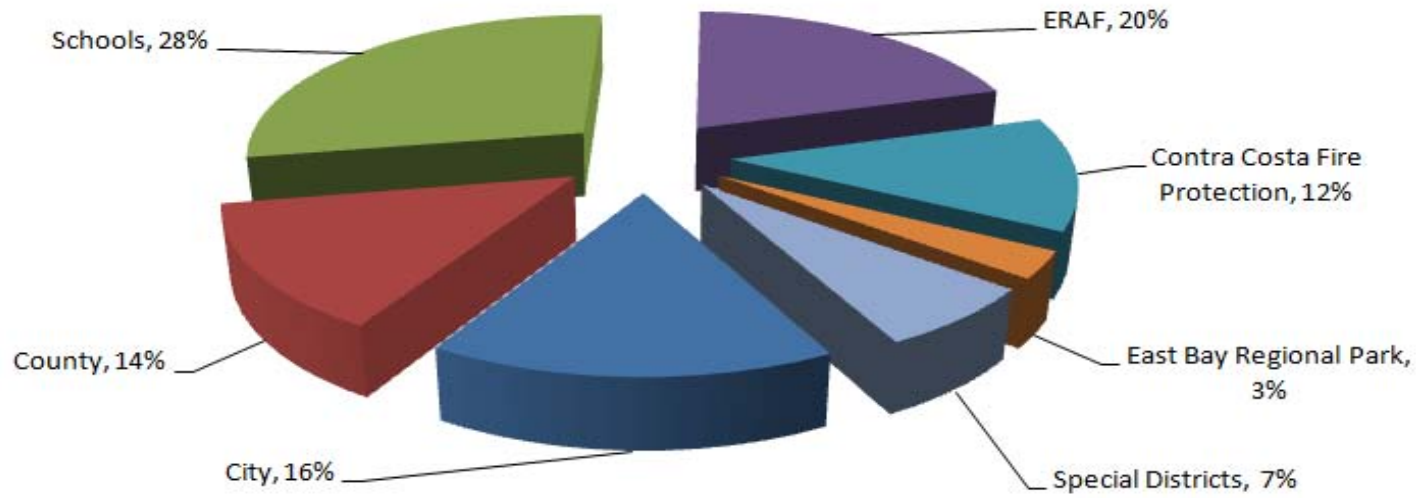
Property tax is the largest source of revenue to the General Fund. In the State of California, the base tax rate is 1% of assessed valuation of property. The 1% tax is levied and collected by the County of Contra Costa with the County assessor determining property tax values based on Proposition 13 limitations, a voter approved proposition in June 1978. Proposition 13 rolled-back property values, for tax purposes, to 1975-76 values and thereafter capped annual assessment increases at 2% until the property is transferred, at which time the assessed value is based on market value. The City of Martinez receives approximately 15.92% share of this 1% levy for property located within the City limits. This percent varies by city and is based on service responsibility; the overall average for cities in Contra Costa County is 11.63%. Generally, a full service city would receive a higher share than those that do not provide the full range of municipal services.

Below shows the percent each city in Contra Costa County receives of their 1% assessed value, and whether they have police and fire services:

| Cities in Contra Costa  | City Rate     | Police Services | Fire Services |
|-------------------------|---------------|-----------------|---------------|
| City of Richmond        | 28.51%        | X               | X             |
| City of El Cerrito      | 22.23%        | X               | X             |
| City of Pinole          | 18.84%        | X               | X             |
| City of Brentwood       | 16.49%        | X               |               |
| City of Pittsburg       | 16.37%        | X               |               |
| <b>City of Martinez</b> | <b>15.92%</b> | <b>X</b>        |               |
| City of Antioch         | 11.41%        | X               |               |
| City of Concord         | 10.58%        | X               |               |
| City of San Pablo       | 9.83%         | X               |               |
| City of San Ramon       | 9.59%         | X               |               |
| City of Walnut Creek    | 9.41%         | X               |               |
| City of Danville        | 7.62%         | X               |               |
| City of Orinda          | 7.39%         | X               |               |
| City of Oakley          | 7.08%         | X               |               |
| City of Lafayette       | 6.66%         | X               |               |
| City of Clayton         | 6.63%         | X               |               |
| City of Pleasant Hill   | 5.66%         | X               |               |
| City of Hercules        | 5.42%         | X               |               |
| City of Moraga          | 5.32%         | X               |               |

The 1% of the City of Martinez assessed value breaks down as follows: City of Martinez (16%), Schools (28%), the Education Revenue Augmentation Fund (ERAF 20%), Contra Costa County (14%), Contra Costa Fire Protection (12%), Special Districts (7%) and East Bay Regional Park (3%). The chart below illustrates how the City shares property tax with other agencies.

## Property Tax Allocation



According to HdL, the City's property tax analyst, valuations for the entire region were severely impacted for several years by the national housing and financial markets crisis, prompting the County Tax Assessor to make significant downward adjustments, ultimately resulting in a significant decrease to the City's property tax revenue. Due to improvements in the economy and the sustained improving trend in residential sales pricing and volume since 2012, some of the lost property tax revenue has been recaptured. The table on the following page (supplied by HdL) illustrates the volatile nature of the local real estate market over the past 15 years:

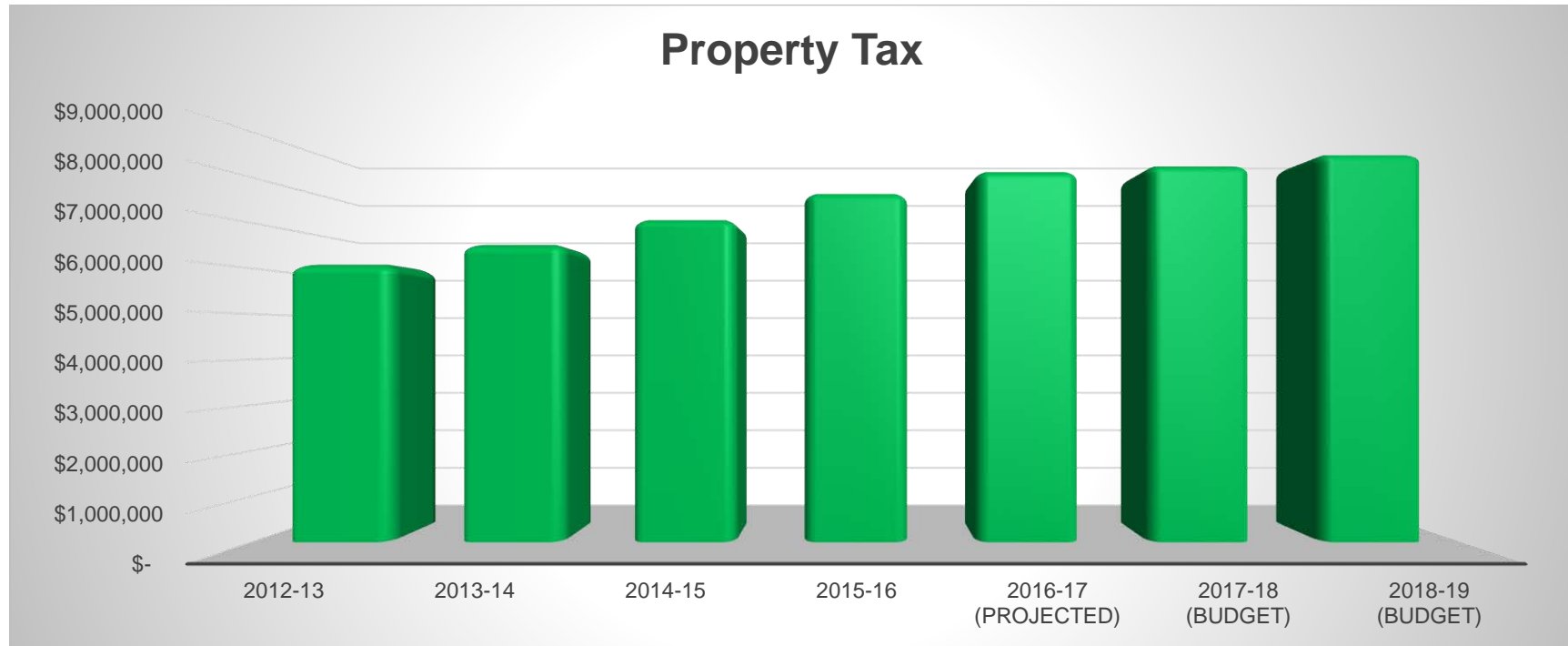
## MARTINEZ DETACHED SINGLE FAMILY RESIDENTIAL SALES – 15-YEAR HISTORY

| Year  | Full Value Sales | Average Price | Median Price | Median % Change<br>(From Previous Year) |
|-------|------------------|---------------|--------------|---|
| 2002  | 698              | \$348,657     | \$340,500    |   |
| 2003  | 756              | \$398,804     | \$388,632    | 14.14%                                  |
| 2004  | 742              | \$466,814     | \$450,000    | 15.79%                                  |
| 2005  | 577              | \$564,008     | \$540,000    | 20.00%                                  |
| 2006  | 434              | \$564,273     | \$550,000    | 1.85%                                   |
| 2007  | 327              | \$525,437     | \$520,000    | -5.45%                                  |
| 2008  | 276              | \$410,313     | \$404,500    | -22.21%                                 |
| 2009  | 339              | \$352,562     | \$350,000    | -13.47%                                 |
| 2010  | 365              | \$332,376     | \$325,000    | -7.14%                                  |
| 2011  | 514              | \$290,481     | \$277,000    | -14.77%                                 |
| 2012  | 529              | \$307,519     | \$295,000    | 6.50%                                   |
| 2013  | 526              | \$401,719     | \$381,500    | 29.32%                                  |
| 2014  | 506              | \$457,478     | \$430,000    | 12.71%                                  |
| 2015  | 548              | \$507,434     | \$490,000    | 13.95%                                  |
| 2016  | 589              | \$526,312     | \$512,000    | 4.49%                                   |
| 2017* | 97               | \$585,593     | \$585,000    | 14.26%                                  |

\*year to date

Based on the City's *assessed valuation*, revenue is expected to increase by 4.7% to \$8,372,900 in FY 2017-18, and increase by an additional 3.0% in FY 2018-19. The following table highlights the recent projected trend in the City's property tax revenues through

FY2018-19; please note that actual receipts for 2016-17 Budget are trending higher due to strong home sales in 2016 and the resulting supplemental revenue not yet reflected on the property tax roll:



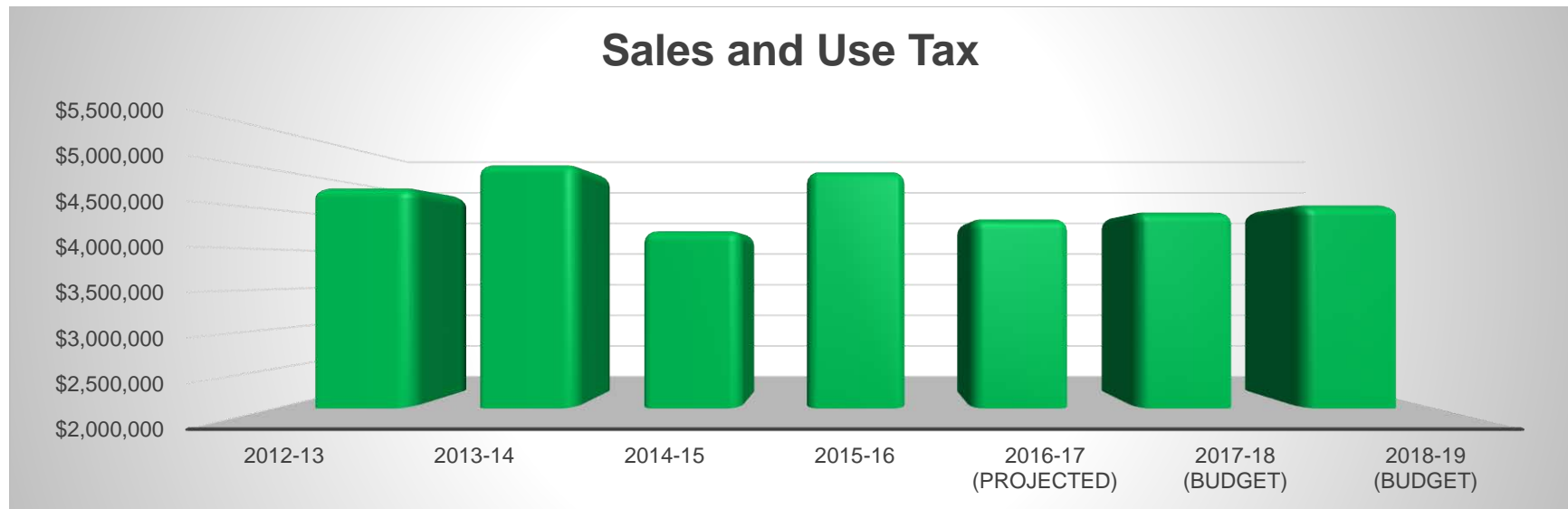
#### Sales and Use Tax & Sales Tax In-Lieu

Sales tax revenue, including the sales tax in-lieu, is the General Fund's second largest individual revenue source and is highly variable depending upon the economy. Local sales tax revenue is distributed by the State. Prior to 2004-05, cities received 1% of sales tax revenue, or \$1 of every \$100 spent, based on a point-of-sale formula. As of July 1, 2004, the State reduced the local allocation by .25%, and uses this portion as security for the State's "Economic Recovery Bonds." The State has replaced the .25% reduction of sales tax with a dollar-for-dollar allocation of local property tax, which is referred to as "sales tax in-lieu." Sales tax in-lieu ended in 2016, meaning the State has returned to the formula of allocating the full 1% of sales tax revenue to cities. The sales tax is imposed

on retailers for the privilege of selling tangible personal property. Use tax is imposed on the user of a product purchased out-of-state and delivered for use in California.

Sales tax increased to just over \$5,000,000 in FY 2015-16, but is projected to decline to approximately \$4,400,000 in FY 2016-17. According to HdL, the City's sales tax analyst, much of the decline from 2015-16 to 2016-17 is attributed to a one-time correction received in 2015-16, and the temporary loss of a major sales tax generator, which was subsequently replaced with a similar business. Going forward, the trend is expected to increase slightly to \$4,488,000 in FY 2017-18 and \$4,577,800 in FY 2018-19.

The chart below illustrates the City's recent trend in total sales tax revenue:



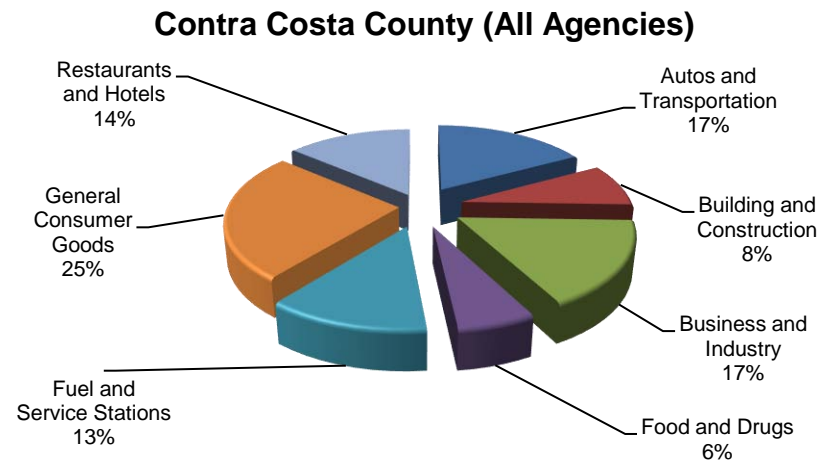
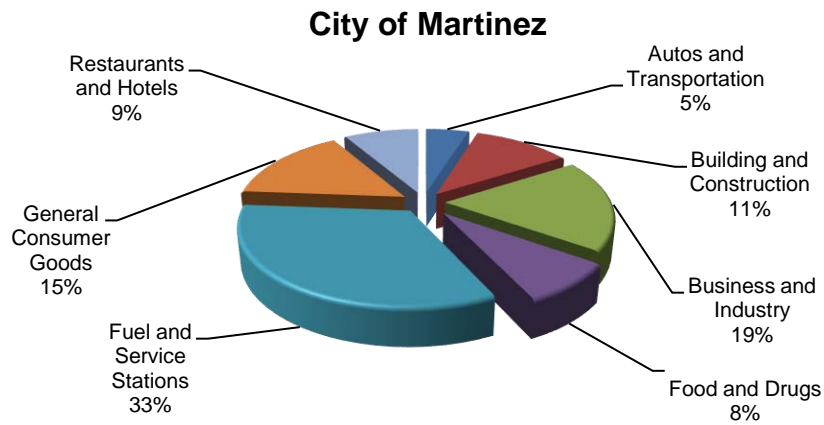
The comparison of sales tax revenue among cities in Contra Costa County, shown in the table on the following page, provides additional information on the City's second highest revenue source. The sales tax figures shown represent the full 1% and are not reflective of any tax sharing agreements. Based on comparison, the City is slightly below average County-wide on a per capita sales tax revenue basis, as shown in the table on the following page.

## CONTRA COSTA COUNTY SALES TAX PER CAPITA

| Cities in Contra Costa County | Population<br>1/1/2016 | 2016 Calendar Year<br>Sales Tax (\$) | Revenue<br>Per Capita |
|-------------------------------|------------------------|--------------------------------------|-----------------------|
| City of Clayton               | 11,209                 | 375,593                              | 34                    |
| City of Oakley                | 40,141                 | 1,481,101                            | 37                    |
| City of Orinda                | 18,749                 | 915,064                              | 49                    |
| City of Moraga                | 16,513                 | 878,503                              | 53                    |
| City of San Pablo             | 30,829                 | 1,877,415                            | 61                    |
| City of Hercules              | 24,791                 | 1,768,244                            | 71                    |
| City of Antioch               | 112,968                | 10,777,997                           | 95                    |
| City of Pittsburg             | 67,817                 | 7,052,001                            | 104                   |
| City of El Cerrito            | 24,378                 | 2,628,494                            | 108                   |
| City of Lafayette             | 24,924                 | 2,702,029                            | 108                   |
| City of Danville              | 42,865                 | 4,684,708                            | 109                   |
| <b>City of Martinez</b>       | <b>37,057</b>          | <b>4,175,898</b>                     | <b>113</b>            |
| City of San Ramon             | 78,363                 | 9,031,314                            | 115                   |
| City of Brentwood             | 58,784                 | 6,782,256                            | 115                   |
| City of Richmond              | 110,378                | 13,647,230                           | 124                   |
| City of Pinole                | 18,739                 | 3,239,520                            | 173                   |
| City of Pleasant Hill         | 34,077                 | 7,390,879                            | 217                   |
| City of Concord               | 129,707                | 28,866,724                           | 223                   |
| City of Walnut Creek          | 70,018                 | 20,558,770                           | 294                   |
| <i>Average</i>                | <i>50,121</i>          | <i>6,780,723</i>                     | <i>135</i>            |

The makeup of the City's sales tax revenues consists of 7 major categories. The chart below highlights where the sales tax dollars are generated in Martinez.

For point of comparison, the chart below highlights where, on average, sales tax dollars are generated throughout Contra Costa County:



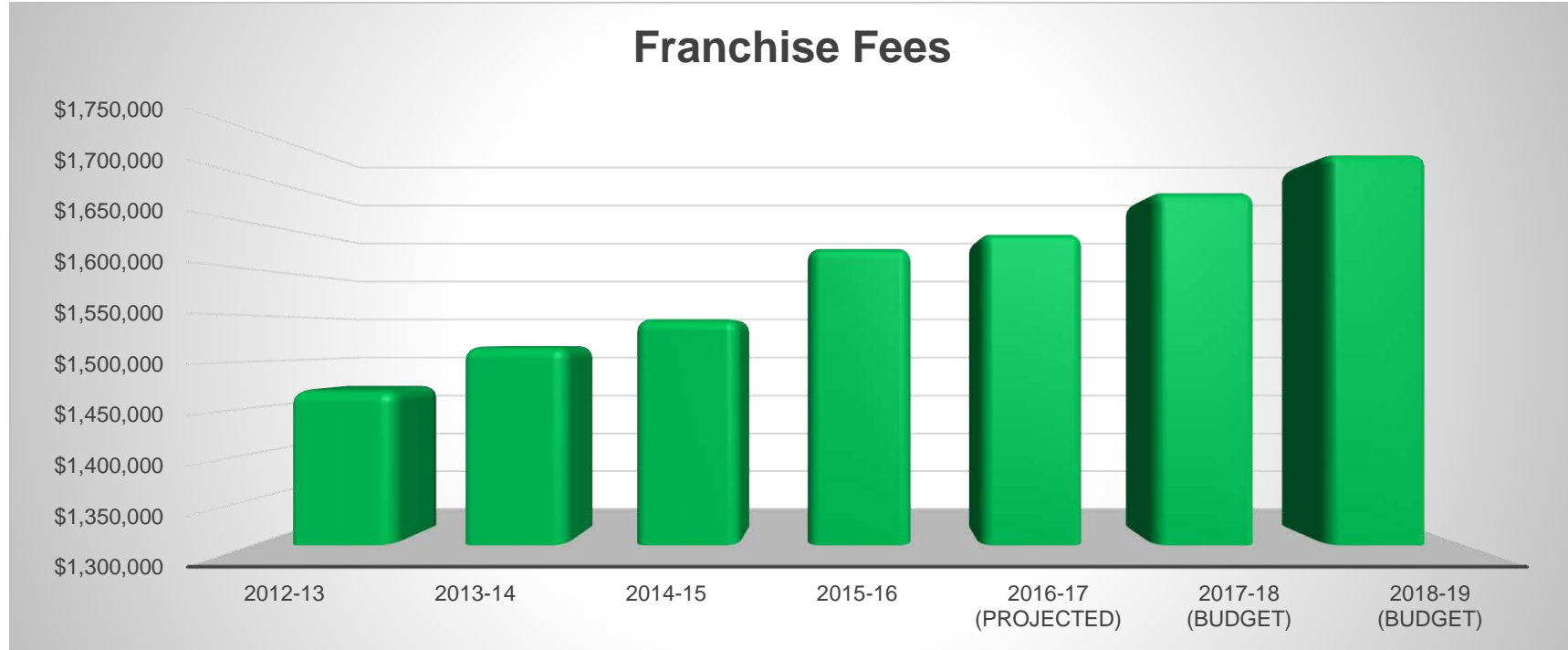
### VLF Property Tax Swap

VLF property tax swap tax revenue is estimated to be \$3,246,100 in 2017-18, and \$3,311,000 in 2018-19. Prior to fiscal year 2004-05, a license fee equivalent to 2% of the market value of motor vehicles was imposed annually by the State “in lieu” of personal property taxes. This motor vehicle in-lieu rate was dropped to .67%, and the difference between the old and new VLF rate is being made up with a revenue source referred to as the “VLF property tax swap,” which trends with property taxes. The .67% motor vehicle license fee was dropped to zero in the FY 2011-12 State of California budget, which has cost the City approximately \$180,000 annually.

### Franchise Fees

The City imposes franchise charges on cable television, electricity, gas, refuse collection, refuse disposal, recycling and oil distributor for “rental” of the City streets and rights-of-way. In Martinez, franchise fees are based upon a percentage of total revenue collected from several agencies including PG&E (gas and electric utilities), Comcast and AT&T (cable television), and Allied Waste (refuse

collection, disposal, recycling). The City also receives franchise fees for pipelines that are based upon specific dimensions; these calculations are periodically adjusted to reflect CPI increases. Based on increasing trends in franchise fees from PG&E (as more customer accounts have been added and the cost of gas and electricity have risen), refuse collection (as the new rate structure related to initiation of residential and commercial Organics recycling was implemented), and pipelines (due to a newly negotiated franchise agreement with a significantly higher base rate calculation), the City projects a 2.8% increase to \$1,685,600 in 2017-18, and a further 2.5% increase to \$1,727,000 in 2018-19, as shown in the chart below:



Other revenue sources that generate at least \$100,000 annually and comprise 16% of the General Fund budget are listed on the pages that follow.

- **Sales and Use Tax Proposition 172 – Public Safety**

This is a one-half cent sales tax approved by voters in 1992 dedicated to local public safety purposes. The one-half cent sales tax is apportioned to each county based on its share of statewide taxable sales. The revenue is distributed among the county

and cities based on their proportionate share of net property tax loss due to a portion of the 1992 Educational Revenue Augmentation Fund (ERAF). The City is projected to receive \$448,800 in 2017-18 and \$457,800 in 2018-19.

- **Water System Interfund Transfer (formerly Water System In-Lieu Tax)**

This interfund transfer (formerly categorized as a “tax”) is assessed to the water district as “rent” to cover the cost of using the City’s infrastructure. This revenue is projected to increase modestly each year, to \$454,200 in 2017-18 and \$463,300 in 2018-19.

- **Documentary Transfer Tax**

The documentary transfer tax is collected when there is a transfer of ownership of real estate. The City shares in the \$1.10 tax per \$1,000 of sale price that is collected by the County. This revenue source is projected at \$221,700 in 2017-18 and \$232,800 in 2018-19 due to a continued increase in home sales activity.

- **Transient Occupancy Tax**

The transient occupancy tax is a 10% tax imposed by the City on hotel and motel room charges. There are four hotel and motels in the City. Revenue has increased dramatically (over 60%) since 2014-15 and is now projected to be \$515,000 in both 2017-18 and 2018-19.

- **Business License Tax**

The business license tax is imposed on businesses for the privilege of conducting business within the City. Licenses are issued annually with a period beginning January 1<sup>st</sup>. The City’s business license ordinance has an automatic adjustment based on the consumer price index (CPI) of June 30. Based on trend, gross revenues are estimated at \$721,000 in 2017-18 and \$735,000 in 2018-19.

- **Building and Mechanical Permits**

Building permit fees are collected to cover the cost of regulating the construction of new buildings. This regulation allows cities the means to protect the overall community interests. After four strong years of revenue growth driven by a combination of the overall improving trend in the construction industry and the build-out of various commercial and residential development projects, building permit revenue is estimated to be \$680,600 in 2017-18 and \$694,200 in 2018-19.

- **Parking Citations**

This revenue includes fines for parking violations, and can fluctuate significantly from year to year. The annual revenue is estimated to be \$245,000 in both fiscal years.

- **Public Works Inspection, Building, Planning and Engineering Plan Check Fees**

These fees cover the costs of inspection, review, and plan check and vary from year to year based on volume of activity. Combined revenues are expected to be \$429,600 in 2017-18 and \$433,400 in 2018-19.

## **Enterprise Funds**

The City's Enterprise Funds include the Water System, Marina, and Parking Services funds. Each is financed and operated in a manner similar to a private business, and receives its revenues primarily through user fees. Section 10 provides the financial information for the City's Enterprise Funds, which includes their respective Capital Improvement Program (CIP) information.

- **Water System Fund**

- **Water Sales:**

The City has four elevation zones and each zone has a consumption rate charge of between \$4.09 and \$4.78 per hundred cubic feet, based on the customer's meter above mean sea level. This consumption charge represents water sales, which is estimated at \$6,830,300 for 2017-18 and \$7,035,300 for 2018-19.

- **Service Charges:**

Monthly service charges are based on the size of the customer's meter. Of the City's 10,249 meters, the majority of the meters are 5/8 of an inch with a monthly charge of \$29.72. The balance of meters is between 1 to 10 inches, with the charges between \$38.25 and \$3,592.74. Service charges are projected at \$4,284,000 in 2017-18 and \$4,369,000 in 2018-19. Rate increases have been applied each of the past 5 years to remain on pace with the costs incurred from the operation of the water system.

- **Fire Service Charges:**

This charge is for water system capacity to supply water to automatic fire protection systems. Approximately 135 accounts benefit from this service and revenue is approximately \$349,700 in the first year and \$360,200 in the second year.

- **Other revenues:**

The balance of revenue (which includes interest income, backflow charges, connection fees and other miscellaneous revenue) amount to \$414,500 both 2017-18 and 2018-19.

- **Marina Fund**

- Personal property tax is received from the value of the boats harbored at the Marina. Based on trend, both years are budgeted at \$4,800.
- Sales Tax from the bait shop, Yacht Club, and Eagle Marine boatyard is budgeted at \$9,500 each year.
- Marina management is from the contracted agency that manages the marina. Both years are budgeted at \$76,000.
- Rental income received from the Yacht Club and Eagle Marine boat yard is budgeted at \$59,700 for 2017-18 and \$60,000 for 2018-19.
- Railroad lease is the annual revenue received from the railroad and remains constant at \$8,364.

- **Parking Services Fund**

- Real property tax is budgeted at \$56,000 in 2017-18 and 56,500 in 2018-19.
- Parking meter revenues are collected from approximately 1,050 metered parking spaces in the downtown at a rate of \$.50 per hour. There are approximately 275 two-hour meters; 375 four-hour meters; and 400 long-term, ten-hour meters.
- The revenue is budgeted at \$395,000 in each year.
- Parking permits are purchased quarterly for \$108. Both years are budgeted at \$58,000.

### **Special Revenue Funds**

Special revenue funds account for revenue sources that are legally restricted to specific purposes. A list of each fund and its revenue source(s) is provided with projected revenues. Please refer to Section 11 for additional detail on these funds.

- **Public Safety Grants**

Budgeted here is the Supplemental Law Enforcement Service Funds, (SLESF), which provides funding to local jurisdictions for front-line law enforcement services. An allocation of \$100,000 is expected in both years. The fund also accounts for any State and Federal grants received by the Police Department for improvements in public safety technology and other special projects.

- **National Pollutant Discharge Elimination System (NPDES)**

The City participates in the Contra Costa County Flood Control and Water Conservation District for the collection, administration, distribution, and expenditure of funds derived from stormwater utility assessments. The assessment is set at \$30 per equivalent runoff unit (ERU) and collected by the County Tax Collector with the property tax. The revenue received from the assessment is used for pollution control improvements and drainage system maintenance. Revenue is projected at \$493,000 for both years.

- **Measure D**

Measure D funds are from a 2016 voter-approved, half-cent citywide sales tax to be used exclusively to fund Martinez roadway rehabilitation and maintenance projects for 15 years. Revenue is projected to be \$2,000,000 for both years.

- **Measure J**

These funds are from a voter-approved, half-cent countywide sales tax levied to fund transportation and local street improvements. Revenue is projected at \$561,000 in the first year and \$565,000 in 2018-19.

- **Gasoline Tax**

The State of California imposes an 18-cent per gallon tax on motor vehicle and aircraft fuel. A portion of the gasoline tax revenues are then allocated to cities using several formulas. These funds must be used exclusively for engineering costs, maintenance and repair, and capital improvement projects related to City streets. The City of Martinez will receive an estimated \$1,039,000 in 2017-18 and \$1,478,000 in 2018-19 due to the passage of SB1 for road maintenance and rehabilitation. The State will impose an additional \$0.12 cents per gallon tax on gasoline and \$0.20 cents per gallon tax on diesel fuel beginning in November 2017. Also, an additional vehicle registration tax will begin January 1, 2018 which will provide additional revenue to local agencies.

- **Recycle Fund**

The City receives annual funding of \$25,000 from our solid waste and recycling hauler to cover costs of implementing Assembly Bill 939 waste diversion and Climate Action Plan initiatives. Various annual and one-time grants are also budgeted here.

- **PEG Access**

Public-Educational-Government access, or “PEG” revenue comes from payments received from the City’s franchised cable providers. Revenue is projected at \$58,000 for 2017-18 and \$60,000 for 2018-19.

- **Lighting and Landscaping**

Revenue comes from an annual levy on property owners within the eight Lighting and Landscaping Assessment districts and is collected with property taxes. Revenue is projected approximately \$124,000 for each of the next two years.

- **Mitigation/Impact Fees**

Fees are collected from developers to mitigate the impact of new development. Fees are presently budgeted at \$40,600 each of the next two fiscal years.

## KEY BUDGET ASSUMPTIONS

A number of assumptions were used to develop the two-year operating budget. These assumptions will be carefully monitored throughout the budget period, and adjusted as necessary during the budget cycle. Here are the key budget assumptions for the two-year budget including both revenues and expenditures. All listed percentages reflect year-to-year changes unless otherwise indicated.

### Revenue Assumptions

- Property tax revenues are expected to increase by 4.7% in 2017-18 and 3.0% in 2018-19, based on projected changes in assessed valuation. According to the City's property tax consultant, revenues for the entire region have been impacted by the national housing and financial markets crises, followed by significant downward adjustments by the county tax assessor resulting in a decline in property tax revenue. The City continues to recapture some of the lost revenues as the tax base is readjusted by the assessor to better reflect current market conditions.
- Sales tax revenues will increase by approximately 2.0% each of the next two years. These projections are based on trend and input from the City's sales tax consultant.
- VLF property tax swap revenue is projected to increase 4.7% in 2017-18 and 2.0% in 2018-19.
- Franchise fee revenues are expected to increase 2.8% in 2017-18 and 2.5% in 2018-19.

### Expenditure Assumptions

- Salary increases are prescribed for all employee groups in 2017-18, including a 3.5% increase for Sworn effective 7/1/17; a 1.0% increase for non-sworn effective 7/1/17; and a 2.0% increase for Miscellaneous effective 1/1/18 and 1% increase for non-sworn in 1/1/18. In 2018-19, only the Sworn has a scheduled increase, which is 4.0% and effective 7/1/18. These increases are offset by higher employee contributions toward pension costs.
- Healthcare costs are expected to increase by an average of 4.0% over the two-year budget period.
- Retiree medical costs, including the annual required contribution to OPEB, are expected to increase by 6.8% in 2017-18 and 4.9% in 2018-19, according to Bickmore Risk Services, the City's OPEB actuarial.
- Worker's Compensation premiums are budgeted at \$732,453 in 2017-18 and \$580,000 in 2018-19, based on improving trend in worker injury claims.

- General Liability and ERMA insurance has been budgeted at \$350,468 in 2017-18 and \$366,615 in 2018-19, both of which reflect a significant improvement in the City's historical trend for liability claims exposure.
- Pension costs starting with Fiscal Year 2015-16 have been billed with a contribution rate as a percentage of payroll, along with a lump sum dollar payment towards the City's unfunded liability, resulting in significantly higher total payments as shown below.

The following shows the payroll percentage rate and unfunded lump sum liability payments by the three pension tiers for each group.

| <b>Fiscal Year 2017-18</b>      |                      |                      |                                    |  |
|---------------------------------|----------------------|----------------------|------------------------------------|--|
| <b>Police Sworn Personnel:</b>  |                      |                      |                                    |  |
| <u>Tier Plans</u>               | <u>Employer Rate</u> | <u>Employee Rate</u> | <u>Total Rate Paid<br/>by City</u> | <u>Employer Payment<br/>Unfunded Liability</u> |
| 3% @ 50                         | 19.723%              | 0.000%               | 19.723%                            | \$ 1,731,862                                   |
| 3% @ 55                         | 16.842%              | 0.000%               | 16.842%                            | -  |
| 2.7% @ 57                       | 11.990%              |                      | 11.990%                            | 1,214  |
| <b>Miscellaneous Personnel:</b> |                      |                      |                                    |  |
| <u>Tier Plans</u>               | <u>Employer Rate</u> | <u>Employee Rate</u> | <u>Total Rate Paid<br/>by City</u> | <u>Employer Payment<br/>Unfunded Liability</u> |
| 2% @ 55                         | 8.921%               | 2.000%               | 10.921%                            | \$ 698,819                                     |
| 2% @ 60                         | 7.210%               | 2.000%               | 9.210%                             | 1,002  |
| 2% @ 62                         | 6.533%               |                      | 6.533%                             | 1,674  |

| <b>Fiscal Year 2018-19</b>      |                      |                                  |                                    |  |
|---------------------------------|----------------------|----------------------------------|------------------------------------|--|
| <b>Police Sworn Personnel:</b>  |                      |                                  |                                    |  |
| <u>Tier Plans</u>               | <u>Employer Rate</u> | <u>Employee<br/>Pick-up Rate</u> | <u>Total Rate Paid<br/>by City</u> | <u>Employer Payment<br/>Unfunded Liability</u> |
| 3% @ 50                         | 19.700%              | -1.000%                          | 18.700%                            | \$ 1,974,969                                   |
| 3% @ 55                         | 16.800%              | -1.000%                          | 15.800%                            | -  |
| 2.7% @ 57                       | 12.000%              | -1.000%                          | 11.000%                            | 1,323  |
| <b>Miscellaneous Personnel:</b> |                      |                                  |                                    |  |
| <u>Tier Plans</u>               | <u>Employer Rate</u> | <u>Employee Rate</u>             | <u>Total Rate Paid<br/>by City</u> | <u>Employer Payment<br/>Unfunded Liability</u> |
| 2% @ 55                         | 8.900%               | 2.000%                           | 10.900%                            | \$ 910,092                                     |
| 2% @ 60                         | 7.200%               | 2.000%                           | 9.200%                             | 939  |
| 2% @ 62                         | 6.500%               |                                  | 6.500%                             | 1,814  |

## LONG-TERM DEBT

The City of Martinez has a Capital Financing and Debt Management Policy that sets the parameters for issuing debt and provides guidance in the timing and structuring of long-term debt commitments. This policy can be found under Section 15, Financial Policies. The City of Martinez total long-term debt obligations are listed below.

### Debt Obligations

Pursuant to State of California Government Code Section 25 and 43605, the City's legal bonded indebtedness shall not exceed 3.75% of the assessed value of all real and personal property in the City. As of June 30, 2016, the City had a bonded indebtedness of \$22,945,000 against its debt limit of \$194,409,712, leaving a debt margin of \$171,464,712. The City's Capital Financing and Debt Management Policy (starting on page 211), specifies the City's direct debt cannot exceed 2% of assessed valuation. Under that standard, the City's debt limit is reduced to \$103,685,180, leaving a debt margin of \$80,740,180.

| COMPUTATION OF LEGAL BONDED DEBT MARGIN<br>LAST TEN FISCAL YEARS |               |                                       |                   |   |
|--|---------------|---------------------------------------|-------------------|---|
| Fiscal Year  | Debt Limit    | Total Net Debt<br>Applicable to Limit | Legal Debt Margin | Total Net Debt Applicable to the Limit as<br>a Percentage of Debt Limit |
| 2016   | \$194,409,712 | \$22,945,000                          | \$171,464,712     | 13.38%  |
| 2015   | \$180,090,017 | \$23,055,000                          | \$157,035,017     | 14.68%  |
| 2014   | \$167,224,911 | \$23,365,000                          | \$143,859,911     | 16.24%  |
| 2013   | \$156,586,463 | \$23,660,000                          | \$132,926,463     | 17.30%  |
| 2012   | \$153,089,586 | \$24,300,000                          | \$128,789,586     | 18.87%  |
| 2011   | \$155,706,944 | \$14,660,000                          | \$141,046,944     | 10.39%  |
| 2010   | \$157,873,721 | \$15,000,000                          | \$142,873,721     | 10.50%  |
| 2009   | \$165,020,110 | \$15,000,000                          | \$150,020,110     | 10.00%  |
| 2008   | \$160,386,084 |                                       | \$160,386,084     | 0.00%   |
| 2007   | \$149,024,084 |                                       | \$149,024,084     | 0.00%   |
| 2006   | \$140,035,535 |                                       | \$140,035,535     | 0.00%   |
| 2005   | \$540,528,077 |                                       | \$540,528,077     | 0.00%   |

The City's bonded indebtedness is directly related to the 2008, Series A and Series B General Obligation Bonds, which were used to finance the costs of acquiring and constructing parks, library improvements, and pool and safety improvements.

## **Bonds**

There are a number of limitations and restrictions contained in the various bond indentures. The City of Martinez is in compliance with all significant limitations and restrictions.

- **2008, Series A & B General Obligation Bonds**

General Obligation Bonds for \$30,000,000 were authorized at an election held November 4, 2008, at which more than two-thirds of the voters approved. In May 2009, the City issued Series A, General Obligation Bonds in the amount of \$15,000,000, and in May 2012, the City issued Series B, General Obligation Bonds in the amount of \$10,000,000 to finance the costs of acquiring and constructing parks, library improvements, and pool and safety improvements within the City. Interest and principal payments are payable from *ad valorem* property tax levied by the City and collected by the County. As of June 30, 2017, \$5,000,000 remains authorized, but unissued.

- **2003 Certificates of Participation**

On March 11, 2003, the City issued Certificates of Participation (COPs) in the amount of \$5,595,000 to refund and retire the outstanding 1993 Water System Improvements COPs. Interest and principal payments are payable from net revenues derived from the operation of the water system.

- **2012 Certificates of Participation**

On February 10, 2012, the City issued Certificates of Participation (COPs) in the amount of \$8,025,000 to refund the 1999 COPs and for the acquisition and construction of improvements to the City's existing water system. Interest and principal payments are payable from net revenues derived from the operation of the Water System.

Below are the annual debt service requirements of principal and interest to maturity for long-term debt outstanding as of June 30, 2017.

| For Fiscal Year Ending<br>June 30 | Governmental Activities | Enterprise Activities |                    |
|-----------------------------------|-------------------------|-----------------------|--------------------|
|                                   | 2008 GO                 | 2003 COP              | 2012 COP           |
| 2018                              | 145,000                 | 430,000               | 490,000            |
| 2019                              | 175,000                 | 435,000               | 505,000            |
| 2020                              | 205,000                 |                       | 520,000            |
| 2021                              | 240,000                 |                       | 535,000            |
| 2022                              | 280,000                 |                       | 555,000            |
| 2023                              | 320,000                 |                       | 580,000            |
| 2024                              | 365,000                 |                       | 600,000            |
| 2025                              | 415,000                 |                       | 630,000            |
| 2026                              | 465,000                 |                       | 655,000            |
| 2027                              | 520,000                 |                       | 675,000            |
| 2028                              | 580,000                 |                       |                    |
| 2029                              | 640,000                 |                       |                    |
| 2030                              | 710,000                 |                       |                    |
| 2031                              | 780,000                 |                       |                    |
| 2032                              | 855,000                 |                       |                    |
| 2033                              | 935,000                 |                       |                    |
| 2034                              | 1,020,000               |                       |                    |
| 2035-2043                         | 14,170,000              |                       |                    |
| <b>Total</b>                      | <b>\$22,820,000</b>     | <b>\$865,000</b>      | <b>\$5,745,000</b> |

Below is the debt service schedule for Fiscal Years 2017-18 and 2018-19 reflected in this biennial budget.

| Fiscal Year 2017-18 |   | GOVERNMENTAL FUNDS |                    |                    | ENTERPRISE ACTIVITIES |                  |                    |
|---------------------|---|--------------------|--------------------|--------------------|-----------------------|------------------|--------------------|
| Due Date            | Description                             | Principal          | Interest           | Total              | Principal             | Interest         | Total              |
| August 1, 2017      | Measure H Projects, Series A 2008 GO    | 110,000            | 366,272            | 476,272            |                       |                  |                    |
| August 1, 2017      | Measure H Projects, Series B 2008 GO    | 35,000             | 193,309            | 228,309            |                       |                  |                    |
| December 1, 2017    | Water Projects, 2003 COP                |                    |                    |                    | 430,000               | 17,032           | 447,032            |
| December 1, 2017    | Water Projects, 2012 COP                |                    |                    |                    | 490,000               | 104,650          | 594,650            |
| February 1, 2018    | Measure H Projects, Series A 2008 GO    |                    | 364,072            | 364,072            |                       |                  |                    |
| February 1, 2018    | Measure H Projects, Series B 2008 GO    |                    | 192,609            | 192,609            |                       |                  |                    |
| June 1, 2018        | Water Projects, 2003 COP                |                    |                    |                    |                       | 8,700            | 8,700              |
| June 1, 2018        | Water Projects, 2012 COP                |                    |                    |                    |                       | 97,300           | 97,300             |
|                     | <b>Fiscal Year 2017-18 Debt Service</b> | <b>\$145,000</b>   | <b>\$1,116,262</b> | <b>\$1,261,262</b> | <b>\$920,000</b>      | <b>\$227,682</b> | <b>\$1,147,682</b> |

| Fiscal Year 2018-19 |   | GOVERNMENTAL FUNDS |                    |                    | ENTERPRISE ACTIVITIES |                  |                    |
|---------------------|---|--------------------|--------------------|--------------------|-----------------------|------------------|--------------------|
| Due Date            | Description                             | Principal          | Interest           | Total              | Principal             | Interest         | Total              |
| August 1, 2018      | Measure H Projects, Series A 2008 GO    | 135,000            | 364,072            | 499,072            | -                     | -                | -                  |
| August 1, 2018      | Measure H Projects, Series B 2008 GO    | 40,000             | 192,609            | 232,609            |                       |                  |                    |
| December 1, 2018    | Water Projects, 2003 COP                |                    |                    |                    | 435,000               | 8,700            | 443,000            |
| December 1, 2018    | Water Projects, 2012 COP                |                    |                    |                    | 505,000               | 97,300           | 602,300            |
| February 1, 2019    | Measure H Projects, Series A 2008 GO    |                    | 361,372            | 361,372            |                       |                  |                    |
| February 1, 2019    | Measure H Projects, Series B 2008 GO    |                    | 192,809            | 192,809            |                       |                  |                    |
| June 1, 2019        | Water Projects, 2012 COP                |                    |                    |                    |                       | 89,725           | 89,725             |
|                     | <b>Fiscal Year 2018-19 Debt Service</b> | <b>\$175,000</b>   | <b>\$1,110,862</b> | <b>\$1,285,862</b> | <b>\$940,000</b>      | <b>\$195,725</b> | <b>\$1,135,025</b> |

### Loans Payable

The Marina Fund entered into agreements on separate occasions with the State of California to fund various projects at the marina. The loans outstanding at June 30, 2016 are as follows:

| For Fiscal Year Ending June 30, 2016: |                       |                      |                   |
|---------------------------------------|-----------------------|----------------------|-------------------|
| Description                           | Principal Outstanding | Interest Outstanding | Total Outstanding |
| 1964 Income Distribution Agreement    | \$850,000             | \$1,814,514          | \$2,664,514       |
| 1973 Loan                             | 251,136               |                      | 251,136           |
| 1978 Loan                             | 131,574               |                      | 131,574           |
| 1982 Loan                             | 323,922               |                      | 323,922           |
| 1985 Loan                             | 877,077               |                      | 877,077           |
| Totals                                | \$2,433,709           | \$1,814,514          | \$4,248,223       |

- **1964 Income Distribution Agreement**

In January 1960, a loan from the Department of Boating and Waterways of \$1,300,000 was granted to the City for the construction of a marina. This loan was modified in 1964 and replaced with an agreement between the City and the State of California.

- **1973 State Loan**

On December 20, 1973, a loan from the Department of Boating and Waterways of \$450,000 was granted to the City to complete a small craft harbor at the marina. In 2003, the loan was restructured and \$103,708.61 of interest was added to the principal.

- **1978 State Loan**

On January 30, 1978, a loan from the Department of Boating and Waterways of \$175,000 was granted to the City for construction of marina improvements. In 2003, the loan was restructured and \$48,413.52 of interest was added to the principal.

- **1982 State Loan**

On November 1, 1982, a loan from the Department of Boating and Waterways of \$300,000 was granted to the City for construction on new berthings and improvements to the marina. In 2003, the loan was restructured and \$126,485.78 of interest was added to the principal.

- **1985 State Loan**

On January 14, 1985, a loan from the Department of Boating and Waterways of \$770,425 was granted to the City to fund twelve capital improvements projects at the marina. In 2003, the loan was restructured and \$317,572.15 of interest was added to the principal.

The above marina loan agreements – except the 1960 loan which has no specific repayment terms – require the marina to remit principal and interest payments annually. However, the marina did not make any principal or interest payments on the above loans between fiscal years 1996 and 2004. The marina resumed scheduled interest payments in 2005 when the State authorized the marina to postpone principal payments on the above loans. In Fiscal Year 2006-07, the State further agreed to allow the marina to make interest-only annual payments until August 2008, at which time the marina was required to commence making principal payments on the loans. As of June 30, 2014, the marina was still in negotiations with the State for the terms of the loans.

### **Retiree Health Care Costs**

The City provides post-employment healthcare benefits to its retirees who qualify under their respective memorandums of understanding. In June 2004, the Governmental Accounting Standards Board (GASB) issued GASB Statement 45, a directive to public agencies to report the costs and financial obligations for post-employment healthcare and other post-employment benefits (OPEB) much like the existing accounting requirement to report pension obligations.

In Fiscal Year 2008, the City implemented the provisions of GASB 45 and passed a resolution to participate in the California Employers Retirees Benefit Trust (CERBT), an irrevocable trust for the amounts contributed solely for the payment of current and future retiree healthcare premiums. CERBT is an agent multiple-employer plan, consisting of an aggregation of single-employer plans, with pooled administrative and investment functions. CERBT is administered by California (CalPERS), and is managed by an appointed board not under the control of the City Council. The annual required contribution (ARC) represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed 30 years. The City Council adopted a funding policy that consistently contributes an amount equal to the ARC.

Staff engaged a consultant to prepare the City's actuarial report as required by GASB 45. The report calculated the actuarial accrued liability (AAL) to be \$19,122,950 as of July 1, 2015. The City's assets in CERBT as of July 1, 2015 were \$8,925,767, which are used to offset these liabilities. Thus, the report indicated that the City's unfunded actuarial accrued liability (UAAL) to be \$10,197,183. The next valuation is scheduled to be prepared as of July 1, 2017 as required for continued participation in CERBT.



## **Section 3: Summary Schedules**

## ALL FUNDS BUDGET SUMMARY

|                                | Fund Balance<br>06-30-16 | 2016-17                               |                               |              | 2017-18                              |                              |              | 2018-19                              |                              |              | Fund Balance<br>06-30-19 |
|--------------------------------|--------------------------|---------------------------------------|-------------------------------|--------------|--------------------------------------|------------------------------|--------------|--------------------------------------|------------------------------|--------------|--------------------------|
|                                |                          | Revised<br>Revenues &<br>Transfers In | Revised<br>& Transfers<br>Out | Estimated    | Budget<br>Revenues &<br>Transfers In | Budget<br>& Transfers<br>Out | Estimated    | Budget<br>Revenues &<br>Transfers In | Budget<br>& Transfers<br>Out |              |                          |
|                                |                          | 2016-17                               | 2016-17                       | 06-30-17     | 2017-18                              | 2017-18                      | 06-30-18     | 2018-19                              | 2018-19                      |              |                          |
| General Fund                   | \$12,962,232             | \$21,858,409                          | \$22,312,941                  | \$12,507,700 | \$22,533,200                         | \$23,055,400                 | \$11,985,500 | \$23,004,500                         | \$22,843,000                 | \$12,147,000 |                          |
| Enterprise Funds               |                          |                                       |                               |              |                                      |                              |              |                                      |                              |              |                          |
| Water System                   | 11,734,283               | 11,613,056                            | 19,459,805                    | 5,987,534    | 11,906,500                           | 12,861,000                   | 7,133,034    | 12,207,700                           | 14,970,500                   | 4,370,234    |                          |
| Marina Services (unrestricted) | (187,651)                | 324,900                               | 517,121                       | (379,872)    | 984,500                              | 947,800                      | (343,172)    | 220,000                              | 182,900                      | (306,072)    |                          |
| Parking Services               | 1,363,728                | 525,100                               | 839,316                       | 1,049,512    | 525,000                              | 530,800                      | 1,043,712    | 525,500                              | 718,600                      | 850,612      |                          |
| Sub-total of Enterprise Funds  | 12,910,360               | 12,463,056                            | 20,816,242                    | 6,657,174    | 13,416,000                           | 14,339,600                   | 7,833,574    | 12,953,200                           | 15,872,000                   | 4,914,774    |                          |
| Special Revenue Funds          |                          |                                       |                               |              |                                      |                              |              |                                      |                              |              |                          |
| Public Safety Grants           | 212,846                  | 125,834                               | 146,330                       | 192,350      | 100,200                              | 110,000                      | 182,550      | 100,200                              | 100,000                      | 182,750      |                          |
| NPDES-Stormwater               | 714,625                  | 493,800                               | 570,310                       | 638,115      | 493,800                              | 789,400                      | 342,515      | 493,800                              | 544,200                      | 292,115      |                          |
| Measure J - Local              | 1,392,671                | 577,990                               | 530,381                       | 1,440,280    | 561,400                              | 1,067,800                    | 933,880      | 564,900                              | 340,100                      | 1,158,680    |                          |
| Gas Tax                        | 446,383                  | 774,150                               | 881,670                       | 338,863      | 1,040,000                            | 809,100                      | 569,763      | 1,477,700                            | 1,011,600                    | 1,035,863    |                          |
| Housing In-Lieu                | 353,810                  | 500                                   |                               | 354,310      | 500                                  |                              | 354,810      | 500                                  |                              | 355,310      |                          |
| Recycle                        | 229,507                  | 28,800                                | 77,097                        | 181,210      | 64,800                               | 86,000                       | 160,010      | 64,800                               | 86,400                       | 138,410      |                          |
| PEG Access                     | 438,060                  | 60,000                                | 285,000                       | 213,060      | 58,000                               | 65,000                       | 206,060      | 60,000                               | 65,200                       | 200,860      |                          |
| Lighting & Landscape           | 272,921                  | 141,176                               | 154,137                       | 259,960      | 138,100                              | 182,100                      | 215,960      | 138,700                              | 158,200                      | 196,460      |                          |
| Mitigation/Impact Fees         | 1,573,774                | 44,700                                | 50,000                        | 1,568,474    | 44,700                               | 387,670                      | 1,225,504    | 44,700                               | 235,000                      | 1,035,204    |                          |
| Measure D - Street             | 0                        | 0                                     | 0                             | 0            | 2,000,000                            | 1,000,000                    | 1,000,000    | 2,000,000                            | 2,700,000                    | 300,000      |                          |
| Sub-total of Special Revenue   | 5,634,597                | 2,246,950                             | 2,694,925                     | 5,186,622    | 4,501,500                            | 4,497,070                    | 5,191,052    | 4,945,300                            | 5,240,700                    | 4,895,652    |                          |
| Internal Service Funds         |                          |                                       |                               |              |                                      |                              |              |                                      |                              |              |                          |
| Equipment Replacement          | 704,723                  | 938,824                               | 1,144,260                     | 499,287      | 1,035,600                            | 1,299,800                    | 235,087      | 1,039,100                            | 1,242,500                    | 31,687       |                          |
| Information Systems            | 581,222                  | 654,796                               | 732,000                       | 504,018      | 698,600                              | 739,000                      | 463,618      | 614,400                              | 641,900                      | 436,118      |                          |
| Sub-total of Internal Service  | 1,285,945                | 1,593,620                             | 1,876,260                     | 1,003,305    | 1,734,200                            | 2,038,800                    | 698,705      | 1,653,500                            | 1,884,400                    | 467,805      |                          |
| Debt Service Funds             |                          |                                       |                               |              |                                      |                              |              |                                      |                              |              |                          |
| 2008 General Obligation Bond   | 2,117,441                | 1,244,163                             | 1,246,663                     | 2,114,941    | 1,595,100                            | 1,261,300                    | 2,448,741    | 1,627,000                            | 1,284,900                    | 2,790,841    |                          |
| Sub-total of Debt Service      | 2,117,441                | 1,244,163                             | 1,246,663                     | 2,114,941    | 1,595,100                            | 1,261,300                    | 2,448,741    | 1,627,000                            | 1,284,900                    | 2,790,841    |                          |
| Capital Improvement Programs   | 10,972,700               | 4,307,915                             | 6,343,904                     | 8,936,711    | 15,555,470                           | 13,255,470                   | 11,236,711   | 2,525,000                            | 3,875,000                    | 9,886,711    |                          |
| Total - All Funds              | \$45,883,275             | \$43,714,113                          | \$55,290,935                  | \$36,406,453 | \$59,335,470                         | \$58,447,640                 | \$39,394,283 | \$46,708,500                         | \$51,000,000                 | \$35,102,783 |                          |

## FUND BALANCE ALL FUNDS

|                                     | 2015-16<br>Actuals  | 2016-17<br>Projected | 2017-18<br>Budget   | 2018-19<br>Budget   |
|-------------------------------------|---------------------|----------------------|---------------------|---------------------|
| <b>General Fund</b>                 | \$12,962,232        | \$12,507,700         | \$11,985,500        | \$12,147,000        |
| <b>Enterprise Funds</b>             |                     |                      |                     |                     |
| Water System                        | 11,734,283          | 5,987,534            | 7,133,034           | 4,370,234           |
| Marina Services                     | (187,651)           | (379,872)            | (343,172)           | (306,072)           |
| Parking Services                    | 1,363,728           | 1,049,512            | 1,043,712           | 850,612             |
| Sub-total of Enterprise Funds       | 12,910,360          | 6,657,174            | 7,833,574           | 4,914,774           |
| <b>Special Revenue Funds</b>        |                     |                      |                     |                     |
| Public Safety Grants                | 212,846             | 192,350              | 182,550             | 182,750             |
| NPDES-Stormwater                    | 714,625             | 638,115              | 342,515             | 292,115             |
| Measure J - Local                   | 1,392,671           | 1,440,280            | 933,880             | 1,158,680           |
| Gas Tax                             | 446,383             | 338,863              | 569,763             | 1,035,863           |
| Housing In-Lieu Fund                | 353,810             | 354,310              | 354,810             | 355,310             |
| Recycle Fund                        | 229,507             | 181,210              | 160,010             | 138,410             |
| PEG Access Fund                     | 438,060             | 213,060              | 206,060             | 200,860             |
| Lighting & Landscape                | 272,921             | 259,960              | 215,960             | 196,460             |
| Mitigation/Impact Fees              | 1,573,774           | 1,568,474            | 1,225,504           | 1,035,204           |
| Measure D - Street                  | 0                   | 0                    | 1,000,000           | 300,000             |
| Sub-total of Special Revenue        | 5,634,597           | 5,186,622            | 5,191,052           | 4,895,652           |
| <b>Internal Service Funds</b>       |                     |                      |                     |                     |
| Equipment Replacement               | 704,723             | 499,287              | 235,087             | 31,687              |
| Information Systems                 | 581,222             | 504,018              | 463,618             | 436,118             |
| Sub-total of Internal Service       | 1,285,945           | 1,003,305            | 698,705             | 467,805             |
| <b>Debt Service Funds</b>           |                     |                      |                     |                     |
| 2008 General Obligation Bond        | 2,117,441           | 2,114,941            | 2,448,741           | 2,790,841           |
| Sub-total of Debt Service           | 2,117,441           | 2,114,941            | 2,448,741           | 2,790,841           |
| <b>Capital Improvement Programs</b> | 10,972,700          | 8,936,711            | 11,236,711          | 9,886,711           |
| <b>Total - All Funds</b>            | <b>\$45,883,275</b> | <b>\$36,406,453</b>  | <b>\$39,394,283</b> | <b>\$35,102,783</b> |

# CHANGES OF FINANCIAL POSITION BY FUND TYPE

|                                | MAJOR FUNDS        |                    |                   |                   |                    |                    |                   |                   | NON-MAJOR FUNDS    |                    |                   |                   |                    |                    |                   |                   | TOTAL              |                    |                   |                   |
|--------------------------------|--------------------|--------------------|-------------------|-------------------|--------------------|--------------------|-------------------|-------------------|--------------------|--------------------|-------------------|-------------------|--------------------|--------------------|-------------------|-------------------|--------------------|--------------------|-------------------|-------------------|
|                                | GENERAL FUND       |                    |                   |                   | WATER ENTERPRISE   |                    |                   |                   | GOVERNMENTAL       |                    |                   |                   | PROPRIETARY        |                    |                   |                   |                    |                    |                   |                   |
|                                | 2015-16<br>Actuals | 2016-17<br>Revised | 2017-18<br>Budget | 2018-19<br>Budget | 2015-16<br>Actuals | 2016-17<br>Revised | 2017-18<br>Budget | 2018-19<br>Budget | 2015-16<br>Actuals | 2016-17<br>Revised | 2017-18<br>Budget | 2018-19<br>Budget | 2015-16<br>Actuals | 2016-17<br>Revised | 2017-18<br>Budget | 2018-19<br>Budget | 2015-16<br>Actuals | 2016-17<br>Revised | 2017-18<br>Budget | 2018-19<br>Budget |
| <b>Revenue</b>                 |                    |                    |                   |                   |                    |                    |                   |                   |                    |                    |                   |                   |                    |                    |                   |                   |                    |                    |                   |                   |
| Taxes                          | \$ 19,207,292      | \$ 19,066,236      | \$ 19,250,300     | \$ 19,722,600     | \$ -               | \$ -               | \$ -              | \$ -              | \$ -               | \$ -               | \$ 2,000,000      | \$ 2,000,000      | \$ 64,942          | \$ 70,400          | \$ 70,300         | \$ 70,800         | \$ 19,272,234      | \$ 19,136,636      | \$ 21,320,600     | \$ 21,793,400     |
| Special Assessments            |                    |                    | 0                 |                   | 0                  | 0                  | 0                 | 0                 | 2,163,026          | 1,860,098          | 2,210,000         | 2,242,500         | 0                  | 0                  | 0                 | 0                 | 2,163,026          | 1,860,098          | 2,210,000         | 2,242,500         |
| Licenses & permits             | 840,050            | 691,600            | 680,600           | 694,200           | 0                  | 0                  | 0                 | 0                 | 0                  | 0                  | 0                 | 0                 | 0                  | 0                  | 0                 | 0                 | 840,050            | 691,600            | 680,600           | 694,200           |
| Fines, forfeits & penalties    | 450,562            | 435,000            | 435,000           | 435,000           | 0                  | 0                  | 0                 | 0                 | 17,262             | 0                  | 5,000             | 5,000             | 0                  | 0                  | 0                 | 0                 | 467,824            | 435,000            | 440,000           | 440,000           |
| Intergovernmental              | 670,768            | 569,700            | 632,100           | 587,500           | 0                  | 0                  | 0                 | 0                 | 3,408,211          | 5,550,877          | 15,455,200        | 2,138,600         | 0                  | 0                  | 0                 | 0                 | 4,078,979          | 6,120,577          | 16,087,300        | 2,726,100         |
| Charges for services           | 1,212,107          | 843,773            | 826,700           | 834,100           | 20,070             | 0                  | 10,000            | 10,000            | 5,409              | 44,800             | 26,800            | 26,800            | 1,877,409          | 2,035,948          | 2,252,300         | 2,171,600         | 3,114,995          | 2,924,521          | 3,115,800         | 3,042,500         |
| Developer Impact Fees          |                    |                    |                   |                   | 0                  | 0                  | 0                 | 0                 | 107,072            | 40,600             | 40,600            | 40,600            | 0                  | 0                  | 0                 | 0                 | 107,072            | 40,600             | 40,600            | 40,600            |
| Use of money & property        |                    |                    |                   |                   | 173,294            | 91,818             | 120,000           | 120,000           | 56,093             | 10,091             | 10,100            | 10,100            | 82,295             | 86,772             | 105,100           | 105,600           | 546,344            | 355,781            | 404,500           | 418,500           |
| Water Sales & Service          | 234,702            | 167,100            | 169,300           | 182,800           | 10,946,793         | 11,487,238         | 11,742,500        | 12,043,700        |                    |                    |                   |                   |                    |                    |                   |                   | 10,946,793         | 11,487,238         | 11,742,500        | 12,043,700        |
| Other Revenue                  | 267,633            | 85,000             | 85,000            | 85,000            | 14,776             | 6,000              | 6,000             | 6,000             | 125,086            |                    | 93,000            | 95,000            | 454                | 500                | 1,000             | 1,000             | 407,848            | 81,500             | 185,000           | 187,000           |
| Total Revenues                 | 22,883,114         | 21,858,409         | 22,079,000        | 22,541,200        | 11,154,933         | 11,585,056         | 11,878,500        | 12,179,700        | 5,882,160          | 7,506,466          | 19,840,700        | 6,558,600         | 2,025,060          | 2,193,620          | 2,426,700         | 2,349,000         | 41,945,267         | 43,143,551         | 56,226,900        | 43,628,500        |
| <b>Expenditures</b>            |                    |                    |                   |                   |                    |                    |                   |                   |                    |                    |                   |                   |                    |                    |                   |                   |                    |                    |                   |                   |
| General Government             | 1,234,238          | 1,228,127          | 1,167,100         | 1,200,800         |                    |                    |                   |                   |                    |                    |                   |                   |                    |                    |                   |                   | 1,234,238          | 1,228,127          | 1,167,100         | 1,200,800         |
| Nondepartmental Services       | 1,389,051          | 2,098,433          | 1,663,400         | 1,261,400         |                    |                    |                   |                   |                    |                    |                   |                   |                    |                    |                   |                   | 1,389,051          | 2,098,433          | 1,663,400         | 1,261,400         |
| Administrative Services        | 2,523,948          | 2,370,640          | 2,856,800         | 2,851,800         |                    |                    |                   |                   | 175,601            | 362,097            | 151,000           | 151,600           | 544,080            | 732,000            | 739,000           | 641,900           | 3,243,629          | 3,464,737          | 3,746,800         | 3,645,300         |
| Public Works                   | 3,655,605          | 4,090,342          | 3,989,100         | 4,026,600         |                    |                    |                   |                   |                    |                    |                   |                   | 938,005            | 1,144,260          | 1,299,800         | 1,242,500         | 4,593,610          | 5,234,602          | 5,288,900         | 5,269,100         |
| Police                         | 10,395,575         | 11,090,547         | 11,024,400        | 11,303,300        |                    |                    |                   |                   | 351,312            | 146,330            | 110,000           | 100,000           |                    |                    |                   |                   | 10,746,887         | 11,236,877         | 11,134,400        | 11,403,300        |
| Community Development          | 872,896            | 1,113,852          | 1,505,600         | 1,515,100         |                    |                    |                   |                   | 1,019,464          | 1,347,948          | 2,430,700         | 2,456,400         |                    |                    |                   |                   | 1,892,360          | 2,461,800          | 3,936,300         | 3,971,500         |
| Water System                   |                    |                    |                   |                   | 10,605,658         | 11,594,389         | 11,251,600        | 11,564,000        |                    |                    |                   |                   |                    |                    |                   |                   | 10,605,658         | 11,594,389         | 11,251,600        | 11,564,000        |
| Marina                         |                    |                    |                   |                   |                    |                    |                   |                   |                    |                    |                   |                   | 96,602             | 85,300             | 111,500           | 111,600           | 96,602             | 85,300             | 111,500           | 111,600           |
| Parking Services               |                    |                    |                   |                   |                    |                    |                   |                   |                    |                    |                   |                   | 242,805            | 358,528            | 395,800           | 368,600           | 242,805            | 358,528            | 395,800           | 368,600           |
| Capital Improvement Program    |                    |                    |                   |                   | 6,902,721          | 6,709,388          | 0                 | 1,800,000         | 3,189,949          | 6,932,892          | 13,255,470        | 3,875,000         | 214,451            | 842,609            | 900,000           | 350,000           | 10,307,121         | 14,484,889         | 14,155,470        | 6,025,000         |
| Debt Service                   |                    |                    |                   |                   | 1,146,725          | 1,156,028          | 1,155,200         | 1,143,200         | 1,236,363          | 1,246,663          | 1,261,300         | 1,264,900         | 88,748             | 70,000             | 71,300            | 71,300            | 2,471,835          | 2,472,691          | 2,487,800         | 2,499,400         |
| Total Expenditures             | 20,071,313         | 21,991,941         | 22,206,400        | 22,759,000        | 18,655,103         | 19,459,805         | 12,406,800        | 14,507,200        | 5,972,688          | 10,035,930         | 17,208,470        | 7,867,900         | 2,124,692          | 3,232,697          | 3,517,400         | 2,785,900         | 46,823,796         | 54,720,373         | 55,339,070        | 47,920,000        |
| <b>Other Sources (Uses)</b>    |                    |                    |                   |                   |                    |                    |                   |                   |                    |                    |                   |                   |                    |                    |                   |                   |                    |                    |                   |                   |
| Operating Transfers In         | 0                  | 0                  | 454,200           | 463,300           | 70,254             | 28,000             | 28,000            | 28,000            | 2,120,540          | 1,001,988          | 1,811,370         | 2,538,700         | 195,647            | 250,000            | 815,000           | 50,000            | 2,386,440          | 1,279,988          | 3,108,570         | 3,080,000         |
| Operating Transfers Out        | (203,254)          | (321,000)          | (849,000)         | (84,000)          |                    |                    | (454,200)         | (463,300)         | (2,183,186)        | (958,988)          | (1,805,370)       | (2,532,700)       |                    |                    |                   |                   | (2,386,440)        | (1,279,988)        | (3,108,570)       | (3,080,000)       |
| OPEB Contribution              |                    |                    |                   |                   |                    |                    |                   |                   |                    |                    |                   |                   |                    |                    |                   |                   |                    |                    |                   |                   |
| Total Other Sources (Uses)     | (203,254)          | (321,000)          | (394,800)         | 379,300           | 70,254             | 28,000             | (426,200)         | (435,300)         | (62,647)           | 43,000             | 6,000             | 6,000             | 195,647            | 250,000            | 815,000           | 50,000            | 0                  | 0                  | 0                 | 0                 |
| Net                            | 2,608,547          | (454,532)          | (522,200)         | 161,500           | (7,429,916)        | (7,846,749)        | (954,500)         | (2,762,800)       | (153,175)          | (2,486,464)        | 2,638,230         | (1,303,300)       | 96,015             | (789,077)          | (273,700)         | (386,900)         | (4,878,530)        | (11,576,822)       | 887,830           | (4,291,500)       |
| Fund Balance Beginning of Year | 10,353,685         | 12,962,232         | 12,507,700        | 11,985,500        | 21,264,199         | 13,834,283         | 8,087,534         | 7,133,034         | 18,877,913         | 18,724,738         | 16,238,274        | 18,876,504        | 2,366,007          | 2,462,022          | 1,672,945         | 1,399,245         | 50,761,805         | 47,983,275         | 38,506,453        | 39,394,283        |
| Fund Balance End of Year       | \$ 12,962,232      | \$ 12,507,700      | \$ 11,985,500     | \$ 12,147,000     | \$ 13,834,283      | \$ 5,987,534       | \$ 7,133,034      | \$ 4,370,234      | \$ 18,724,738      | \$ 16,238,274      | \$ 18,876,504     | \$ 17,573,204     | \$ 2,462,022       | \$ 1,672,945       | \$ 1,399,245      | \$ 1,012,345      | \$ 45,883,275      | \$ 36,406,453      | \$ 39,394,283     | \$ 35,102,783     |

## CHANGES OF FINANCIAL POSITION ALL FUNDS

|                                | 2015-16              | 2016-17              | 2017-18              | 2018-19              |
|--------------------------------|----------------------|----------------------|----------------------|----------------------|
|                                | Actuals              | Revised              | Budget               | Budget               |
| <b>Revenue</b>                 |                      |                      |                      |                      |
| Taxes                          | \$ 19,272,234        | \$ 19,136,636        | \$ 21,320,600        | \$ 21,793,400        |
| Special Assessments            | 2,163,026            | 1,860,098            | 2,210,000            | 2,242,500            |
| Licenses & permits             | 840,050              | 691,600              | 680,600              | 694,200              |
| Fines, forfeits & penalties    | 467,824              | 435,000              | 440,000              | 440,000              |
| Intergovernmental              | 3,081,331            | 6,120,577            | 16,087,300           | 2,726,100            |
| Charges for services           | 3,114,995            | 2,924,521            | 3,115,800            | 3,042,500            |
| Developer Impact Fees          | 107,072              | 40,600               | 40,600               | 40,600               |
| Use of money & property        | 546,344              | 355,781              | 404,500              | 418,500              |
| Water Sales & Service          | 10,946,793           | 11,487,238           | 11,742,500           | 12,043,700           |
| Other Revenue                  | 407,948              | 91,500               | 185,000              | 187,000              |
| Total Revenues                 | 40,947,618           | 43,143,551           | 56,226,900           | 43,628,500           |
| <b>Expenditures</b>            |                      |                      |                      |                      |
| General Government             | 1,234,238            | 1,228,127            | 1,167,100            | 1,200,800            |
| Nondepartmental Services       | 1,389,051            | 2,098,433            | 1,663,400            | 1,861,400            |
| Administrative Services        | 3,243,629            | 3,464,737            | 3,746,800            | 3,645,300            |
| Public Works                   | 3,655,605            | 5,234,602            | 3,989,100            | 4,026,600            |
| Police                         | 10,746,887           | 11,236,877           | 11,134,400           | 11,403,300           |
| Community Development          | 2,830,364            | 2,461,800            | 5,236,100            | 5,214,000            |
| Water System                   | 10,605,658           | 11,594,389           | 11,251,600           | 11,564,000           |
| Marina                         | 96,602               | 85,300               | 111,500              | 111,600              |
| Parking Services               | 242,805              | 358,528              | 530,800              | 718,600              |
| Capital Improvement Program    | 10,307,121           | 14,484,889           | 14,020,500           | 5,675,000            |
| Debt Service                   | 2,471,835            | 2,472,691            | 2,487,800            | 2,499,400            |
| Total Expenditures             | 46,823,796           | 54,720,373           | 55,339,100           | 47,920,000           |
| <b>Other Sources (Uses)</b>    |                      |                      |                      |                      |
| Operating Transfers In         | 2,468,941            | 1,295,688            | 3,108,570            | 3,080,000            |
| Operating Transfers Out        | (2,468,941)          | (1,295,688)          | (3,108,570)          | (3,080,000)          |
| Total Other Sources (Uses)     | 0                    | 0                    | 0                    | 0                    |
| Net                            | (5,876,178)          | (11,576,822)         | 887,800              | (4,291,500)          |
| Fund Balance Beginning of Year | 51,759,453           | 47,983,275           | 38,506,453           | 39,394,253           |
| Fund Balance End of Year       | <b>\$ 45,883,275</b> | <b>\$ 36,406,453</b> | <b>\$ 39,394,253</b> | <b>\$ 35,102,753</b> |

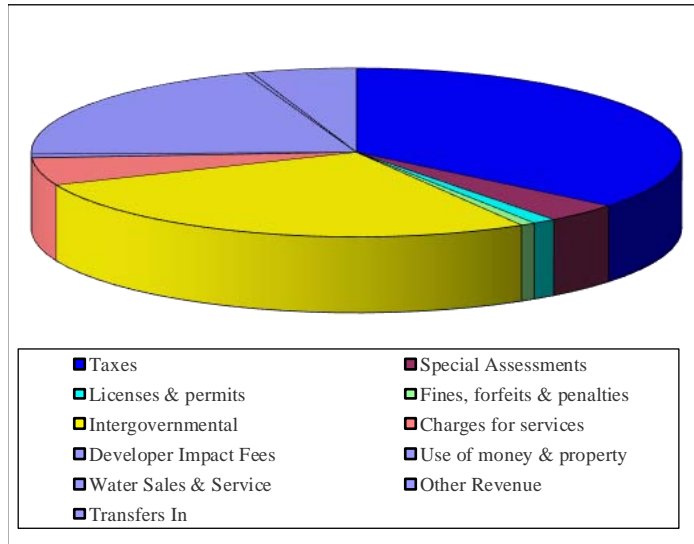
## ALL FUNDS TRANSFER SUMMARY

| From Fund                         | To Fund                            | Purpose                                  | Transfer In<br>2015-16 | Transfer In<br>2016-17 | Transfer In<br>2017-18 | Transfer In<br>2018-19 |
|-----------------------------------|------------------------------------|--|------------------------|------------------------|------------------------|------------------------|
| General Fund                      | Lighting & Landscape               | Share of LLD                             | \$ 8,000               | \$ 8,000               | \$ 6,000               | \$ 6,000               |
| NPDES-Stormwater                  | Lighting & Landscape               | LL917 Share of LLD                       | 700                    | 700                    | 700                    | 700                    |
| Gas Tax                           | Lighting & Landscape               | LL917 Share of LLD                       | 7,000                  | 7,000                  | 7,000                  | 7,000                  |
| Gas Tax                           | NPDES-Stormwater                   | E1001 Alhambra Creek Maintenance 5-yr    | 34,753                 |                        |                        |                        |
| Gas Tax                           | Gas Tax                            | C5025 Susana & Mt. View Park             | 32,048                 |                        |                        |                        |
| NPDES-Stormwater                  | Capital Improvement Program        | C1053 Storm Drain & Street GIS System    | 50,000                 | 30,850                 |                        |                        |
| NPDES-Stormwater                  | Capital Improvement Program        | C3008 Annual Storm Drain Maintenance     | 50,000                 | 50,000                 | 50,000                 | 50,000                 |
| NPDES-Stormwater                  | Capital Improvement Program        | C3002 Alhambra Creek Channel Maint.      | 50,000                 | 50,000                 |                        | 50,000                 |
| NPDES-Stormwater                  | Capital Improvement Program        | C3012 Linton Terrace Culvert Replacement |                        |                        | 300,000                |                        |
| NPDES-Stormwater                  | Capital Improvement Program        | C1052 Annual Pavement Management         |                        | 300,000                | 700,000                | 100,000                |
| Measure J - Local                 | Capital Improvement Program        | C2002 Reliez Valley                      |                        |                        | 35,000                 |                        |
| Measure J - Local                 | Capital Improvement Program        | C1047 Downtown PDA Pavement Restoration  | 500,000                |                        |                        |                        |
| Measure J - Local                 | Capital Improvement Program        | M3145 Amtrak Station Improvements        | 150,000                |                        |                        |                        |
| Measure J - Local                 | Capital Improvement Program        | 2017 Storm Damage Repair                 |                        |                        | 100,000                |                        |
| Measure J - Local                 | Capital Improvement Program        | C1056 Bay Trail Phase I                  |                        |                        |                        |                        |
| Gas Tax                           | Capital Improvement Program        | C3012 Linton Terrace Culvert Replacement | 50,000                 |                        |                        |                        |
| Gas Tax                           | Capital Improvement Program        | C6010 Bus Stop Improvements              |                        |                        |                        |                        |
| Gas Tax                           | Capital Improvement Program        | C1052 Annual Pavement Management         | 500,000                | 200,000                | 200,000                | 400,000                |
| Gas Tax                           | Capital Improvement Program        | C1010 ADA Ramps                          | 25,000                 | 25,000                 | 25,000                 | 25,000                 |
| Gas Tax                           | Capital Improvement Program        | C2006 Downtown Bicycle Project           |                        |                        |                        |                        |
| Gas Tax                           | Capital Improvement Program        | C3008 Annual Storm Drain Maintenance     |                        | 50,000                 |                        |                        |
| Gas Tax                           | Capital Improvement Program        | C1040 Annual Sidewalk Repair             | 25,000                 | 25,000                 |                        |                        |
| Gas Tax                           | Capital Improvement Program        | EEC1 LED Street Lights                   |                        |                        |                        |                        |
| Gas Tax                           | Capital Improvement Program        | C1053 Storm Drain & Street GIS System    | 25,000                 |                        |                        |                        |
| Gas Tax                           | Capital Improvement Program        | C1054 Sign Inventory                     | 50,000                 | 50,000                 |                        |                        |
| Gas Tax                           | Capital Improvement Program        | C5025 Susana & Mt. View Park             |                        |                        |                        |                        |
| Gas Tax                           | Capital Improvement Program        | C5025 Susana & Mt. View Park             |                        |                        |                        |                        |
| Park Dedication Fees              | Capital Improvement Program        | C5017 Waterfront Park                    | 545,539                |                        |                        |                        |
| Park Dedication Fees              | Capital Improvement Program        | C1053 Storm Drain & Street GIS System    | 50,000                 |                        |                        |                        |
| Mitigation Fees-Child Care        | Capital Improvement Program        | C4015 Morello Daycare Improvements       |                        | 50,000                 |                        |                        |
| Mitigation Fees-Traffic           | Capital Improvement Program        | Ward Street Undergrounding               |                        |                        | 100,000                |                        |
| Mitigation Fees-Traffic           | Capital Improvement Program        | Cultural Facilities Improvements         |                        |                        | 100,000                | 200,000                |
| Mitigation Fees-Cultural Facility | Capital Improvement Program        | Sports Field Utilization Study           |                        |                        | 35,000                 |                        |
| Capital Improvement Program       | Mitigation Fees-Traffic            | C1025 Marina Vista Streetscape           |                        |                        | 152,670                |                        |
| Capital Improvement Program       | Mitigation Fees-Traffic            | Major Street Project                     |                        |                        |                        |                        |
| Measure D                         | Capital Improvement Program        | Annual Pavement Managerment              |                        |                        |                        | 1,700,000              |
| Water System                      | General Fund                       | Lifeline                                 | 20,254                 | 28,000                 | 28,000                 | 28,000                 |
| Marina Fund                       | General Fund-Assigned Fund Balance | Mitigation                               | 50,000                 | 50,000                 | 50,000                 | 50,000                 |
| Marina Fund                       | General Fund-Assigned Fund Balance | Mitigation                               |                        | 200,000                | 765,000                | -                      |
| Water System                      | General Fund                       | Water In-Lieu Transfer                   | 0                      | 0                      | 454,200                | 463,300                |
| Sub-Total Transfer In             |                                    |  | \$ 2,223,294           | \$ 1,124,550           | \$ 3,108,570           | \$ 3,080,000           |

| To Fund                                   | From Fund                         | Purpose                                  | Transfer Out<br>2015-16 | Transfer Out<br>2016-17 | Transfer Out<br>2017-18 | Transfer Out<br>2018-19 |
|---|-----------------------------------|--|-------------------------|-------------------------|-------------------------|-------------------------|
| Lighting & Landscape                      | General Fund                      | Share of LLD                             | \$ 8,000                | \$ 8,000                | \$ 6,000                | \$ 6,000                |
| Lighting & Landscape                      | NPDES-Stormwater                  | LL917 Share of LLD                       | 700                     | 700                     | 700                     | 700                     |
| Lighting & Landscape                      | Gas Tax                           | LL917 Share of LLD                       | 7,000                   | 7,000                   | 7,000                   | 7,000                   |
| NPDES-Stormwater                          | Gas Tax                           | E1001 Alhambra Creek Maintenance 5-yr    | 34,753                  |                         |                         |                         |
| Gas Tax                                   | Gas Tax                           | C5025 Susana & Mt. View Park             | 32,048                  |                         |                         |                         |
| Capital Improvement Program               | NPDES-Stormwater                  | C1053 Storm Drain & Street GIS System    | 50,000                  | 30,850                  |                         |                         |
| Capital Improvement Program               | NPDES-Stormwater                  | C3008 Annual Storm Drain Maintenance     | 50,000                  | 50,000                  | 50,000                  | 50,000                  |
| Capital Improvement Program               | NPDES-Stormwater                  | C3002 Alhambra Creek Channel Maint.      | 50,000                  | 50,000                  |                         | 50,000                  |
| Capital Improvement Program               | NPDES-Stormwater                  | C3012 Linton Terrace Culvert Replacement |                         |                         | 300,000                 |                         |
| Capital Improvement Program               | NPDES-Stormwater                  | C1052 Annual Pavement Management         |                         | 300,000                 | 700,000                 | 100,000                 |
| Capital Improvement Program               | Measure J - Local                 | C2002 Reliez Valley                      |                         |                         | 35,000                  |                         |
| Capital Improvement Program               | Measure J - Local                 | C1047 Downtown PDA Pavement Restoration  | 500,000                 |                         |                         |                         |
| Capital Improvement Program               | Measure J - Local                 | M3145 Amtrak Station Improvements        | 150,000                 |                         |                         |                         |
| Capital Improvement Program               | Measure J - Local                 | 2017 Storm Damage Repair                 |                         |                         | 100,000                 |                         |
| Capital Improvement Program               | Measure J - Local                 | C1056 Bay Trail Phase I                  |                         |                         |                         |                         |
| Capital Improvement Program               | Gas Tax                           | C3012 Linton Terrace Culvert Replacement | 50,000                  |                         |                         |                         |
| Capital Improvement Program               | Gas Tax                           | C6010 Bus Stop Improvements              |                         |                         |                         |                         |
| Capital Improvement Program               | Gas Tax                           | C1052 Annual Pavement Management         | 500,000                 | 200,000                 | 200,000                 | 400,000                 |
| Capital Improvement Program               | Gas Tax                           | C1010 ADA Ramps                          | 25,000                  | 25,000                  | 25,000                  | 25,000                  |
| Capital Improvement Program               | Gas Tax                           | C2006 Downtown Bicycle Project           |                         |                         |                         |                         |
| Capital Improvement Program               | Gas Tax                           | C3008 Annual Storm Drain Maintenance     |                         | 50,000                  |                         |                         |
| Capital Improvement Program               | Gas Tax                           | C1040 Annual Sidewalk Repair             | 25,000                  | 25,000                  |                         |                         |
| Capital Improvement Program               | Gas Tax                           | EEC1 LED Street Lights                   |                         |                         |                         |                         |
| Capital Improvement Program               | Gas Tax                           | C1053 Storm Drain & Street GIS System    | 25,000                  |                         |                         |                         |
| Capital Improvement Program               | Gas Tax                           | C1054 Sign Inventory                     | 50,000                  | 50,000                  |                         |                         |
| Capital Improvement Program               | Gas Tax                           | C5025 Susana & Mt. View Park             |                         |                         |                         |                         |
| Capital Improvement Program               | Gas Tax                           | C5025 Susana & Mt. View Park             |                         |                         |                         |                         |
| Capital Improvement Program               | Park Dedication Fees              | C5017 Waterfront Park                    | 545,539                 |                         |                         |                         |
| Capital Improvement Program               | Park Dedication Fees              | C1053 Storm Drain & Street GIS System    | 50,000                  |                         |                         |                         |
| Capital Improvement Program               | Mitigation Fees-                  | C4015 Morello Daycare Improvements       |                         | 50,000                  |                         |                         |
| Capital Improvement Program               | Mitigation Fees-Traffic           | Ward Street Undergrounding               |                         |                         | 100,000                 |                         |
| Capital Improvement Program               | Mitigation Fees-Traffic           | Cultural Facilities Improvements         |                         |                         | 100,000                 | 200,000                 |
| Capital Improvement Program               | Mitigation Fees-Cultural Facility | Sports Field Utilization Study           |                         |                         | 35,000                  |                         |
| Mitigation Fees-Traffic                   | Capital Improvement Program       | C1025 Marina Vista Streetscape           |                         |                         | 152,670                 |                         |
| Mitigation Fees-Traffic                   | Capital Improvement Program       | Major Street Project                     |                         |                         |                         |                         |
| Capital Improvement Program               | Measure D                         | Annual Pavement Managerment              |                         |                         |                         | 1,700,000               |
| General Fund                              | Water System                      | Lifeline                                 | 20,254                  | 28,000                  | 28,000                  | 28,000                  |
| General Fund-Assigned Fund B: Marina Fund |                                   | Mitigation                               | 50,000                  | 50,000                  | 50,000                  | 50,000                  |
| General Fund-Assigned Fund B: Marina Fund |                                   | Mitigation                               |                         | 200,000                 | 765,000                 | -                       |
| General Fund                              | Water System                      | Water In-Lieu Transfer                   | 0                       | 0                       | 454,200                 | 463,300                 |
| Sub-Total Transfer Out                    |                                   |  | \$ 2,223,294            | \$ 1,124,550            | \$ 3,108,570            | \$ 3,080,000            |

## SUMMARY OF ACTIVITY ALL FUNDS FISCAL YEAR 2017-18

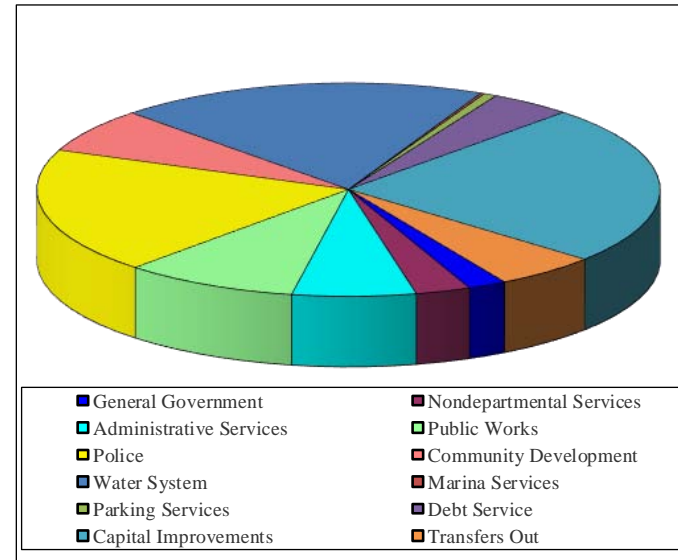
### REVENUES



|                             |        |               |
|-----------------------------|--------|---------------|
| Taxes                       | 35.93% | \$ 21,320,600 |
| Special Assessments         | 3.72%  | 2,210,000     |
| Licenses & permits          | 1.15%  | 680,600       |
| Fines, forfeits & penalties | 0.74%  | 440,000       |
| Intergovernmental           | 27.11% | 16,087,300    |
| Charges for services        | 5.25%  | 3,115,800     |
| Developer Impact Fees       | 0.07%  | 40,600        |
| Use of money & property     | 0.68%  | 404,500       |
| Water Sales & Service       | 19.79% | 11,742,500    |
| Other Revenue               | 0.31%  | 185,000       |
| Transfers In                | 5.24%  | 3,108,570     |

**Total All Funds** **\$59,335,470**

### EXPENDITURES



|                          |        |              |
|--------------------------|--------|--------------|
| General Government       | 2.00%  | \$ 1,167,100 |
| Nondepartmental Services | 2.85%  | 1,663,400    |
| Administrative Services  | 6.41%  | 3,746,800    |
| Public Works             | 9.05%  | 5,288,900    |
| Police                   | 19.05% | 11,134,400   |
| Community Development    | 6.73%  | 3,936,300    |
| Water System             | 19.25% | 11,251,600   |
| Marina Services          | 0.19%  | 111,500      |
| Parking Services         | 0.68%  | 395,800      |
| Debt Service             | 4.26%  | 2,487,800    |
| Capital Improvements     | 24.22% | 14,155,470   |
| Transfers Out            | 5.32%  | 3,108,570    |

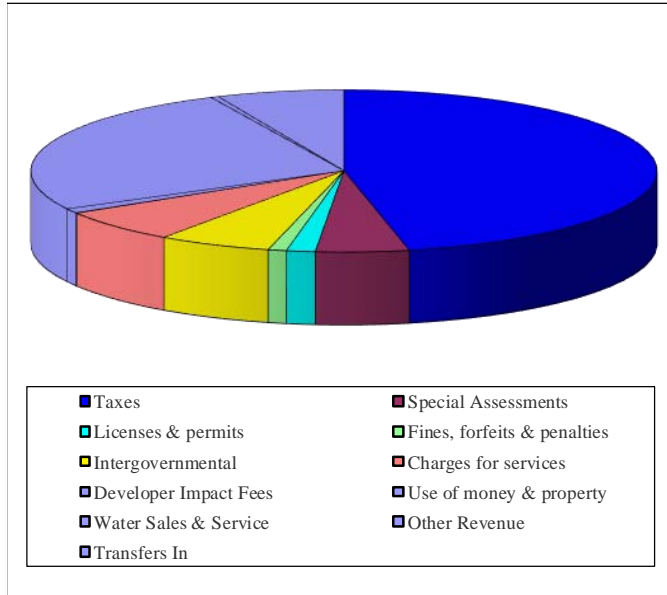
**Total All Funds** **\$ 58,447,640**

## FISCAL YEAR 2017-18 SUMMARY OF ACTIVITIES BY FUND TYPE

|  | General Fund         | Enterprise           | Special Revenue     | Internal Service    | Debt Service        | Capital              | Total All            |
|--|----------------------|----------------------|---------------------|---------------------|---------------------|----------------------|----------------------|
|  | Fund                 | Funds                | Funds               | Funds               | Funds               | Fund                 | Funds                |
| <b>Revenues and Other Financing Sources</b>        |                      |                      |                     |                     |                     |                      |                      |
| Taxes  | \$ 19,250,300        | \$ 70,300            | \$ 2,000,000        |                     |                     |                      | \$ 21,320,600        |
| Special Assessments                                |                      |                      | 615,900             |                     | 1,594,100           | 0                    | 2,210,000            |
| Licenses & permits                                 | 680,600              |                      | 0                   |                     |                     |                      | 680,600              |
| Fines, forfeits & penalties                        | 435,000              |                      | 5,000               |                     |                     |                      | 440,000              |
| Intergovernmental                                  | 632,100              |                      | 1,697,400           |                     |                     | 13,757,800           | 16,087,300           |
| Charges for services                               | 826,700              | 551,100              | 26,800              | 1,711,200           |                     |                      | 3,115,800            |
| Developer Impact Fees                              |                      |                      | 40,600              |                     |                     |                      | 40,600               |
| Use of money & property                            | 169,300              | 203,100              | 9,100               | 22,000              | 1,000               | 0                    | 404,500              |
| Water Sales & Service                              |                      | 11,742,500           |                     |                     |                     |                      | 11,742,500           |
| Other Revenue                                      | 85,000               | 6,000                | 93,000              | 1,000               |                     |                      | 185,000              |
| Transfers In                                       | 454,200              | 843,000              | 13,700              |                     |                     | 1,797,670            | 3,108,570            |
| <b>Total Revenues and Other Financing Uses</b>     | <b>\$ 22,533,200</b> | <b>\$ 13,416,000</b> | <b>\$ 4,501,500</b> | <b>\$ 1,734,200</b> | <b>\$ 1,595,100</b> | <b>\$ 15,555,470</b> | <b>\$ 59,335,470</b> |
| <b>Expenditures and Other Financing Uses</b>       |                      |                      |                     |                     |                     |                      |                      |
| General Government                                 | \$ 1,167,100         |                      |                     |                     |                     |                      | \$ 1,167,100         |
| Nondepartmental Services                           | 1,663,400            |                      |                     |                     |                     |                      | 1,663,400            |
| Administrative Services                            | 2,856,800            |                      | 151,000             | 739,000             |                     |                      | 3,746,800            |
| Public Works                                       | 3,989,100            |                      |                     | 1,299,800           |                     |                      | 5,288,900            |
| Police   | 11,024,400           |                      | 110,000             |                     |                     |                      | 11,134,400           |
| Community Development                              | 1,505,600            |                      | 2,430,700           |                     |                     |                      | 3,936,300            |
| Water System                                       |                      | 11,251,600           |                     |                     |                     |                      | 11,251,600           |
| Marina Services                                    |                      | 111,500              |                     |                     |                     |                      | 111,500              |
| Parking Services                                   |                      | 395,800              |                     |                     |                     |                      | 395,800              |
| Debt Service                                       |                      | 1,226,500            |                     |                     | 1,261,300           |                      | 2,487,800            |
| Capital Improvement Program                        |                      | 900,000              |                     |                     |                     | 13,255,470           | 14,155,470           |
| Transfers Out                                      | 849,000              | 454,200              | 1,805,370           |                     |                     |                      | 3,108,570            |
| <b>Total Expenditures and Other Financing Uses</b> | <b>\$ 23,055,400</b> | <b>\$ 14,339,600</b> | <b>\$ 4,497,070</b> | <b>\$ 2,038,800</b> | <b>\$ 1,261,300</b> | <b>\$ 13,255,470</b> | <b>\$ 58,447,640</b> |

## SUMMARY OF ACTIVITY ALL FUNDS FISCAL YEAR 2018-19

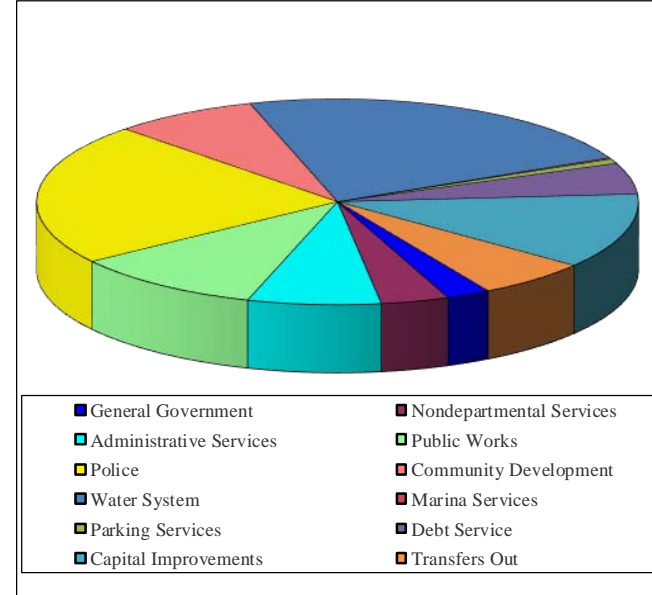
### REVENUES



|                             |        |               |
|-----------------------------|--------|---------------|
| Taxes                       | 46.66% | \$ 21,793,400 |
| Special Assessments         | 4.80%  | 2,242,500     |
| Licenses & permits          | 1.49%  | 694,200       |
| Fines, forfeits & penalties | 0.94%  | 440,000       |
| Intergovernmental           | 5.84%  | 2,726,100     |
| Charges for services        | 6.51%  | 3,042,500     |
| Developer Impact Fees       | 0.09%  | 40,600        |
| Use of money & property     | 0.90%  | 418,500       |
| Water Sales & Service       | 25.78% | 12,043,700    |
| Other Revenue               | 0.40%  | 187,000       |
| Transfers In                | 6.59%  | 3,080,000     |

**Total All Funds** **\$46,708,500**

### EXPENDITURES



|                          |        |              |
|--------------------------|--------|--------------|
| General Government       | 2.35%  | \$ 1,200,800 |
| Nondepartmental Services | 3.65%  | 1,861,400    |
| Administrative Services  | 7.15%  | 3,645,300    |
| Public Works             | 10.33% | 5,269,100    |
| Police                   | 22.36% | 11,403,300   |
| Community Development    | 7.79%  | 3,971,500    |
| Water System             | 22.67% | 11,564,000   |
| Marina Services          | 0.22%  | 111,600      |
| Parking Services         | 0.72%  | 368,600      |
| Debt Service             | 4.90%  | 2,499,400    |
| Capital Improvements     | 11.81% | 6,025,000    |
| Transfers Out            | 6.04%  | 3,080,000    |

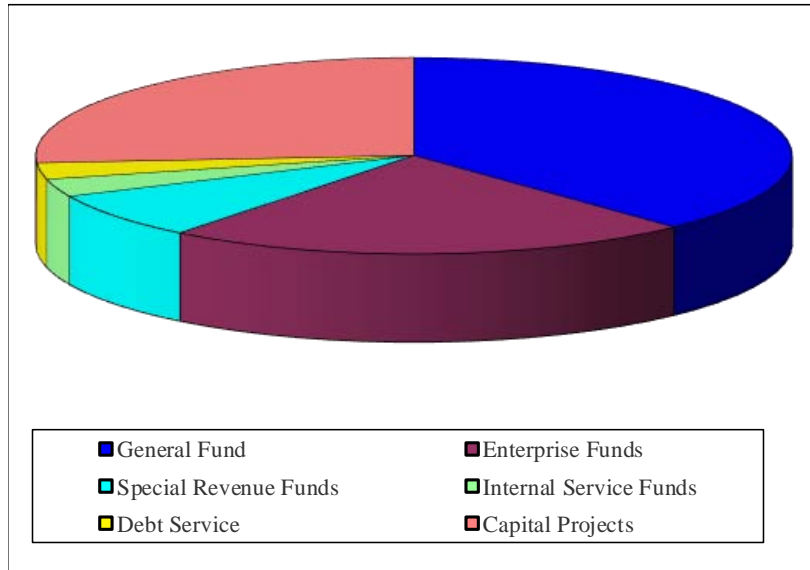
**Total All Funds** **\$ 51,000,000**

## FISCAL YEAR 2018-19 SUMMARY OF ACTIVITIES BY FUND TYPE

|  | General Fund         | Enterprise           | Special Revenue     | Internal Service    | Debt Service        | Capital             | Total All            |
|--|----------------------|----------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
|  | Fund                 | Funds                | Funds               | Funds               | Funds               | Fund                | Funds                |
| <b>Revenues and Other Financing Sources</b>        |                      |                      |                     |                     |                     |                     |                      |
| Taxes  | \$ 19,722,600        | \$ 70,800            | \$ 2,000,000        |                     |                     |                     | \$ 21,793,400        |
| Special Assessments                                |                      |                      | 616,500             |                     | 1,626,000           |                     | 2,242,500            |
| Licenses & permits                                 | 694,200              |                      | 0                   |                     |                     |                     | 694,200              |
| Fines, forfeits & penalties                        | 435,000              |                      | 5,000               |                     |                     |                     | 440,000              |
| Intergovernmental                                  | 587,500              |                      | 2,138,600           |                     |                     | 0                   | 2,726,100            |
| Charges for services                               | 834,100              | 551,100              | 26,800              | 1,630,500           |                     |                     | 3,042,500            |
| Developer Impact Fees                              |                      |                      | 40,600              |                     |                     |                     | 40,600               |
| Use of money & property                            | 182,800              | 203,600              | 9,100               | 22,000              | 1,000               | 0                   | 418,500              |
| Water Sales & Service                              |                      | 12,043,700           |                     |                     |                     |                     | 12,043,700           |
| Other Revenue                                      | 85,000               | 6,000                | 95,000              | 1,000               |                     | 0                   | 187,000              |
| Transfers In                                       | 463,300              | 78,000               | 13,700              |                     |                     | 2,525,000           | 3,080,000            |
| <b>Total Revenues and Other Financing Uses</b>     | <b>\$ 23,004,500</b> | <b>\$ 12,953,200</b> | <b>\$ 4,945,300</b> | <b>\$ 1,653,500</b> | <b>\$ 1,627,000</b> | <b>\$ 2,525,000</b> | <b>\$ 46,708,500</b> |
| <b>Expenditures and Other Financing Uses</b>       |                      |                      |                     |                     |                     |                     |                      |
| General Government                                 | \$ 1,200,800         |                      |                     |                     |                     |                     | \$ 1,200,800         |
| Nondepartmental Services                           | 1,861,400            |                      |                     |                     |                     |                     | 1,861,400            |
| Administrative Services                            | 2,851,800            |                      | 151,600             | 641,900             |                     |                     | 3,645,300            |
| Public Works                                       | 4,026,600            |                      |                     | 1,242,500           |                     |                     | 5,269,100            |
| Police   | 11,303,300           |                      | 100,000             |                     |                     |                     | 11,403,300           |
| Community Development                              | 1,515,100            |                      | 2,456,400           |                     |                     |                     | 3,971,500            |
| Water System                                       |                      | 11,564,000           |                     |                     |                     |                     | 11,564,000           |
| Marina Services                                    |                      | 111,600              |                     |                     |                     |                     | 111,600              |
| Parking Services                                   |                      | 368,600              |                     |                     |                     |                     | 368,600              |
| Debt Service                                       |                      | 1,214,500            |                     |                     | 1,284,900           |                     | 2,499,400            |
| Capital Improvement Program                        |                      | 2,150,000            |                     |                     |                     | 3,875,000           | 6,025,000            |
| Transfers Out                                      | 84,000               | 463,300              | 2,532,700           |                     |                     |                     | 3,080,000            |
| <b>Total Expenditures and Other Financing Uses</b> | <b>\$ 22,843,000</b> | <b>\$ 15,872,000</b> | <b>\$ 5,240,700</b> | <b>\$ 1,884,400</b> | <b>\$ 1,284,900</b> | <b>\$ 3,875,000</b> | <b>\$ 51,000,000</b> |

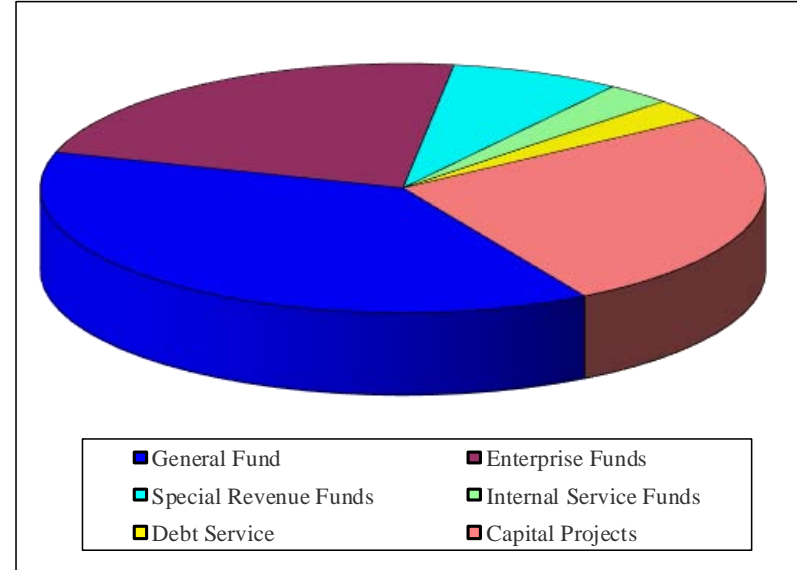
## SUMMARY OF ALL FUNDS REVENUE

**FISCAL YEAR 2017-18**



|                        |        |                            |
|------------------------|--------|----------------------------|
| General Fund           | 37.98% | \$ 22,533,200              |
| Enterprise Funds       | 22.61% | 13,416,000                 |
| Special Revenue Funds  | 7.59%  | 4,501,500                  |
| Internal Service Funds | 2.92%  | 1,734,200                  |
| Debt Service           | 2.69%  | 1,595,100                  |
| Capital Projects       | 26.22% | <u>15,555,500</u>          |
| <b>Total All Funds</b> |        | <b><u>\$59,335,500</u></b> |

**FISCAL YEAR 2018-19**



|                        |        |                             |
|------------------------|--------|-----------------------------|
| General Fund           | 49.25% | \$ 23,004,500               |
| Enterprise Funds       | 27.73% | 12,953,200                  |
| Special Revenue Funds  | 10.59% | 4,945,300                   |
| Internal Service Funds | 3.54%  | 1,653,500                   |
| Debt Service           | 3.48%  | 1,627,000                   |
| Capital Projects       | 5.41%  | <u>2,525,000</u>            |
| <b>Total All Funds</b> |        | <b><u>\$ 46,708,500</u></b> |

## SUMMARY OF REVENUE BY FUND TYPE & CATEGORY

| <b>REVENUE - By Fund Type</b>                | <b>2015-16</b>       | <b>2016-17</b>       | <b>2017-18</b>       | <b>2018-19</b>       |
|--|----------------------|----------------------|----------------------|----------------------|
|  | <b>Actuals</b>       | <b>Revised</b>       | <b>Budget</b>        | <b>Budget</b>        |
| General Fund                                 | \$ 22,883,114        | \$ 21,858,409        | \$ 22,533,200        | \$ 23,004,500        |
| Enterprise Funds                             | 11,978,257           | 12,463,056           | 13,416,000           | 12,953,200           |
| Special Revenue Funds                        | 3,408,211            | 2,246,950            | 4,501,500            | 4,945,300            |
| Internal Service Funds                       | 1,467,637            | 1,593,620            | 1,734,200            | 1,653,500            |
| Debt Service Fund                            | 1,548,801            | 1,244,163            | 1,595,100            | 1,627,000            |
| Capital Improvement Program                  | 2,130,539            | 4,307,915            | 15,555,500           | 2,525,000            |
| <b>Total Revenues Including Transfers In</b> | <b>\$ 43,416,559</b> | <b>\$ 43,714,113</b> | <b>\$ 59,335,500</b> | <b>\$ 46,708,500</b> |

| <b>REVENUE - By Category</b>                 | <b>2015-16</b>       | <b>2016-17</b>       | <b>2017-18</b>       | <b>2018-19</b>       |
|--|----------------------|----------------------|----------------------|----------------------|
|  | <b>Actuals</b>       | <b>Revised</b>       | <b>Budget</b>        | <b>Budget</b>        |
| Taxes  | \$ 19,272,234        | \$ 19,136,636        | \$ 21,320,600        | \$ 21,793,400        |
| Special Assessments                          | 2,163,026            | 1,860,098            | 2,210,000            | 2,242,500            |
| Licenses & permits                           | 840,050              | 691,600              | 680,600              | 694,200              |
| Fines, forfeits & penalties                  | 467,824              | 435,000              | 440,000              | 440,000              |
| Intergovernmental                            | 3,081,331            | 5,308,451            | 16,087,300           | 2,726,100            |
| Charges for services                         | 3,114,995            | 2,924,521            | 3,115,800            | 3,042,500            |
| Developer Impact Fees                        | 107,072              | 40,600               | 40,600               | 40,600               |
| Use of money & property                      | 546,344              | 357,781              | 404,500              | 418,500              |
| Water Sales & Service                        | 10,946,793           | 11,487,238           | 11,742,500           | 12,043,700           |
| Other Revenue                                | 407,948              | 176,500              | 185,000              | 187,000              |
| Total Revenues                               | 40,947,618           | 42,418,425           | 56,226,900           | 43,628,500           |
| Transfers From Other Funds                   | 2,468,941            | 1,295,688            | 3,108,570            | 3,080,000            |
| <b>Total Revenues Including Transfers In</b> | <b>\$ 43,416,559</b> | <b>\$ 43,714,113</b> | <b>\$ 59,335,470</b> | <b>\$ 46,708,500</b> |

## REVENUE CATEGORIES BY FUND

|                                   | 2015-16<br>Actual | 2016-17<br>Revised | 2017-18<br>Budget | 2018-19<br>Budget |
|-----------------------------------|-------------------|--------------------|-------------------|-------------------|
| <b>GENERAL FUND (01)</b>          |                   |                    |                   |                   |
| Taxes                             | \$ 19,207,292     | \$ 19,066,236      | \$ 19,250,300     | \$ 19,722,600     |
| License, permits & fees           | 840,050           | 691,600            | 680,600           | 694,200           |
| Fines & forfeitures               | 450,562           | 435,000            | 435,000           | 435,000           |
| Intergovernmental                 | 670,768           | 569,700            | 632,100           | 587,500           |
| Charge for services               | 1,212,107         | 843,773            | 826,700           | 834,100           |
| Use of money & property           | 234,702           | 167,100            | 169,300           | 182,800           |
| Other revenue                     | 267,633           | 85,000             | 85,000            | 85,000            |
| Transfers                         | -                 | -                  | 454,200           | 463,300           |
| <b>TOTAL GENERAL FUND REVENUE</b> | <b>22,883,114</b> | <b>21,858,409</b>  | <b>22,533,200</b> | <b>23,004,500</b> |
| <b>ENTERPRISE FUNDS</b>           |                   |                    |                   |                   |
| <b>Water System (71 &amp; 72)</b> |                   |                    |                   |                   |
| Use of money & property           | 173,294           | 91,818             | 120,000           | 120,000           |
| Water sales & service             | 10,966,863        | 11,487,238         | 11,752,500        | 12,053,700        |
| Other revenue                     | 14,776            | 6,000              | 6,000             | 6,000             |
| Transfers                         | 70,254            | 28,000             | 28,000            | 28,000            |
| <b>Total Water System Fund</b>    | <b>11,225,187</b> | <b>11,613,056</b>  | <b>11,906,500</b> | <b>12,207,700</b> |
| <b>Marina (73 &amp; 74)</b>       |                   |                    |                   |                   |
| Taxes                             | 16,182            | 14,300             | 14,300            | 14,300            |
| Charge for services               | 175               | 100                | 76,100            | 76,100            |
| Use of money & property           | 62,783            | 60,500             | 79,100            | 79,600            |
| Other revenue                     | -                 | -                  | -                 | -                 |
| Transfers                         | 50,000            | 250,000            | 815,000           | 50,000            |
| <b>Total Marina Fund</b>          | <b>129,140</b>    | <b>324,900</b>     | <b>984,500</b>    | <b>220,000</b>    |

|                                       | <b>2015-16</b>    | <b>2016-17</b>    | <b>2017-18</b>    | <b>2018-19</b>    |
|---------------------------------------|-------------------|-------------------|-------------------|-------------------|
|                                       | <b>Actual</b>     | <b>Revised</b>    | <b>Budget</b>     | <b>Budget</b>     |
| <b>Parking Services (75 &amp; 76)</b> |                   |                   |                   |                   |
| Taxes                                 | 48,760            | 56,100            | 56,000            | 56,500            |
| Charge for services                   | 424,093           | 465,000           | 465,000           | 465,000           |
| Use of money & property               | 5,431             | 4,000             | 4,000             | 4,000             |
| Other revenue                         | -                 | -                 | -                 | -                 |
| Transfer from Parking                 | 145,647           | -                 | -                 | -                 |
| <b>Total Parking Services</b>         | <b>623,930</b>    | <b>525,100</b>    | <b>525,000</b>    | <b>525,500</b>    |
| <b>TOTAL ENTERPRISE FUND REVENUE</b>  | <b>11,978,257</b> | <b>12,463,056</b> | <b>13,416,000</b> | <b>12,953,200</b> |

#### **SPECIAL REVENUE FUNDS**

##### **Public Safety Grants (20)**

|                             |                |                |                |                |
|-----------------------------|----------------|----------------|----------------|----------------|
| Fines, forfeits & penalties | 5,167          | -              | -              | -              |
| Intergovernmental           | 338,943        | 125,684        | 100,000        | 100,000        |
| Use of money & property     | 1,007          | 150            | 200            | 200            |
| Other Revenue               | 13,554         | -              | -              | -              |
| <b>Total Police Grants</b>  | <b>358,670</b> | <b>125,834</b> | <b>100,200</b> | <b>100,200</b> |

##### **NPDES (21)**

|                         |                |                |                |                |
|-------------------------|----------------|----------------|----------------|----------------|
| Special Assessments     | 492,588        | 492,000        | 492,000        | 492,000        |
| Charge for services     | 626            | 1,000          | 1,000          | 1,000          |
| Use of money & property | 4,812          | 800            | 800            | 800            |
| Other Revenue           | 109            | -              | -              | -              |
| Transfers               | 34,753         | -              | -              | -              |
| <b>Total NPDES</b>      | <b>532,888</b> | <b>493,800</b> | <b>493,800</b> | <b>493,800</b> |

##### **Measure J - Local (22)**

|                                |                  |                |                |                |
|--------------------------------|------------------|----------------|----------------|----------------|
| Intergovernmental              | 1,172,016        | 535,990        | 539,400        | 542,900        |
| Charges for Services           | -                | 40,000         | 20,000         | 20,000         |
| Use of money & property        | 10,590           | 2,000          | 2,000          | 2,000          |
| <b>Total Measure J - Local</b> | <b>1,182,606</b> | <b>577,990</b> | <b>561,400</b> | <b>564,900</b> |

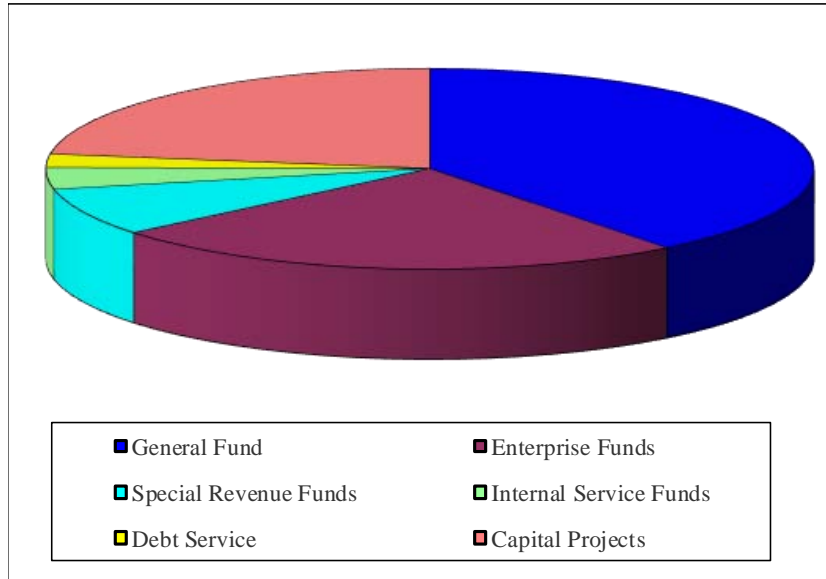
|   | <b>2015-16</b> | <b>2016-17</b> | <b>2017-18</b>   | <b>2018-19</b>   |
|---|----------------|----------------|------------------|------------------|
|   | <b>Actual</b>  | <b>Revised</b> | <b>Budget</b>    | <b>Budget</b>    |
| <b>Gas Tax (23)</b>                     |                |                |                  |                  |
| Intergovernmental                       | 817,189        | 773,150        | 1,039,000        | 1,476,700        |
| Use of money & property                 | 7,427          | 1,000          | 1,000            | 1,000            |
| Transfers                               | 32,048         | -              | -                | -                |
| <b>Total Gas Tax</b>                    | <b>856,665</b> | <b>774,150</b> | <b>1,040,000</b> | <b>1,477,700</b> |
| <b>Housing In-Lieu Fund (27)</b>        |                |                |                  |                  |
| Use of money & property                 | 2,752          | 500            | 500              | 500              |
| Housing In-Lieu Fee                     | -              | -              | -                | -                |
| <b>Total Housing In-Lieu</b>            | <b>2,752</b>   | <b>500</b>     | <b>500</b>       | <b>500</b>       |
| <b>Recycle (29)</b>                     |                |                |                  |                  |
| Intergovernmental                       | 107,542        | 25,300         | 44,300           | 44,300           |
| Fines & forfeitures                     | 12,096         | -              | 5,000            | 5,000            |
| Charges for Services                    | 4,135          | 2,000          | 4,000            | 4,000            |
| Other revenue                           | 26,467         | 1,500          | 11,500           | 11,500           |
| <b>Total Recycle</b>                    | <b>150,239</b> | <b>28,800</b>  | <b>64,800</b>    | <b>64,800</b>    |
| <b>Lighting &amp; Landscape (33)</b>    |                |                |                  |                  |
| Special Assessments                     | 122,762        | 124,935        | 123,900          | 124,500          |
| Use of money & property                 | 1,936          | 541            | 500              | 500              |
| Transfers In                            | 15,700         | 15,700         | 13,700           | 13,700           |
| <b>Total Lightening &amp; Landscape</b> | <b>140,398</b> | <b>141,176</b> | <b>138,100</b>   | <b>138,700</b>   |

|                                     | <b>2015-16</b>   | <b>2016-17</b>   | <b>2017-18</b>   | <b>2018-19</b>   |
|-------------------------------------|------------------|------------------|------------------|------------------|
|                                     | <b>Actual</b>    | <b>Revised</b>   | <b>Budget</b>    | <b>Budget</b>    |
| <b>Impact/ Mitigation Fees (34)</b> |                  |                  |                  |                  |
| Traffic Mitigation Fees             | 5,777            | 11,000           | 11,000           | 11,000           |
| Park In-Lieu Fees                   | 80,003           | 6,000            | 6,000            | 6,000            |
| Child Care Impact Fees              | 826              | 2,000            | 2,000            | 2,000            |
| Drainage Fees Zone 5                | 3,632            | 2,000            | 2,000            | 2,000            |
| Cultural Facilities Impact Fees     | 8,918            | 10,800           | 10,800           | 10,800           |
| Police Facilities Impact Fees       | 1,283            | 500              | 500              | 500              |
| Park & Recreation Impact Fees       | 6,633            | 8,300            | 8,300            | 8,300            |
| Use of money & property             | 16,444           | 4,100            | 4,100            | 4,100            |
| <b>Total Impact/Mitigation Fees</b> | <b>123,516</b>   | <b>44,700</b>    | <b>44,700</b>    | <b>44,700</b>    |
| <b>PEG Access (36)</b>              |                  |                  |                  |                  |
| Grants                              | 60,478           | 60,000           | 58,000           | 60,000           |
| <b>Total PEG Access</b>             | <b>60,478</b>    | <b>60,000</b>    | <b>58,000</b>    | <b>60,000</b>    |
| <b>Measure D (38)</b>               |                  |                  |                  |                  |
| Transaction and Use Tax             | -                | -                | 2,000,000        | 2,000,000        |
| <b>Total Measure D</b>              | <b>-</b>         | <b>-</b>         | <b>2,000,000</b> | <b>2,000,000</b> |
| <b>TOTAL SPECIAL REVENUE FUND</b>   | <b>3,408,211</b> | <b>2,246,950</b> | <b>4,501,500</b> | <b>4,945,300</b> |

|  | <b>2015-16<br/>Actual</b> | <b>2016-17<br/>Revised</b> | <b>2017-18<br/>Budget</b> | <b>2018-19<br/>Budget</b> |
|--|---------------------------|----------------------------|---------------------------|---------------------------|
| <b>INTERNAL SERVICE FUNDS</b>            |                           |                            |                           |                           |
| <b>Equipment Replacement (81)</b>        |                           |                            |                           |                           |
| Charge for services                      | 930,923                   | 918,552                    | 1,015,100                 | 1,018,600                 |
| Use of money & property                  | 9,261                     | 20,272                     | 20,000                    | 20,000                    |
| Other revenue                            | 252                       | -                          | 500                       | 500                       |
| <b>Total Equipment Replacement</b>       | <b>940,436</b>            | <b>938,824</b>             | <b>1,035,600</b>          | <b>1,039,100</b>          |
| <b>Informations Systems (82)</b>         |                           |                            |                           |                           |
| Charge for services                      | 497,978                   | 630,296                    | 674,100                   | 589,900                   |
| Technology Fee                           | 24,240                    | 22,000                     | 22,000                    | 22,000                    |
| Use of money & property                  | 4,781                     | 2,000                      | 2,000                     | 2,000                     |
| Other revenue                            | 202                       | 500                        | 500                       | 500                       |
| <b>Total Information Systems</b>         | <b>527,201</b>            | <b>654,796</b>             | <b>698,600</b>            | <b>614,400</b>            |
| <b>TOTAL INTERNAL SERVICE REVENUE</b>    | <b>1,467,637</b>          | <b>1,593,620</b>           | <b>1,734,200</b>          | <b>1,653,500</b>          |
| <b>DEBT SERVICE FUNDS</b>                |                           |                            |                           |                           |
| <b>2008 Debt Service (44 and 45)</b>     |                           |                            |                           |                           |
| Tax Levy                                 | 1,547,677                 | 1,243,163                  | 1,594,100                 | 1,626,000                 |
| Bond Premium                             | -                         | -                          | -                         | -                         |
| Use of money & property                  | 1,124                     | 1,000                      | 1,000                     | 1,000                     |
| <b>Total 2008, Series A Debt Service</b> | <b>1,548,801</b>          | <b>1,244,163</b>           | <b>1,595,100</b>          | <b>1,627,000</b>          |
| <b>TOTAL DEBT SERVICE REVENUE</b>        | <b>1,548,801</b>          | <b>1,244,163</b>           | <b>1,595,100</b>          | <b>1,627,000</b>          |
| <b>CAPITAL PROJECTS (31)</b>             |                           |                            |                           |                           |
| Intergovernmental                        | -                         | 3,303,927                  | 13,757,800                | -                         |
| Use of money & property                  | 10,000                    | 2,000                      | -                         | -                         |
| Transfers In                             | 2,120,539                 | 1,001,988                  | 1,797,670                 | 2,525,000                 |
| <b>TOTAL CAPITAL PROJECTS REVENUE</b>    | <b>2,130,539</b>          | <b>4,307,915</b>           | <b>15,555,470</b>         | <b>2,525,000</b>          |
| <b>TOTAL REVENUES ALL FUNDS</b>          | <b>\$ 43,416,559</b>      | <b>\$ 43,714,113</b>       | <b>\$ 59,335,470</b>      | <b>\$ 46,708,500</b>      |

## SUMMARY OF ALL FUNDS EXPENDITURES

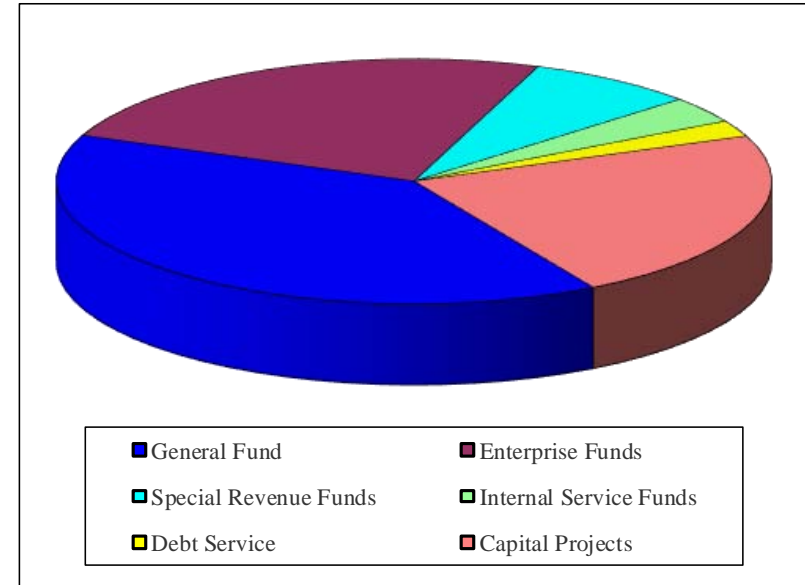
**FISCAL YEAR 2017-18**



|                        |        |                   |
|------------------------|--------|-------------------|
| General Fund           | 39.45% | \$ 23,055,400     |
| Enterprise Funds       | 24.53% | 14,339,600        |
| Special Revenue Funds  | 7.69%  | 4,497,070         |
| Internal Service Funds | 3.49%  | 2,038,800         |
| Debt Service           | 2.16%  | 1,261,300         |
| Capital Projects       | 22.68% | <u>13,255,500</u> |

**Total All Funds** **\$58,447,670**

**FISCAL YEAR 2018-19**



|                        |        |                  |
|------------------------|--------|------------------|
| General Fund           | 44.79% | \$ 22,843,000    |
| Enterprise Funds       | 31.12% | 15,872,000       |
| Special Revenue Funds  | 10.28% | 5,240,700        |
| Internal Service Funds | 3.69%  | 1,884,400        |
| Debt Service           | 2.52%  | 1,284,900        |
| Capital Projects       | 7.60%  | <u>3,875,000</u> |

**Total All Funds** **\$51,000,000**

## SUMMARY OF EXPENDITURES BY FUND TYPE & CATEGORY

| <b>EXPENSE - By Fund Type</b>                     | <b>2015-16<br/>Actuals</b> | <b>2016-17<br/>Revised</b> | <b>2017-18<br/>Budget</b> | <b>2018-19<br/>Budget</b> |
|---|----------------------------|----------------------------|---------------------------|---------------------------|
| General Fund                                      | \$ 20,274,567              | \$ 22,312,941              | \$ 23,055,400             | \$ 22,843,000             |
| Enterprise Funds                                  | 19,297,711                 | 20,816,242                 | 14,339,600                | 15,872,000                |
| Special Revenue Funds                             | 3,659,369                  | 2,694,925                  | 4,497,070                 | 5,240,700                 |
| Internal Service Funds                            | 1,482,085                  | 1,876,260                  | 2,038,800                 | 1,884,400                 |
| Debt Service Fund                                 | 1,236,363                  | 1,246,663                  | 1,261,300                 | 1,284,900                 |
| Capital Improvement Program                       | 3,189,949                  | 6,343,904                  | 13,255,500                | 3,875,000                 |
| <b>Total Expenditures Including Transfers Out</b> | <b>\$ 49,140,042</b>       | <b>\$ 55,290,935</b>       | <b>\$ 58,447,670</b>      | <b>\$ 51,000,000</b>      |

| <b>EXPENSE - By Category</b>                      | <b>2015-16<br/>Actuals</b> | <b>2016-17<br/>Projected</b> | <b>2017-18<br/>Budget</b> | <b>2018-19<br/>Budget</b> |
|---|----------------------------|------------------------------|---------------------------|---------------------------|
| General Government                                | \$ 1,234,238               | \$ 1,228,127                 | \$ 1,167,100              | \$ 1,200,800              |
| Nondepartmental Services                          | 1,389,051                  | 2,098,433                    | 1,663,400                 | 1,861,400                 |
| Administrative Services                           | 3,243,629                  | 3,464,737                    | 3,746,800                 | 3,645,300                 |
| Public Works                                      | 3,655,605                  | 4,090,342                    | 3,989,100                 | 4,026,600                 |
| Police  | 10,746,887                 | 11,236,877                   | 11,134,400                | 11,403,300                |
| Community Development                             | 2,830,364                  | 3,606,060                    | 5,236,100                 | 5,214,000                 |
| Water System                                      | 10,605,658                 | 11,594,389                   | 11,251,600                | 11,564,000                |
| Marina  | 96,602                     | 85,300                       | 111,500                   | 111,600                   |
| Parking Services                                  | 242,805                    | 839,316                      | 530,800                   | 718,600                   |
| Debt Service                                      | 10,307,121                 | 2,472,691                    | 2,487,800                 | 2,499,400                 |
| Capital Improvement Program                       | 2,471,835                  | 13,415,113                   | 14,020,500                | 5,675,000                 |
| Total Expenditures                                | 46,823,796                 | 54,131,385                   | 55,339,100                | 47,920,000                |
| Transfers To Other Funds                          | 2,316,246                  | 1,159,550                    | 3,108,570                 | 3,080,000                 |
| <b>Total Expenditures Including Transfers Out</b> | <b>\$ 49,140,042</b>       | <b>\$ 55,290,935</b>         | <b>\$ 58,447,670</b>      | <b>\$ 51,000,000</b>      |

## ALL FUNDS EXPENDITURES BY DEPARTMENT

|   | <u>2015-16<br/>Actual</u> | <u>2016-17<br/>Revised</u> | <u>2017-18<br/>Budget</u> | <u>2018-19<br/>Budget</u> |
|---|---------------------------|----------------------------|---------------------------|---------------------------|
| <b>GENERAL FUND</b>                               |                           |                            |                           |                           |
| City Council                                      | \$275,860                 | \$293,176                  | \$212,400                 | \$212,200                 |
| City Clerk  | 164,758                   | 219,871                    | 162,600                   | 198,900                   |
| City Treasurer                                    | 18,272                    | 19,932                     | 18,900                    | 19,400                    |
| City Manager                                      | 441,576                   | 487,648                    | 440,700                   | 437,800                   |
| City Attorney                                     | 333,772                   | 207,500                    | 332,500                   | 332,500                   |
| <b>Total General Government Expenditures</b>      | 1,234,238                 | 1,228,127                  | 1,167,100                 | 1,200,800                 |
| General Services                                  | 98,302                    | 277,916                    | 133,300                   | 136,000                   |
| Contingencies                                     |                           | 132,000                    | 150,000                   | 150,000                   |
| Retiree Benefits                                  | 1,290,749                 | 1,688,517                  | 1,380,100                 | 1,575,400                 |
| <b>Total Non-departmental Expenditures</b>        | 1,389,051                 | 2,098,433                  | 1,663,400                 | 1,861,400                 |
| Administration                                    | 357,774                   | 283,635                    | 352,400                   | 355,800                   |
| Human Resources                                   | 244,138                   | 196,019                    | 409,000                   | 381,700                   |
| Finance   | 743,213                   | 617,675                    | 750,400                   | 757,000                   |
| Community Services Administration                 | 358,423                   | 400,733                    | 391,000                   | 389,100                   |
| Cultural & Arts                                   | 28,596                    | 59,969                     | 67,500                    | 67,600                    |
| General Recreation                                | 37,679                    | 44,864                     | 46,700                    | 46,700                    |
| Municipal Swimming Pool                           | 332,414                   | 292,436                    | 352,000                   | 354,400                   |
| Amphitheatre                                      | 24,754                    | 9,053                      | 8,400                     | 8,600                     |
| Day Care  | 715                       | 1,201                      | 1,200                     | 1,200                     |
| Sports Programs                                   | 33,708                    | 62,688                     | 47,500                    | 48,100                    |
| Senior Center Programs                            | 349,871                   | 390,054                    | 397,500                   | 407,800                   |
| Alzheimer Respite                                 | 12,663                    | 12,313                     | 33,200                    | 33,800                    |
| <b>Total Administrative Services Expenditures</b> | 2,523,948                 | 2,370,640                  | 2,856,800                 | 2,851,800                 |

|   |                      |                      |                      |                      |
|---|----------------------|----------------------|----------------------|----------------------|
| Inspection                                  | 733,767              | 767,973              | 773,900              | 776,900              |
| Code Enforcement                            | 58,209               | 92,273               | 78,900               | 78,200               |
| Traffic Control Maintenance                 | 129,295              | 160,720              | 153,600              | 166,600              |
| Street Lighting                             | 315,753              | 354,926              | 341,600              | 351,500              |
| Parks/Grounds Maintenance                   | 1,356,102            | 1,548,438            | 1,535,900            | 1,547,100            |
| Cemetery Maintenance                        | 3,514                | 3,250                | 3,300                | 3,300                |
| Open Space Maintenance                      | 154,987              | 143,998              | 156,800              | 158,200              |
| Public Facilities Maintenance               | 185,024              | 262,786              | 251,200              | 254,200              |
| City Hall Building Maintenance              | -                    | 906                  | -                    | -                    |
| Maintenance Services                        | 718,953              | 755,072              | 693,900              | 690,600              |
| <b>Total Public Works Expenditures</b>      | <b>3,655,605</b>     | <b>4,090,342</b>     | <b>3,989,100</b>     | <b>4,026,600</b>     |
| Police Administration                       | 1,161,492            | 1,356,882            | 1,348,500            | 1,363,600            |
| Investigative Services                      | 1,141,684            | 1,233,167            | 1,242,400            | 1,253,800            |
| Support Services                            | 1,376,538            | 1,660,351            | 1,504,300            | 1,516,800            |
| Traffic Enforcement                         | 102,812              | 141,579              | 171,000              | 168,200              |
| Patrol Bureau                               | 6,595,358            | 6,678,818            | 6,734,500            | 6,979,800            |
| Emergency Services                          | 17,692               | 19,750               | 23,700               | 21,100               |
| <b>Total Police Department Expenditures</b> | <b>10,395,575</b>    | <b>11,090,547</b>    | <b>11,024,400</b>    | <b>11,303,300</b>    |
| Community Development                       | 1,387                | 15,222               | 273,200              | 272,600              |
| Economic Development                        | 195,880              | 236,302              | 413,400              | 419,100              |
| Planning                                    | 383,362              | 530,790              | 348,900              | 348,300              |
| Engineering                                 | 292,267              | 331,538              | 470,100              | 475,100              |
| <b>Total Community Development</b>          | <b>872,896</b>       | <b>1,113,852</b>     | <b>1,505,600</b>     | <b>1,515,100</b>     |
| <b>Total General Fund Operating</b>         | <b>20,071,313</b>    | <b>21,991,941</b>    | <b>22,206,400</b>    | <b>22,759,000</b>    |
| Transfers Out                               | 203,254              | 321,000              | 849,000              | 84,000               |
| <b>TOTAL GENERAL FUND</b>                   | <b>\$ 20,274,567</b> | <b>\$ 22,312,941</b> | <b>\$ 23,055,400</b> | <b>\$ 22,843,000</b> |

|                                | 2015-16<br>Actual           | 2016-17<br>Revised          | 2017-18<br>Budget           | 2018-19<br>Budget           |
|--------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>ENTERPRISE FUNDS</b>        |                             |                             |                             |                             |
| <b>Water System</b>            |                             |                             |                             |                             |
| Water Administration           | \$ 3,987,351                | \$ 3,960,115                | \$ 4,148,500                | \$ 4,207,200                |
| Water Treatment                | 4,782,239                   | 5,531,478                   | 5,594,100                   | 5,777,100                   |
| Water Distribution             | 1,836,068                   | 2,102,796                   | 1,963,200                   | 2,043,000                   |
| Transfers Out                  | -                           | -                           | -                           | -                           |
| Capital Improvement Program    | 6,902,721                   | 6,709,388                   | -                           | 1,800,000                   |
| Debt Service                   | 1,146,725                   | 1,156,028                   | 1,155,200                   | 1,143,200                   |
| <b>Total Water System</b>      | <u>18,655,103</u>           | <u>19,459,805</u>           | <u>12,861,000</u>           | <u>14,970,500</u>           |
| <b>Marina</b>                  |                             |                             |                             |                             |
| Administraion                  | 67,313                      | 51,877                      | 78,100                      | 78,100                      |
| Operations                     | 29,290                      | 33,423                      | 33,400                      | 33,500                      |
| Capital Improvement Program    | 68,805                      | 361,821                     | 765,000                     | -                           |
| Debt Service                   | 88,748                      | 70,000                      | 71,300                      | 71,300                      |
| <b>Total Marina</b>            | <u>254,155</u>              | <u>517,121</u>              | <u>947,800</u>              | <u>182,900</u>              |
| <b>Parking Services</b>        |                             |                             |                             |                             |
| Parking Services               | 242,805                     | 358,528                     | 395,800                     | 368,600                     |
| Capital Projects               | 145,646                     | 480,788                     | 135,000                     | 350,000                     |
| <b>Total Parking Services</b>  | <u>388,452</u>              | <u>839,316</u>              | <u>530,800</u>              | <u>718,600</u>              |
| <b>TOTAL ENTERPRISE FUNDS</b>  | <u><u>\$ 19,297,711</u></u> | <u><u>\$ 20,816,242</u></u> | <u><u>\$ 14,339,600</u></u> | <u><u>\$ 15,872,000</u></u> |
| <b>DEBT SERVICE</b>            |                             |                             |                             |                             |
| Debt Service                   | \$ 1,236,363                | \$ 1,246,663                | \$ 1,261,300                | \$ 1,284,900                |
| <b>TOTAL DEBT SERVICE FUND</b> | <u><u>\$ 1,236,363</u></u>  | <u><u>\$ 1,246,663</u></u>  | <u><u>\$ 1,261,300</u></u>  | <u><u>\$ 1,284,900</u></u>  |

|  | 2015-16<br>Actual | 2016-17<br>Revised | 2017-18<br>Budget | 2018-19<br>Budget |
|--|-------------------|--------------------|-------------------|-------------------|
| <b>SPECIAL REVENUE FUNDS</b>           |                   |                    |                   |                   |
| <b>Public Safety Grants</b>            |                   |                    |                   |                   |
| ABC Grant                              | \$ 10,910         | \$ -               | \$ -              | \$ -              |
| Supplemental Law Enforcement (SLESF)   | 109,122           | 100,000            | 110,000           | 100,000           |
| Federal Asset Forfeiture               | 4,538             | -                  | -                 | -                 |
| C.E.R.T.                               | 928               | 46,330             | -                 | -                 |
| Swat Fund                              | 2,079             | -                  | -                 | -                 |
| California 911                         | 215,229           | -                  | -                 | -                 |
| East Bay Regional Radio Communications | 8,507             | -                  | -                 | -                 |
| <b>Total Public Safety</b>             | <b>351,312</b>    | <b>146,330</b>     | <b>110,000</b>    | <b>100,000</b>    |
| <b>NPDES</b>                           |                   |                    |                   |                   |
| Municipal Maintenance                  | 223,664           | 248,216            | 246,100           | 245,400           |
| Agency Administration                  | 203,667           | 190,544            | 192,600           | 198,100           |
| Transfers Out                          | 150,700           | 131,550            | 350,700           | 100,700           |
| <b>Total NPDES</b>                     | <b>578,031</b>    | <b>570,310</b>     | <b>789,400</b>    | <b>544,200</b>    |
| <b>Local Measure C/J</b>               |                   |                    |                   |                   |
| Measure J - Local                      | 138,213           | 230,381            | 232,800           | 240,100           |
| Transfers Out                          | 650,000           | 300,000            | 835,000           | 100,000           |
| <b>Total Local Measure C/J</b>         | <b>788,213</b>    | <b>530,381</b>     | <b>1,067,800</b>  | <b>340,100</b>    |
| <b>Recycle</b>                         |                   |                    |                   |                   |
| Recycle                                | 159,152           | 77,097             | 86,000            | 86,400            |
| <b>Total Recycle</b>                   | <b>159,152</b>    | <b>77,097</b>      | <b>86,000</b>     | <b>86,400</b>     |

|                                       | 2015-16<br>Actual   | 2016-17<br>Revised  | 2017-18<br>Budget   | 2018-19<br>Budget   |
|---------------------------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Gas Tax</b>                        |                     |                     |                     |                     |
| Street Maintenance                    | 170,177             | 280,394             | 331,100             | 331,900             |
| Arterial Maintenance                  | 180,034             | 244,276             | 246,000             | 247,700             |
| Transfers Out                         | 716,753             | 357,000             | 232,000             | 432,000             |
| <b>Total Gas Tax</b>                  | <u>1,066,964</u>    | <u>881,670</u>      | <u>809,100</u>      | <u>1,011,600</u>    |
| <b>Mitigation Fees</b>                |                     |                     |                     |                     |
| Traffic                               | -                   | -                   | -                   | -                   |
| Transfer Out                          | 595,539             | 50,000              | 387,670             | 235,000             |
| <b>Total Mitigation Fees</b>          | <u>595,539</u>      | <u>50,000</u>       | <u>387,670</u>      | <u>235,000</u>      |
| <b>Lighting &amp; Landscape</b>       |                     |                     |                     |                     |
| Village Oaks                          | 4,242               | 5,561               | 5,500               | 5,500               |
| Muir Station                          | 8,250               | 10,023              | 10,600              | 10,700              |
| Creekside                             | 4,283               | 5,881               | 21,000              | 6,000               |
| Brittany Hills                        | 37,685              | 72,393              | 74,300              | 75,000              |
| Vista Oaks                            | 13,831              | 15,089              | 25,300              | 15,400              |
| Costco Center                         | 6,392               | 9,219               | 8,300               | 8,300               |
| Terra Vista                           | 5,420               | 7,835               | 8,600               | 8,600               |
| LL AD 2003                            | 23,607              | 28,136              | 28,500              | 28,700              |
| <b>Total Lighting &amp; Landscape</b> | <u>103,709</u>      | <u>154,137</u>      | <u>182,100</u>      | <u>158,200</u>      |
| <b>PEG Access</b>                     |                     |                     |                     |                     |
| PEG Access                            | 16,449              | 285,000             | 65,000              | 65,200              |
| <b>Total PEG Access</b>               | <u>16,449</u>       | <u>285,000</u>      | <u>65,000</u>       | <u>65,200</u>       |
| <b>Measure D</b>                      |                     |                     |                     |                     |
| Measure D                             | 0                   | 0                   | 1,000,000           | 2,700,000           |
| <b>Total Measure D</b>                | <u>0</u>            | <u>0</u>            | <u>1,000,000</u>    | <u>2,700,000</u>    |
| <b>TOTAL SPECIAL REVENUE FUNDS</b>    | <u>\$ 3,659,369</u> | <u>\$ 2,694,925</u> | <u>\$ 4,497,070</u> | <u>\$ 5,240,700</u> |

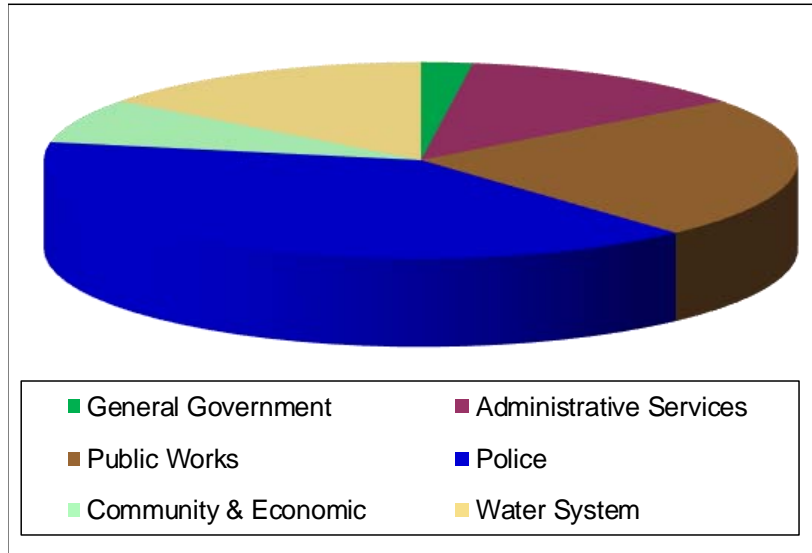
|                                     | 2015-16<br>Actual   | 2016-17<br>Revised  | 2017-18<br>Budget   | 2018-19<br>Budget   |
|-------------------------------------|---------------------|---------------------|---------------------|---------------------|
| <b>INTERNAL SERVICE FUNDS</b>       |                     |                     |                     |                     |
| <b>Equipment Replacement</b>        |                     |                     |                     |                     |
| Equipment Replacement               | \$ 938,005          | \$ 1,144,260        | \$ 1,299,800        | \$ 1,242,500        |
| <b>Total Equipment Replacement</b>  | 938,005             | 1,144,260           | 1,299,800           | 1,242,500           |
| <b>Information Systems</b>          |                     |                     |                     |                     |
| Information Systems                 | 544,080             | 732,000             | 739,000             | 641,900             |
| <b>Total Information Systems</b>    | 544,080             | 732,000             | 739,000             | 641,900             |
| <b>TOTAL INTERNAL SERVICE FUNDS</b> | <b>\$ 1,482,085</b> | <b>\$ 1,876,260</b> | <b>\$ 2,038,800</b> | <b>\$ 1,884,400</b> |
| <br><b>CAPITAL PROJECTS</b>         |                     |                     |                     |                     |
| <b><u>Drainage</u></b>              |                     |                     |                     |                     |
| Annual Storm Drain Project (C3008)  | \$ -                | \$ 50,000           | \$ 50,000           | \$ 50,000           |
| 2017 Storm Damage                   |                     |                     | 600,000             |                     |
| Linton Terrace Culvert Replacement  |                     |                     | 300,000             |                     |
| Creek Channel Maintenance (3002)    |                     | 50,000              |                     | 50,000              |
| <b>Total Drainage</b>               | 0                   | 100,000             | 950,000             | 100,000             |
| <b><u>Public Buildings</u></b>      |                     |                     |                     |                     |
| City Hall (4014)                    | 17,608              | \$ -                | \$ -                | \$ -                |
| Amtrak Station Improvements         | 128,050             |                     |                     |                     |
| Morello Daycare Improvements        |                     | 50,000              |                     |                     |
| Sr. Center Improvements (4008)      | 17,779              |                     |                     |                     |
| Cultural Facilities Improvements    |                     |                     | 100,000             | 200,000             |
| <b>Total Public Buildings</b>       | 163,437             | 50,000              | 100,000             | 200,000             |

|  | <b>2015-16<br/>Actual</b> | <b>2016-17<br/>Revised</b> | <b>2017-18<br/>Budget</b> | <b>2018-19<br/>Budget</b> |
|--|---------------------------|----------------------------|---------------------------|---------------------------|
| <b><u>Parks and Trails</u></b>                 |                           |                            |                           |                           |
| Beautification (C1003)                         | 3,172                     | 1,922                      | .                         | .                         |
| Bay Trail Phase 2 (C2002)                      | 0                         | .                          | .                         | .                         |
| Waterfront Road Open Space (C5002)             | .                         | 0                          | .                         | .                         |
| Waterfront Park (C5017)                        | .                         | .                          | 1,739,500                 | .                         |
| Dog Park                                       | .                         | 35,000                     | .                         | .                         |
| Downtown Bicycle Project (C2006)               | 0                         | 0                          | .                         | .                         |
| Marina Vista Bicycle Project (C2009)           | 112,615                   | .                          | .                         | .                         |
| Sports Field Utilization Study                 | .                         | .                          | 35,000                    | .                         |
| Shell Ave Pedestrian/Bicycle Project (C2008)   | 25                        | .                          | .                         | .                         |
| Alhambra Creek Plaza Improvements (C4006)      | 11,171                    | .                          | .                         | .                         |
| <b>Total Parks and Trails</b>                  | <b>126,983</b>            | <b>36,922</b>              | <b>1,774,500</b>          | <b>.</b>                  |
| <b><u>Streets</u></b>                          |                           |                            |                           |                           |
| Annual Pavement Mgt. (C1056/C1052)             | 1,434,480                 | 1,915,520                  | 900,000                   | 2,100,000                 |
| Paving (1044)                                  | 148,431                   | -                          | -                         | -                         |
| Alhambra Valley Road Sidewalk (C2007)          | 25                        | -                          | -                         | -                         |
| Storm Drain & Streets GIS System (C1053/C1054) | 775                       | 190,700                    | 0                         | 0                         |
| Sign Inventory (C1054)                         | -                         | 100,000                    | -                         | -                         |
| Handicap Access Program (C1010)                | -                         | 128,615                    | 25,000                    | 25,000                    |
| Sidewalk Repair Project (C1040)                | 4,000                     | 121,350                    | -                         | -                         |
| Main Street Improvements (C1034)               | 4,960                     | -                          | -                         | -                         |
| Downtown PDA Pavement Restoration (C1047)      | 6,650                     | 1,708,104                  | -                         | -                         |
| Downtown Tree Lighting                         | 10,075                    | -                          | -                         | -                         |
| Pacheco Blvd Improvements (C1048)              | 273,192                   | -                          | -                         | -                         |
| Intermodal Phase III (C6006)                   | 894,999                   | 1,992,693                  | 4,826,300                 | -                         |
| Pacheco Blvd at Arnold                         | -                         | -                          | 1,500,000                 | -                         |
| Reliez Valley Paving (C1046)                   | -                         | -                          | 227,000                   | -                         |
| Ward Street Undergrounding                     | -                         | -                          | 1,600,000                 | -                         |
| Pavement Management Design                     | -                         | -                          | -                         | 200,000                   |
| Downtown Pavement Restoration OBAG2            | -                         | -                          | -                         | 250,000                   |
| Major Street Project Development               | -                         | -                          | -                         | 200,000                   |
| Bus Stop Improvements (6010)                   | -                         | -                          | -                         | 50,000                    |
| <b>Total Streets</b>                           | <b>2,777,587</b>          | <b>6,156,982</b>           | <b>9,230,970</b>          | <b>2,825,000</b>          |

|                                     | <b>2015-16<br/>Actual</b>   | <b>2016-17<br/>Revised</b>  | <b>2017-18<br/>Budget</b>   | <b>2018-19<br/>Budget</b>   |
|-------------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b><u>Community Programs</u></b>    |                             |                             |                             |                             |
| General Plan (C4000)                | 15,576                      | -                           | -                           | -                           |
| <b>Total Community Programs</b>     | 15,576                      | 0                           |                             |                             |
| <b><u>Measure H</u></b>             |                             |                             |                             |                             |
| Waterfront Park (C5017)             | -                           | -                           | 0                           | -                           |
| Susana & Mt. View Parks (C5025)     | 138,413                     | -                           | -                           | -                           |
| 2017-18 Park Improvement Projects   | -                           | -                           | 1,200,000                   | -                           |
| Ball Field Renovation               | -                           | -                           | -                           | 750,000                     |
| <b>Total Measure H</b>              | 138,413                     | 0                           | 1,200,000                   | 750,000                     |
| <b>TOTAL CAPITAL PROJECTS</b>       | <b><u>\$ 3,221,997</u></b>  | <b><u>\$ 6,343,904</u></b>  | <b><u>\$ 13,255,470</u></b> | <b><u>\$ 3,875,000</u></b>  |
| <b>TOTAL EXPENDITURES ALL FUNDS</b> | <b><u>\$ 49,172,090</u></b> | <b><u>\$ 55,290,935</u></b> | <b><u>\$ 58,447,640</u></b> | <b><u>\$ 51,000,000</u></b> |

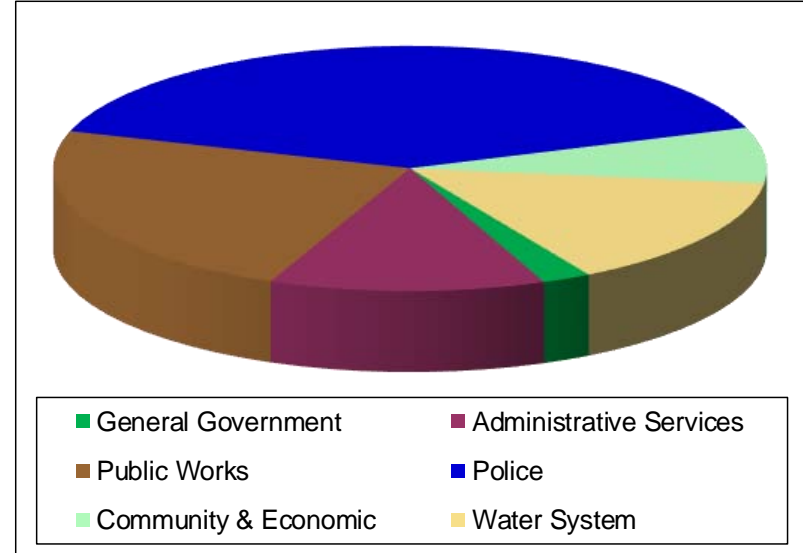
## STAFFING SUMMARY

**FISCAL YEAR 2017-18**



|                         |        |                     |
|-------------------------|--------|---------------------|
| General Government      | 2.21%  | 3.0                 |
| Administrative Services | 12.50% | 17.0                |
| Public Works            | 23.53% | 32.0                |
| Police                  | 39.71% | 54.0                |
| Community & Economic    | 7.35%  | 10.0                |
| Water System            | 14.71% | 20.0                |
| <b>Total Staffing</b>   |        | <b><u>136.0</u></b> |

**FISCAL YEAR 2018-19**



|                         |        |                     |
|-------------------------|--------|---------------------|
| General Government      | 2.21%  | 3.0                 |
| Administrative Services | 12.50% | 17.0                |
| Public Works            | 23.53% | 32.0                |
| Police                  | 39.71% | 54.0                |
| Community & Economic    | 7.35%  | 10.0                |
| Water System            | 14.71% | 20.0                |
| <b>Total Staffing</b>   |        | <b><u>136.0</u></b> |

## SUMMARY OF AUTHORIZED POSITIONS

|   | FISCAL YEAR<br>2015-16 | FISCAL YEAR<br>2016-17 | FISCAL YEAR<br>2017-18 | FISCAL YEAR<br>2018-19 |
|---|------------------------|------------------------|------------------------|------------------------|
| <b>GENERAL GOVERNMENT</b>               |                        |                        |                        |                        |
| City Manager                            | 1.0                    | 1.0                    | 1.0                    | 1.0                    |
| Executive Assistant to City Manager     | 1.0                    | 1.0                    | 1.0                    | 1.0                    |
| Deputy City Clerk                       | 1.0                    | 1.0                    | 1.0                    | 1.0                    |
|   | 3.0                    | 3.0                    | 3.0                    | 3.0                    |
| <b>ADMINISTRATIVE SERVICES</b>          |                        |                        |                        |                        |
| Assistant City Manager                  | 1.0                    | 1.0                    | 1.0                    | 1.0                    |
| Deputy Administrative Services Director | 0.0                    | 0.0                    | 1.0                    | 1.0                    |
| Assistant To the City Manager           | 1.0                    | 1.0                    | 0.0                    | 0.0                    |
| Human Resources Analyst                 | 0.0                    | 1.0                    | 1.0                    | 1.0                    |
| Human Resources Technician              | 1.0                    | 1.0                    | 1.0                    | 1.0                    |
| Finance Manager                         | 1.0                    | 1.0                    | 1.0                    | 1.0                    |
| Accountant                              | 1.0                    | 1.0                    | 1.0                    | 1.0                    |
| Senior Account Technician               | 2.0                    | 2.0                    | 2.0                    | 2.0                    |
| Account Technician III                  | 1.0                    | 1.0                    | 1.0                    | 1.0                    |
| Account Technician II                   | 2.0                    | 2.0                    | 2.0                    | 2.0                    |
| Information Technology Administrator    | 1.0                    | 1.0                    | 1.0                    | 1.0                    |
| Recreation Supervisor                   | 1.0                    | 1.0                    | 1.0                    | 1.0                    |
| Recreation Coordinator                  | 1.0                    | 1.0                    | 1.0                    | 1.0                    |
| Administrative Aide III                 | 1.0                    | 1.0                    | 1.0                    | 1.0                    |
| Senior Citizen Supervisor               | 1.0                    | 1.0                    | 1.0                    | 1.0                    |
| Senior Citizen Coordinator              | 0.8                    | 0.8                    | 1.0                    | 1.0                    |
|   | 15.8                   | 16.8                   | 17.0                   | 17.0                   |
| <b>PUBLIC WORKS DEPARTMENT</b>          |                        |                        |                        |                        |
| Public Works Director                   | 1.0                    | 1.0                    | 1.0                    | 1.0                    |
| Deputy Public Works Director            | 1.0                    | 1.0                    | 1.0                    | 1.0                    |
| Code Enforcement Inspector *            | 1.0                    | 1.0                    | 1.0                    | 1.0                    |
| Sr. Construction Inspector              | 1.0                    | 1.0                    | 1.0                    | 1.0                    |
| Sr. Building Inspector                  | 1.0                    | 1.0                    | 1.0                    | 1.0                    |

| <b>PUBLIC WORKS DEPARTMENT (continued from previous page)</b> |      |      |      |      |
|---|------|------|------|------|
| Building Inspector  | 1.0  | 1.0  | 1.0  | 1.0  |
| Permit Technician   | 1.0  | 1.0  | 1.0  | 1.0  |
| Public Works Superintendent                                   | 1.0  | 1.0  | 1.0  | 1.0  |
| Maintenance Supervisor  | 1.0  | 1.0  | 1.0  | 1.0  |
| Maintenance Lead Worker                                       | 1.0  | 1.0  | 1.0  | 1.0  |
| Maintenance Worker  | 6.0  | 6.0  | 6.0  | 6.0  |
| Senior Fleet Mechanic   | 0.0  | 1.0  | 1.0  | 1.0  |
| Equipment Mechanic  | 2.0  | 1.0  | 1.0  | 1.0  |
| Account Technician II   | 1.0  | 1.0  | 1.0  | 1.0  |
| Senior Custodian  | 1.0  | 1.0  | 1.0  | 1.0  |
| Park Supervisor   | 1.0  | 1.0  | 1.0  | 1.0  |
| Park Lead Caretaker   | 3.0  | 3.0  | 3.0  | 3.0  |
| Park Caretaker  | 7.0  | 8.0  | 8.0  | 8.0  |
|   | 31.0 | 32.0 | 32.0 | 32.0 |
| <b>POLICE DEPARTMENT</b>                                      |      |      |      |      |
| Police Chief  | 1.0  | 1.0  | 1.0  | 1.0  |
| Police Captain  | 1.0  | 0.0  | 0.0  | 0.0  |
| Police Commander  | 0.0  | 2.0  | 2.0  | 2.0  |
| Police Lieutenant   | 2.0  | 0.0  | 0.0  | 0.0  |
| Administrative Secretary                                      | 1.0  | 1.0  | 1.0  | 1.0  |
| Police Sergeant   | 5.0  | 6.0  | 6.0  | 6.0  |
| Police Officer **   | 30.0 | 30.0 | 30.0 | 30.0 |
| Police Assistant  | 3.0  | 3.0  | 3.0  | 3.0  |
| Dispatch Supervisor   | 1.0  | 1.0  | 1.0  | 1.0  |
| Dispatcher I/II   | 7.0  | 7.0  | 7.0  | 7.0  |
| Records Supervisor  | 1.0  | 1.0  | 1.0  | 1.0  |
| Records Clerk   | 2.0  | 2.0  | 2.0  | 2.0  |
|   | 54.0 | 54.0 | 54.0 | 54.0 |
| <b>COMMUNITY and ECONOMIC DEVELOPMENT DEPARTMENT</b>          |      |      |      |      |
| Community & Economic Development Director                     | 0.0  | 1.0  | 1.0  | 1.0  |
| Economic Development Coordinator                              | 0.0  | 1.0  | 1.0  | 1.0  |
| Planning Manager  | 0.8  | 0.0  | 0.0  | 0.0  |

| <b>COMMUNITY and ECONOMIC DEVELOPMENT DEPARTMENT (continued from previous page)</b>  |              |              |              |              |
|--|--------------|--------------|--------------|--------------|
| Administrative Aide III  | 2.0          | 2.0          | 2.0          | 2.0          |
| Senior Planner   | 1.0          | 1.0          | 1.0          | 1.0          |
| Associate Planner ***  | 1.0          | 1.0          | 1.0          | 1.0          |
| City Engineer  | 1.0          | 1.0          | 1.0          | 1.0          |
| Senior Civil Engineer  | 1.0          | 1.0          | 1.0          | 1.0          |
| Associate Civil Engineer   | 1.0          | 1.0          | 1.0          | 1.0          |
| Assistant Engineer ***   | 1.0          | 1.0          | 1.0          | 1.0          |
|  | 8.8          | 10.0         | 10.0         | 10.0         |
| <b>WATER SYSTEM</b>  |              |              |              |              |
| Water Superintendent   | 1.0          | 1.0          | 1.0          | 1.0          |
| Assistant Water Superintendent   | 1.0          | 1.0          | 1.0          | 1.0          |
| Maintenance Supervisor   | 1.0          | 1.0          | 1.0          | 1.0          |
| Maintenance Lead Worker  | 2.0          | 2.0          | 2.0          | 2.0          |
| Maintenance Worker   | 2.0          | 2.0          | 2.0          | 2.0          |
| Senior Meter Service Worker  | 1.0          | 1.0          | 1.0          | 1.0          |
| Meter Service Worker   | 3.0          | 3.0          | 3.0          | 3.0          |
| Meter Repair Worker  | 1.0          | 1.0          | 1.0          | 1.0          |
| Senior Instrument Technician   | 1.0          | 1.0          | 1.0          | 1.0          |
| Water Operations Supervisor  | 1.0          | 1.0          | 1.0          | 1.0          |
| Water Plant Operator   | 5.0          | 6.0          | 6.0          | 6.0          |
|  | 19.0         | 20.0         | 20.0         | 20.0         |
| <b>TOTAL PERSONNEL</b>   | <b>131.6</b> | <b>135.8</b> | <b>136.0</b> | <b>136.0</b> |
| Notes:<br>*This position is funded at a part-time level in 2017/18 and 2018/19<br>**2 Police Officer are not funded in 2017/18 and 2018/19<br>***These positions are not funded in 2017/18 and 2018/19 |              |              |              |              |



## **Section 4: General Fund**

## GENERAL FUND - UNASSIGNED FUND BALANCE

|   | 2015-16<br>Actuals         | 2016-17<br>Projected       | 2017-18<br>Budget          | 2018-19<br>Budget          |
|---|----------------------------|----------------------------|----------------------------|----------------------------|
| Operating Revenues  | \$ 22,883,114              | \$ 21,858,409              | \$ 22,079,000              | \$ 22,541,200              |
| Operating Expenditures  | 20,071,313                 | 21,991,941                 | 22,206,400                 | 22,759,000                 |
| Excess of Revenues/(Expenditures)   | <u>2,811,801</u>           | <u>(133,532)</u>           | <u>(127,400)</u>           | <u>(217,800)</u>           |
| Transfer In-Water Enterprise  |                            |                            | 454,200                    | 463,300                    |
| Transfer In-Assigned Fund Balance:  |                            |                            | 765,000                    |                            |
| Transfer In-Assigned Fund Balance: Mitigation-Marina  |                            | <u>235,000</u>             |                            |                            |
| Total In/(Out)-Between Fund Balance   | 0                          | 235,000                    | 1,219,200                  | 463,300                    |
| Other Sources   |                            |                            |                            |                            |
| Transfer Out-Assigned Fund Balance:   |                            | (1,699,689)                |                            |                            |
| Transfers Out to Other Funds  | <u>(203,254)</u>           | <u>(321,000)</u>           | <u>(849,000)</u>           | <u>(84,000)</u>            |
| Total Other Sources (Uses)  | (203,254)                  | (2,020,689)                | (849,000)                  | (84,000)                   |
| Excess (deficiency) of revenues and other financing sources<br>over (under) expenditures and other financing uses | 2,608,547                  | (1,919,221)                | 242,800                    | 161,500                    |
| Beginning Unassigned Fund Balance   | <u>7,218,002</u>           | <u>9,826,549</u>           | <u>7,907,328</u>           | <u>8,150,128</u>           |
| <b>Ending Unassigned Fund Balance</b>   | <b><u>\$ 9,826,549</u></b> | <b><u>\$ 7,907,328</u></b> | <b><u>\$ 8,150,128</u></b> | <b><u>\$ 8,311,628</u></b> |

## GENERAL FUND - FUND BALANCE

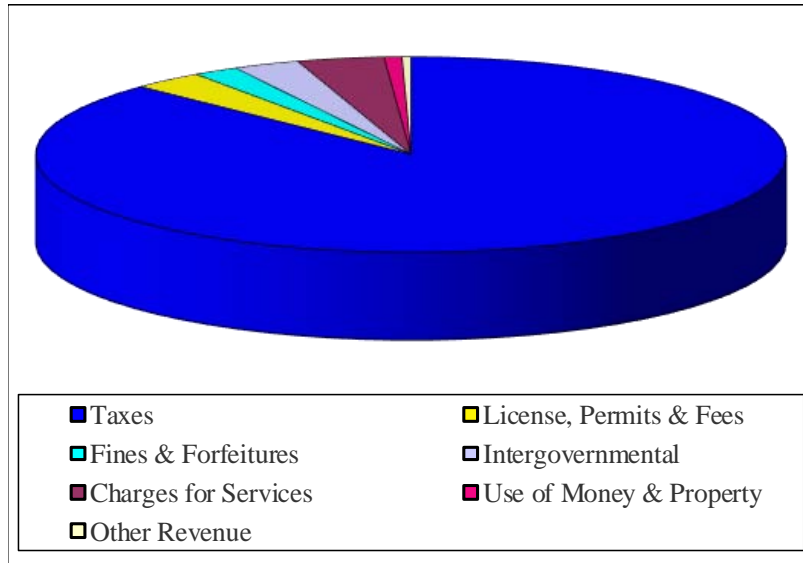
|                                      | 2015-16<br>Balance          | 2016-17<br>Balance          | 2017-18<br>Balance          | 2018-19<br>Balance          |
|--------------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>Fund Balance:</b>                 |                             |                             |                             |                             |
| <b><u>Nonspendable:</u></b>          |                             |                             |                             |                             |
| Advance to Other Funds               | \$ 17,841                   | \$ 17,841                   | \$ 17,841                   | \$ 17,841                   |
| Inventory and Prepaids               | 53,371                      | 53,371                      | 53,371                      | 53,371                      |
| Total Nonspendable                   | <u>71,212</u>               | <u>71,212</u>               | <u>71,212</u>               | <u>71,212</u>               |
| <b><u>Assigned</u></b>               |                             |                             |                             |                             |
| Future Pension Obligations           | 250,000                     | 1,099,845                   | 1,099,845                   | 1,099,845                   |
| Insurance                            | 582,425                     | 582,425                     | 582,425                     | 582,425                     |
| Capital Improvements                 | 1,416,554                   | 2,031,397                   | 1,266,397                   | 1,266,397                   |
| Retiree Benefits                     | 360,363                     | 360,363                     | 360,363                     | 360,363                     |
| Encumbrances                         | 394,918                     | 394,918                     | 394,918                     | 394,918                     |
| Special Events                       | 57,132                      | 57,132                      | 57,132                      | 57,132                      |
| SB1186 - Disability Access           | 2,762                       | 2,762                       | 2,762                       | 2,762                       |
| Seismic                              | 318                         | 318                         | 318                         | 318                         |
| Total Assigned                       | <u>3,064,472</u>            | <u>4,529,160</u>            | <u>3,764,160</u>            | <u>3,764,160</u>            |
| <b><u>Unassigned-Contingency</u></b> |                             |                             |                             |                             |
| Unassigned-Catastrophes              | 300,000                     | 300,000                     | 300,000                     | 300,000                     |
| Unassigned-Contingencies             | 100,000                     | 100,000                     | 100,000                     | 100,000                     |
| Unassigned-Economic Uncertainty      | 600,000                     | 600,000                     | 600,000                     | 600,000                     |
| Sub-total Unassigned-Contingency     | <u>1,000,000</u>            | <u>1,000,000</u>            | <u>1,000,000</u>            | <u>1,000,000</u>            |
| Unassigned                           | 8,826,549                   | 6,907,328                   | 7,150,128                   | 7,311,628                   |
| Total Unassigned                     | <u>9,826,549</u>            | <u>7,907,328</u>            | <u>8,150,128</u>            | <u>8,311,628</u>            |
| <b>Total Fund Balance</b>            | <b><u>\$ 12,962,233</u></b> | <b><u>\$ 12,507,700</u></b> | <b><u>\$ 11,985,500</u></b> | <b><u>\$ 12,147,000</u></b> |

## GENERAL FUND TRANSFER SUMMARY

| To Fund                     | From Fund                                      | Purpose              | Transfer In<br>(Transfer Out)<br>2015-16 | Transfer In<br>(Transfer Out)<br>2016-17 | Transfer In<br>(Transfer Out)<br>2017-18 | Transfer In<br>(Transfer Out)<br>2018-19 |
|-----------------------------|--|----------------------|--|--|--|--|
| <b><u>Transfers In</u></b>  |  |                      |  |  |  |  |
| Transfer from Other Funds   | <b>Water Enterprise</b>                        | Water In-Lieu        | \$ -                                     | \$ -                                     | \$ 454,200                               | \$ 463,300                               |
|                             | <b>Total Transfer In</b>                       |                      | 0  | 0  | 454,200                                  | 463,300                                  |
| <b><u>Transfers Out</u></b> |  |                      |  |  |  |  |
| Transfer to Other Funds     |  |                      |  |  |  |  |
| Water System                | General Fund                                   | Lifeline             | 20,254                                   | 28,000                                   | 28,000                                   | 28,000                                   |
| Marina System               | General Fund                                   | Mitigation           | 50,000                                   | 50,000                                   | 50,000                                   | 50,000                                   |
| Landscape District          | General Fund                                   | Lighting & Landscape | 8,000                                    | 8,000                                    | 6,000                                    | 6,000                                    |
|                             | Sub-Total Transfer Out Unassigned Fund Balance |                      | 78,254                                   | 86,000                                   | 84,000                                   | 84,000                                   |
| Capital Improvement         | Assigned Fund Balance                          |                      | 25,000                                   | 35,000                                   |  |  |
| Marina System               | Assigned Fund Balance Mitigation-Marina Dredge |                      | 100,000                                  | 200,000                                  | 765,000                                  |  |
|                             | Sub-Total Transfer Out Assigned Fund Balance   |                      | 125,000                                  | 235,000                                  | 765,000                                  | 0  |
|                             | <b>Total Transfer Out</b>                      |                      | 203,254                                  | 321,000                                  | 849,000                                  | 84,000                                   |
|                             | <b>TOTAL INTERFUND TRANSFERS</b>               |                      | <b>\$ (203,254)</b>                      | <b>\$ (321,000)</b>                      | <b>\$ (394,800)</b>                      | <b>\$ 379,300</b>                        |

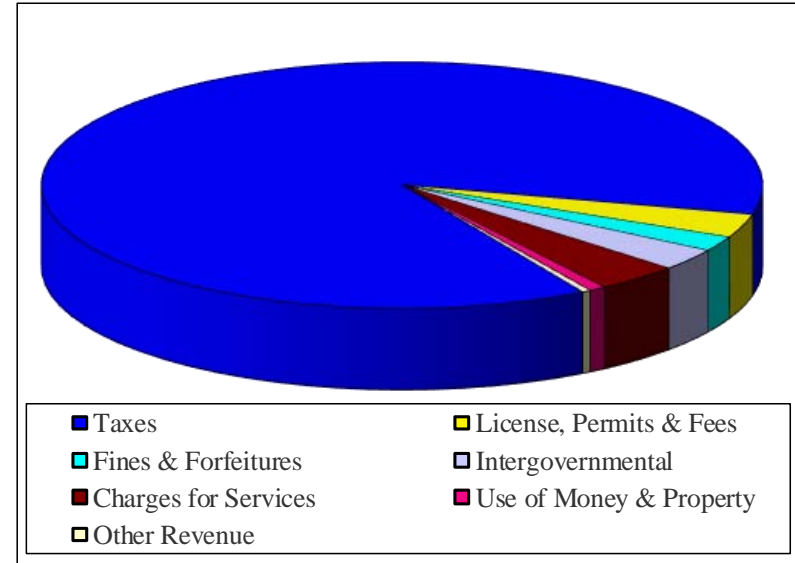
## GENERAL FUND REVENUES

**FISCAL YEAR 2017-18**



|                           |        |                      |
|---------------------------|--------|----------------------|
| Taxes                     | 85.43% | \$ 19,250,300        |
| License, Permits & Fees   | 3.02%  | 680,600              |
| Fines & Forfeitures       | 1.93%  | 435,000              |
| Intergovernmental         | 2.81%  | 632,100              |
| Charges for Services      | 3.67%  | 826,700              |
| Use of Money & Property   | 0.75%  | 169,300              |
| Other Revenue             | 0.38%  | 85,000               |
| Transfers In              | 2.02%  | <u>454,200</u>       |
| <b>Total General Fund</b> |        | <b>\$ 22,533,200</b> |

**FISCAL YEAR 2018-19**



|                           |        |                      |
|---------------------------|--------|----------------------|
| Taxes                     | 85.73% | \$ 19,722,600        |
| License, Permits & Fees   | 3.02%  | 694,200              |
| Fines & Forfeitures       | 1.89%  | 435,000              |
| Intergovernmental         | 2.55%  | 587,500              |
| Charges for Services      | 3.63%  | 834,100              |
| Use of Money & Property   | 0.79%  | 182,800              |
| Other Revenue             | 0.37%  | 85,000               |
| Transfers In              | 2.01%  | <u>463,300</u>       |
| <b>Total General Fund</b> |        | <b>\$ 23,004,500</b> |

## GENERAL FUND - REVENUES

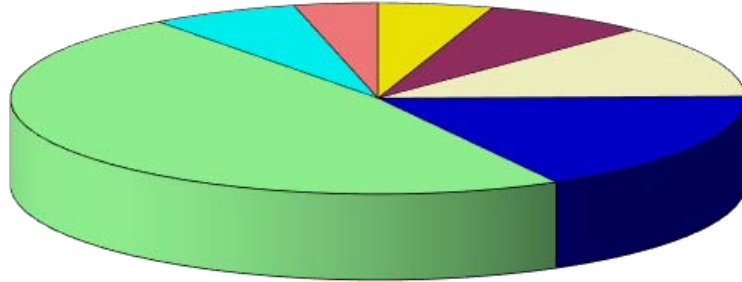
|  |   | 2015-16<br>Actual | 2016-17<br>Revised | 2017-18<br>Budget | 2018-19<br>Budget |
|--|---|-------------------|--------------------|-------------------|-------------------|
| <b><u>Taxes</u></b>                      |   |                   |                    |                   |                   |
| 4111                                     | Property Tax                            | \$ 7,755,254      | \$ 8,247,300       | \$ 8,372,900      | \$ 8,624,000      |
| 4115                                     | Sales & Use Tax                         | 4,017,775         | 4,400,000          | 4,488,000         | 4,577,800         |
| 4116                                     | Sales Tax In-Lieu                       | 990,039           | 0                  | 0                 |                   |
| 4117                                     | VLF Property Tax Swap                   | 2,951,290         | 3,101,100          | 3,246,100         | 3,311,000         |
| 4121                                     | Transient Occupancy Tax                 | 521,477           | 315,000            | 515,000           | 515,000           |
| 4122                                     | Business License Tax                    | 713,938           | 700,194            | 721,000           | 735,000           |
| 4123                                     | Franchise Fees                          | 1,624,289         | 1,640,000          | 1,685,600         | 1,727,000         |
| 4124                                     | Document Transfer Tax                   | 196,668           | 217,350            | 221,700           | 232,800           |
| 4130                                     | Water System In-Lieu Tax                | 436,561           | 445,292            | 0                 | 0                 |
|  | <b>Total Taxes</b>                      | <u>19,207,292</u> | <u>19,066,236</u>  | <u>19,250,300</u> | <u>19,722,600</u> |
| <b><u>License, Permit &amp; Fees</u></b> |   |                   |                    |                   |                   |
| 4430                                     | Building Permits                        | 594,088           | 504,700            | 490,000           | 499,800           |
| 4480.1                                   | Other Permits                           |                   | 1,500              | 1,500             | 1,500             |
| 4440                                     | Mechanical Permits                      | 245,962           | 185,400            | 189,100           | 192,900           |
|  | <b>Total License, Permit &amp; Fees</b> | <u>840,050</u>    | <u>691,600</u>     | <u>680,600</u>    | <u>694,200</u>    |
| <b><u>Fines &amp; Forfeitures</u></b>    |   |                   |                    |                   |                   |
| 4281                                     | Court Fines                             | 7,467             | 35,000             | 35,000            | 35,000            |
| 4282                                     | Traffic Safety Fund                     | 34,849            | 45,000             | 45,000            | 45,000            |
| 4283                                     | Parking Citations                       | 314,482           | 245,000            | 245,000           | 245,000           |
| 4285                                     | Tow Releases                            | 21,527            | 30,000             | 30,000            | 30,000            |
| 4286                                     | False Alarms                            | 200               |                    |                   |                   |
| 4287                                     | Enforcement Citations                   | 100               | 5,000              | 5,000             | 5,000             |
| 4290                                     | Abandoned Vehicles                      | 71,938            | 75,000             | 75,000            | 75,000            |
|  | <b>Total Fines &amp; Forfeitures</b>    | <u>450,562</u>    | <u>435,000</u>     | <u>435,000</u>    | <u>435,000</u>    |

|  |   | 2015-16<br>Actual | 2016-17<br>Revised | 2017-18<br>Budget | 2018-19<br>Budget |
|--|---|-------------------|--------------------|-------------------|-------------------|
| <b><u>Intergovernmental Agencies</u></b> |   |                   |                    |                   |                   |
| 4311                                     | Public Safety Sales Tax Prop 172        | 474,511           | 440,000            | 448,800           | 457,800           |
| 4330                                     | Motor Vehicle-In-Lieu VLF               | 15,084            |                    |                   |                   |
| 4340                                     | Homeowners Property Tax Relief          | 59,552            | 73,400             | 72,000            | 73,400            |
| 4521                                     | State Grant-POST Reimbursement          | 5,154             | 30,000             | 30,000            | 30,000            |
| 4530                                     | State Mandates                          | 114,283           | 25,000             | 25,000            | 25,000            |
| 4531.1                                   | Bulletproof Vest Grant                  | 2,184             | 1,300              | 1,300             | 1,300             |
| 4523                                     | Grants                                  | 0                 |                    | 55,000            |                   |
| 4524.4                                   | Measure WW Funds                        | 0                 |                    |                   |                   |
|  | <b>Total Intergovernmental Revenues</b> | <b>670,768</b>    | <b>569,700</b>     | <b>632,100</b>    | <b>587,500</b>    |
| <b><u>Charges for Service</u></b>        |   |                   |                    |                   |                   |
| 4450                                     | Planning Fees                           | 98,996            | 54,000             | 54,000            | 54,000            |
| 4610                                     | Lease Agreement Review                  | 10,570            |                    |                   |                   |
| 4621                                     | Public Works Inspections                | 221,654           | 190,400            | 190,400           | 190,400           |
| 4873                                     | Construction & Demolition               | 19,464            | 10,000             | 10,000            | 10,000            |
| 4622                                     | Engineering Plan Check Fees             | 286,725           | 109,000            | 109,000           | 109,000           |
| 4626                                     | Building Plan Check Fees                | 74,518            | 80,000             | 76,200            | 80,000            |
| 4430.1                                   | Micro-film Fees                         | 9,586             | 10,000             | 10,000            | 10,000            |
| 4631                                     | Police Services                         | 22,576            | 25,000             | 25,000            | 25,000            |
| 4665                                     | Park Maintenance Fee                    | 30,000            | 30,000             | 30,000            | 30,000            |
| 4644.5                                   | Field Usage Fees                        | 17,567            | 25,000             | 25,000            | 25,000            |
| 4643                                     | General Recreation Fees                 | 44,646            | 45,900             | 46,800            | 47,700            |
| 4643.1                                   | Recreation Class Fees                   | 14,005            | 18,360             | 18,700            | 19,100            |
| 4643.6                                   | Senior Center Classes                   | 47,991            | 45,000             | 45,000            | 45,000            |
| 4644.1                                   | Sports Programs                         | 15,542            | 16,000             | 16,300            | 16,600            |
| 4646                                     | Swimming Pool Admissions                | 118,320           | 10,000             | 10,200            | 10,400            |
| 4646.1                                   | Swim Lessons                            | 47,329            | 50,000             | 51,000            | 52,000            |
| 4646.2                                   | Pool Parties                            | 41,599            | 40,000             | 40,800            | 41,600            |
| 4646.3                                   | Contract Pool Use                       | 17,265            | 17,000             | 12,000            | 12,000            |
| 4646.4                                   | Water Aerobics                          | 11,666            | 12,000             | 12,000            | 12,000            |
| 4646.5                                   | Pool Sundries                           | 2,152             | 1,800              | 1,800             | 1,800             |
| 4644.3                                   | Tournament Revenue                      | 32,461            | 15,000             | 12,500            | 12,500            |
| 4648                                     | Respite Day Care Fees                   | 3,915             | 12,313             | 3,000             | 3,000             |
| 4650                                     | Maps & Publications                     | 4,452             |                    |                   |                   |
| 4651                                     | Planning Plan Check Fees                | 19,110            | 27,000             | 27,000            | 27,000            |
|  | <b>Total Charges for Services</b>       | <b>1,212,107</b>  | <b>843,773</b>     | <b>826,700</b>    | <b>834,100</b>    |

|   |  | <b>2015-16</b>       | <b>2016-17</b>       | <b>2017-18</b>       | <b>2018-19</b>       |
|---|--|----------------------|----------------------|----------------------|----------------------|
|   |  | <b>Actual</b>        | <b>Revised</b>       | <b>Budget</b>        | <b>Budget</b>        |
| <b><u>Use of Money &amp; Property</u></b> |  |                      |                      |                      |                      |
| 4752                                      | Park Rental                              | 43,867               | 45,000               | 45,000               | 56,300               |
| 4753                                      | Concession                               | 6,966                | 10,000               | 10,000               | 10,000               |
| 4701                                      | Interest Income                          | 123,599              | 35,000               | 35,000               | 35,000               |
| 4750                                      | Rental Income                            | 52,679               | 72,100               | 74,300               | 76,500               |
| 4751                                      | Senior Center Rental                     | 5,868                | 5,000                | 5,000                | 5,000                |
| 4760                                      | Sale of Property                         | 1,723                |                      |                      |                      |
|   | <b>Total Use of Money &amp; Property</b> | <b>234,702</b>       | <b>167,100</b>       | <b>169,300</b>       | <b>182,800</b>       |
| <b><u>Other Revenue</u></b>               |  |                      |                      |                      |                      |
| 4870/4880                                 | Miscellaneous Revenue                    | 102,408              | 15,000               | 15,000               | 15,000               |
| 4754                                      | Billboard Ad Revenue                     | 45,186               | 50,000               | 50,000               | 50,000               |
| 4875.2                                    | Workers Comp/Liability Rebate            | 15,817               |                      |                      |                      |
| 4875.3                                    | Employee Workers Comp Reimbursement      | 15,947               |                      |                      |                      |
| 4876                                      | Unclaimed Property                       | (1,162)              |                      |                      |                      |
| 4830/4840                                 | Restitution, Damage & Recoveries         | 3,184                | 10,000               | 10,000               | 10,000               |
| 4803                                      | Other Grants-Private                     | 80,000               |                      |                      |                      |
| 4802                                      | Donations & Contributions                | 6,253                | 10,000               | 10,000               | 10,000               |
|   | <b>Total Other Revenue</b>               | <b>267,633</b>       | <b>85,000</b>        | <b>85,000</b>        | <b>85,000</b>        |
|   | <b>Sub-total Operating Revenues</b>      | <b>22,883,114</b>    | <b>21,858,409</b>    | <b>22,079,000</b>    | <b>22,541,200</b>    |
| 4001                                      | Transfers In                             |                      |                      | 454,200              | 463,300              |
|   | <b>TOTAL REVENUE GENERAL FUND</b>        | <b>\$ 22,883,114</b> | <b>\$ 21,858,409</b> | <b>\$ 22,533,200</b> | <b>\$ 23,004,500</b> |

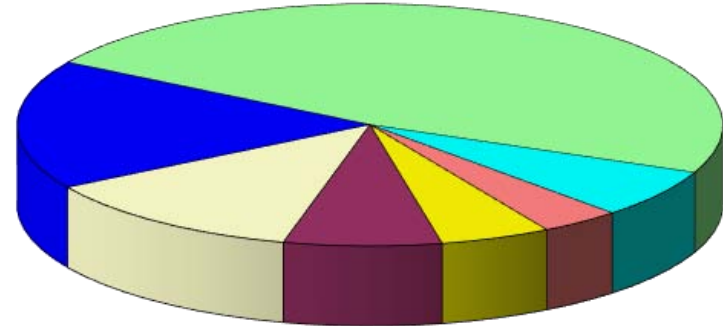
## GENERAL FUND EXPENDITURES

**FISCAL YEAR 2017-18**



|                           |        |           |                   |
|---------------------------|--------|-----------|-------------------|
| General Government        | 5.06%  | \$        | 1,167,100         |
| Non-Departmental          | 7.21%  |           | 1,663,400         |
| Administrative Services   | 12.39% |           | 2,856,800         |
| Public Works              | 17.30% |           | 3,989,100         |
| Police                    | 47.82% |           | 11,024,400        |
| Community Development     | 6.53%  |           | 1,505,600         |
| Transfers Out             | 3.68%  |           | <u>849,000</u>    |
| <b>Total General Fund</b> |        | <b>\$</b> | <b>23,055,400</b> |

**FISCAL YEAR 2018-19**



|                           |        |           |                   |
|---------------------------|--------|-----------|-------------------|
| General Government        | 5.26%  | \$        | 1,200,800         |
| Non-Departmental          | 8.15%  |           | 1,861,400         |
| Administrative Services   | 12.48% |           | 2,851,800         |
| Public Works              | 17.63% |           | 4,026,600         |
| Police                    | 49.48% |           | 11,303,300        |
| Community Development     | 6.63%  |           | 1,515,100         |
| Transfers Out             | 0.37%  |           | <u>84,000</u>     |
| <b>Total General Fund</b> |        | <b>\$</b> | <b>22,843,000</b> |

## GENERAL FUND EXPENDITURES BY DEPARTMENT

|   | 2015-16<br>Actual | 2016-17<br>Revised | 2017-18<br>Budget | 2018-19<br>Budget |
|---|-------------------|--------------------|-------------------|-------------------|
| 0100101 City Council                              | \$275,860         | \$293,176          | \$212,400         | \$212,200         |
| 0100102 City Clerk                                | 164,758           | 219,871            | 162,600           | 198,900           |
| 0100103 City Treasurer                            | 18,272            | 19,932             | 18,900            | 19,400            |
| 0100104 City Manager                              | 441,576           | 487,648            | 440,700           | 437,800           |
| 0100105 City Attorney                             | 333,772           | 207,500            | 332,500           | 332,500           |
| <b>Total General Government Expenditures</b>      | <b>1,234,238</b>  | <b>1,228,127</b>   | <b>1,167,100</b>  | <b>1,200,800</b>  |
| 0100201 General Services                          | 98,302            | 277,916            | 133,300           | 136,000           |
| 0100203 Contingencies                             | 0                 | 132,000            | 150,000           | 150,000           |
| 0100204 Retiree Benefits                          | 1,290,749         | 1,688,517          | 1,380,100         | 1,575,400         |
| <b>Total Non-departmental Expenditures</b>        | <b>1,389,051</b>  | <b>2,098,433</b>   | <b>1,663,400</b>  | <b>1,861,400</b>  |
| 0100401 Administration                            | 357,774           | 283,635            | 352,400           | 355,800           |
| 0100402 Human Resources                           | 244,138           | 196,019            | 409,000           | 381,700           |
| 0100404 Finance                                   | 743,213           | 617,675            | 750,400           | 757,000           |
| 0100801 Community Services Administration         | 358,423           | 400,733            | 391,000           | 389,100           |
| 0100802 Cultural & Arts                           | 28,596            | 59,969             | 67,500            | 67,600            |
| 0100803 General Recreation                        | 37,679            | 44,864             | 46,700            | 46,700            |
| 0100804 Municipal Swimming Pool                   | 332,414           | 292,436            | 352,000           | 354,400           |
| 0100805 Amphitheatre                              | 24,754            | 9,053              | 8,400             | 8,600             |
| 0100806 Day Care                                  | 715               | 1,201              | 1,200             | 1,200             |
| 0100808 Sports Programs                           | 33,708            | 62,688             | 47,500            | 48,100            |
| 0100809 Senior Center Programs                    | 349,871           | 390,054            | 397,500           | 407,800           |
| 0108091 Alzheimer Respite                         | 12,663            | 12,313             | 33,200            | 33,800            |
| <b>Total Administrative Services Expenditures</b> | <b>2,523,948</b>  | <b>2,370,640</b>   | <b>2,856,800</b>  | <b>2,851,800</b>  |

|  | <b>2015-16<br/>Actual</b> | <b>2016-17<br/>Revised</b> | <b>2017-18<br/>Budget</b> | <b>2018-19<br/>Budget</b> |
|--|---------------------------|----------------------------|---------------------------|---------------------------|
| 0100502 Inspection   | 733,767                   | 767,973                    | 773,900                   | 776,900                   |
| 0100503 Code Enforcement                                   | 58,209                    | 92,273                     | 78,900                    | 78,200                    |
| 0100510 Traffic Control Maintenance                        | 129,295                   | 160,720                    | 153,600                   | 166,600                   |
| 0100512 Street Lighting                                    | 315,753                   | 354,926                    | 341,600                   | 351,500                   |
| 0100520 Parks/Grounds Maintenance                          | 1,356,102                 | 1,548,438                  | 1,535,900                 | 1,547,100                 |
| 0100523 Cemetery Maintenance                               | 3,514                     | 3,250                      | 3,300                     | 3,300                     |
| 0100524 Open Space Maintenance                             | 154,987                   | 143,998                    | 156,800                   | 158,200                   |
| 0100530 Public Facilities Maintenance                      | 185,024                   | 262,786                    | 251,200                   | 254,200                   |
| 0100590 City Hall Building Maintenance (1)                 | 0                         | 906                        | 0                         | 0                         |
| 0100591 Maintenance Services                               | 718,953                   | 755,072                    | 693,900                   | 690,600                   |
| <b>Total Public Works Expenditures</b>                     | <b>3,655,605</b>          | <b>4,090,342</b>           | <b>3,989,100</b>          | <b>4,026,600</b>          |
| 0100601 Police Administration                              | 1,161,492                 | 1,356,882                  | 1,348,500                 | 1,363,600                 |
| 0100602 Investigative Services                             | 1,141,684                 | 1,233,167                  | 1,242,400                 | 1,253,800                 |
| 0100603 Support Services                                   | 1,376,538                 | 1,660,351                  | 1,504,300                 | 1,516,800                 |
| 0100604 Traffic Enforcement                                | 102,812                   | 141,579                    | 171,000                   | 168,200                   |
| 0100605 Patrol Bureau                                      | 6,595,358                 | 6,678,818                  | 6,734,500                 | 6,979,800                 |
| 0100607 Emergency Services                                 | 17,692                    | 19,750                     | 23,700                    | 21,100                    |
| <b>Total Police Department Expenditures</b>                | <b>10,395,575</b>         | <b>11,090,547</b>          | <b>11,024,400</b>         | <b>11,303,300</b>         |
| 0100701 Community Development                              | 1,387                     | 15,222                     | 273,200                   | 272,600                   |
| 0100702 Economic Development                               | 195,880                   | 236,302                    | 413,400                   | 419,100                   |
| 0100703 Planning   | 383,362                   | 530,790                    | 348,900                   | 348,300                   |
| 0100704 Engineering  | 292,267                   | 331,538                    | 470,100                   | 475,100                   |
| <b>Total Community Development</b>                         | <b>872,896</b>            | <b>1,113,852</b>           | <b>1,505,600</b>          | <b>1,515,100</b>          |
| <b>Total General Fund Operating</b>                        | <b>20,071,313</b>         | <b>21,991,941</b>          | <b>22,206,400</b>         | <b>22,759,000</b>         |
| Transfers Out  | 203,254                   | 321,000                    | 849,000                   | 84,000                    |
| <b>Total General Fund Expenditures<br/>&amp; Transfers</b> | <b>\$20,274,567</b>       | <b>\$22,312,941</b>        | <b>\$23,055,400</b>       | <b>\$22,843,000</b>       |

## GENERAL FUND 8-YEAR HISTORY OF REVENUES AND 2-YEAR PROJECTIONS

| Description                        | Actual<br>2009-10   | Actual<br>2010-11   | Actual<br>2011-12   | Actual<br>2012-13   | Actual<br>2013-14   | Actual<br>2014-15   | Actual<br>2015-16   | Revised<br>2016-17  | Projected<br>2017-18 | Projected<br>2018-19 |
|------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|----------------------|
| Property Taxes                     | \$ 6,440,055        | \$ 6,413,918        | \$ 6,262,596        | \$ 6,154,962        | \$ 6,603,214        | \$ 7,165,086        | \$ 8,372,900        | \$ 8,247,300        | \$ 8,372,900         | \$ 8,624,000         |
| Sales Tax                          | 3,903,332           | 4,107,155           | 4,452,861           | 4,799,332           | 5,096,822           | 4,245,271           | 3,534,774           | 2,926,623           | 3,106,400            | 2,537,200            |
| VLF Property Tax Swap              | 2,553,503           | 2,516,117           | 2,465,909           | 2,428,253           | 2,538,617           | 2,733,906           | 2,951,290           | 3,101,100           | 3,246,100            | 3,311,000            |
| Franchise Fees                     | 1,355,211           | 1,405,575           | 1,428,233           | 1,468,924           | 1,516,127           | 1,546,295           | 1,624,289           | 1,640,000           | 1,685,600            | 1,727,000            |
| Other Taxes                        | 1,350,243           | 1,366,507           | 1,453,461           | 1,525,287           | 1,556,093           | 1,702,163           | 2,724,038           | 3,151,213           | 2,839,300            | 3,523,400            |
| Licenses, Permits and Fees         | 428,192             | 497,920             | 530,388             | 684,713             | 683,826             | 797,103             | 840,050             | 691,600             | 680,600              | 694,200              |
| Fines & Forfeitures                | 344,133             | 404,547             | 259,353             | 327,503             | 431,947             | 419,100             | 450,562             | 435,000             | 435,000              | 435,000              |
| Intergovernmental Agencies         | 580,881             | 663,488             | 509,309             | 528,459             | 548,988             | 1,181,626           | 670,768             | 569,700             | 632,100              | 587,500              |
| Charges for Services               | 562,189             | 470,550             | 658,908             | 770,095             | 1,158,772           | 1,006,619           | 1,212,107           | 843,773             | 826,700              | 834,100              |
| Use of Money and Property          | 119,075             | 87,647              | 641,928             | 87,400              | 155,881             | 128,056             | 234,702             | 167,100             | 169,300              | 182,800              |
| Other Revenue                      | 595,517             | 704,851             | 615,289             | 527,684             | 237,987             | 241,751             | 267,633             | 85,000              | 85,000               | 85,000               |
| Total Operating                    | 18,232,332          | 18,638,274          | 19,278,236          | 19,302,612          | 20,528,273          | 21,166,974          | 22,883,114          | 21,858,409          | 22,079,000           | 22,541,200           |
| Transfer In from Other Funds       |                     |                     |                     |                     |                     |                     |                     |                     | 454,200              | 463,300              |
| <b>Total General Fund Revenues</b> | <b>\$18,232,332</b> | <b>\$18,638,274</b> | <b>\$19,278,236</b> | <b>\$19,302,612</b> | <b>\$20,528,273</b> | <b>\$21,166,974</b> | <b>\$22,883,114</b> | <b>\$21,858,409</b> | <b>\$22,533,200</b>  | <b>\$23,004,500</b>  |

## GENERAL FUND 8-YEAR HISTORY AND 2-YEAR PROJECTION OF EXPENDITURES

| Description                            | Actual<br>2009-10   | Actual<br>2010-11   | Actual<br>2011-12   | Actual<br>2012-13   | Actual<br>2013-14   | Actual<br>2014-15   | Actual<br>2015-16   | Revised<br>2016-17  | Budget<br>2017-18   | Budget<br>2018-19   |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| General Government                     | \$ 1,324,418        | \$ 1,312,555        | \$ 1,119,861        | \$ 1,232,407        | \$ 1,189,903        | \$ 1,311,797        | \$ 1,234,238        | \$ 1,228,127        | \$ 1,167,100        | \$ 1,200,800        |
| Non Departmental                       | 816,510             | 1,080,176           | 1,140,089           | 1,248,093           | 1,206,920           | 1,151,381           | 1,389,051           | 2,098,433           | 1,663,400           | 1,861,400           |
| Administrative Services                | 725,585             | 775,525             | 731,434             | 743,661             | 890,080             | 895,776             | 2,523,948           | 2,370,640           | 2,856,800           | 2,851,800           |
| Community Development                  | 2,564,028           | 2,186,809           | 2,141,961           | 3,764,743           | 3,569,702           | 3,754,724           | 872,896             | 1,113,852           | 1,505,600           | 1,515,100           |
| Public Works                           | 3,693,564           | 3,627,781           | 3,551,258           | 2,093,174           | 2,298,636           | 2,359,215           | 3,655,605           | 4,090,342           | 3,989,100           | 4,026,600           |
| Police Department                      | 9,861,956           | 9,886,525           | 9,539,746           | 9,911,223           | 9,848,290           | 9,326,888           | 10,395,575          | 11,090,547          | 11,024,400          | 11,303,300          |
| Total Operating                        | 18,986,061          | 18,869,371          | 18,224,349          | 18,993,301          | 19,003,531          | 18,799,781          | 20,071,313          | 21,991,941          | 22,206,400          | 22,759,000          |
| One-time expenditures                  | 549,488             | 669,450             | 378,000             |                     | 78,041              | 64,609              |                     |                     |                     |                     |
| Transfer To Other Funds                | 22,605              | 900,547             | 80,000              | 860,849             | 153,601             | 46,238              | 203,254             | 321,000             | 849,000             | 84,000              |
| <b>Total General Fund Expenditures</b> | <b>\$19,558,154</b> | <b>\$20,439,368</b> | <b>\$18,682,349</b> | <b>\$19,854,150</b> | <b>\$19,235,173</b> | <b>\$18,910,628</b> | <b>\$20,274,567</b> | <b>\$22,312,941</b> | <b>\$23,055,400</b> | <b>\$22,843,000</b> |

## GENERAL FUND FOUR YEAR BUDGET PROJECTIONS 2019-2020 TO 2022-2023

### Revenues

- Taxes
  - Property tax and Property Tax Swap revenues are projected to increase from 2%-3% each fiscal year from 2019-20 through 2022-23.
  - Sales Tax is expected to increase 2% each year of the forecast.
  - Transient Occupancy Tax is expected to increase from 0-2% over the forecast period.
  - Business License is expected to increase 2% each year of the forecast.
  - Franchise Fees and Document Transfer Tax is expected to increase 2% each year.
- Licenses and Permits
  - Building Permits are expected to increase by 2% each year of the forecast.
- Fines and forfeitures
  - Court Fines, Traffic Safety Fund, Citations and Abandoned Vehicles are expected to increase by 2% in each year.
- Intergovernmental
  - Public Safety Sales Tax and Homeowners' Property Tax Relief are expected to increase by 2% each year. All other intergovernmental revenues are projected to remain unchanged.
- Charges for Services
  - Planning fees and Plan Check fees are expected to increase by 1%-2% each year.
  - Recreation fees are projected with a 2%-3% increase each year.
- Use of Money and Property
  - Rental Income is projected to increase 2% each year.
  - Interest Income is projected with a 0-1% increase each year.

## Expenditures

- Health benefits increases:
  - Active employees are projected at 5% each year, based on the average increase over the last several years.
  - Retiree employees are projections based on the OPEB actuarial assumptions of 4% each year.
- PERS employer rates increases:
  - Sworn Plans are projected within the range of 4.2%-11.2% over the forecast period, including the unfunded liability payment.
  - Miscellaneous Plans are projected at 1.5% - 5.1% over the forecast period, including the unfunded liability payment.

In addition, the City pays an employee portion for Miscellaneous and Sworn as is outlined in the MOUs.

- Salaries:
  - Adjustments per MOUs.
- Operating Expenditure Increases
  - Professional and contract services are projected at 2% each year.
  - Safety supplies, SWAT supplies and operating & maintenance supplies are also projected at 2%.
  - Chemicals are projected at 3% each year.

One-time revenues and expenditures are not included in future year projections.

## GENERAL FUND PROJECTIONS - UNAUDITED

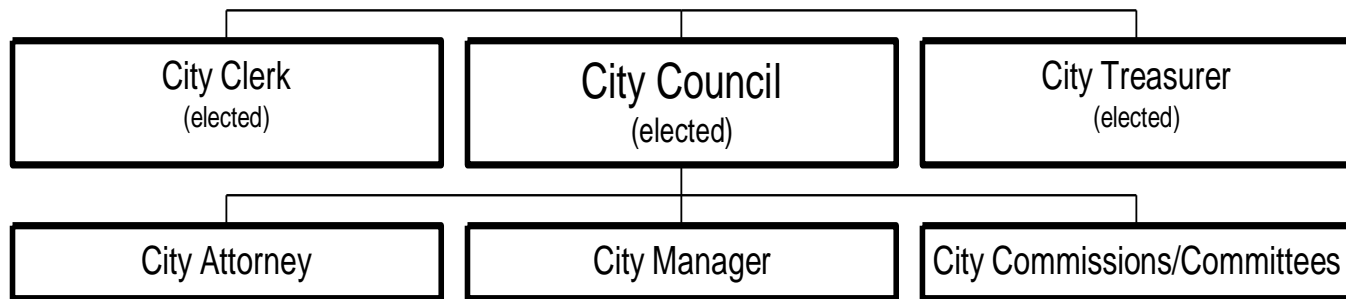
|   | 2015-16<br>Actual      | 2016-17<br>Revised   | 2017-18<br>Projected | 2018-19<br>Projected | 2019-20<br>Projected | 2020-21<br>Projected  | 2021-22<br>Projected  | 2022-23<br>Projected  |
|---|------------------------|----------------------|----------------------|----------------------|----------------------|-----------------------|-----------------------|-----------------------|
| <b><u>REVENUE</u></b>                             |                        |                      |                      |                      |                      |                       |                       |                       |
| Taxes   | \$19,207,292           | \$ 19,066,236        | \$ 19,250,300        | \$ 19,722,600        | \$ 20,203,000        | \$ 20,624,000         | \$ 21,053,900         | \$ 21,469,600         |
| Licenses, Permits & Fees                          | 840,050                | 691,600              | 680,600              | 694,200              | 708,500              | 729,700               | 751,600               | 774,100               |
| Fines and Forfeitures                             | 450,562                | 435,000              | 435,000              | 435,000              | 443,000              | 450,300               | 457,700               | 465,200               |
| Intergovernmental                                 | 670,768                | 569,700              | 632,100              | 587,500              | 594,000              | 604,800               | 615,900               | 627,200               |
| Charges for Services                              | 1,212,107              | 843,773              | 826,700              | 834,100              | 752,800              | 765,900               | 779,500               | 793,400               |
| Use of Money & Property                           | 234,702                | 167,100              | 169,300              | 182,800              | 185,700              | 189,200               | 193,300               | 197,400               |
| Other Revenue                                     | 267,633                | 85,000               | 85,000               | 85,000               | 85,000               | 85,000                | 85,000                | 85,000                |
| Total Revenue                                     | 22,883,114             | 21,858,409           | 22,079,000           | 22,541,200           | 22,972,000           | 23,448,900            | 23,936,900            | 24,411,900            |
| <b><u>EXPENDITURES</u></b>                        |                        |                      |                      |                      |                      |                       |                       |                       |
| General Government                                | 1,234,238              | 1,228,127            | 1,167,100            | 1,200,800            | 1,224,800            | 1,249,300             | 1,274,300             | 1,299,800             |
| Nondepartmental                                   | 1,389,051              | 2,098,433            | 1,663,400            | 1,861,400            | 2,057,900            | 2,312,400             | 2,450,500             | 2,591,000             |
| Administrative Services                           | 2,523,948              | 2,370,640            | 2,856,800            | 2,851,800            | 2,908,800            | 2,967,000             | 3,026,400             | 3,663,100             |
| Community Development                             | 872,896                | 1,113,852            | 1,505,600            | 1,515,100            | 1,545,400            | 1,576,300             | 1,607,800             | 1,640,000             |
| Public Works                                      | 3,655,605              | 4,090,342            | 3,989,100            | 4,026,600            | 4,107,100            | 4,189,300             | 4,273,100             | 4,358,500             |
| Police Services                                   | 10,395,575             | 11,090,547           | 11,024,400           | 11,303,300           | 11,746,800           | 12,288,900            | 12,685,300            | 12,819,800            |
| Total Expenditures                                | 20,071,313             | 21,991,941           | 22,206,400           | 22,759,000           | 23,590,800           | 24,583,200            | 25,317,400            | 26,372,200            |
| Operating Surplus (Deficit)                       | <b>\$ 2,811,801</b>    | <b>\$ (133,532)</b>  | <b>\$ (127,400)</b>  | <b>\$ (217,800)</b>  | <b>\$ (618,800)</b>  | <b>\$ (1,134,300)</b> | <b>\$ (1,380,500)</b> | <b>\$ (1,960,300)</b> |
| <b><u>UNASSIGNED FUND BALANCE</u></b>             |                        |                      |                      |                      |                      |                       |                       |                       |
| Beginning Balance                                 | \$ 7,736,927           | \$ 8,826,549         | \$ 6,907,328         | \$ 7,150,128         | \$ 7,311,628         | \$ 7,081,428          | \$ 6,345,228          | \$ 5,372,428          |
| Transfers In(Out) Other Funds                     | (203,254)              | (321,000)            | (394,800)            | 379,300              | 388,600              | 398,100               | 407,700               | 417,500               |
| Transfer In From Assigned Fund Balance            | 1,292,876              | 235,000              | 765,000              |                      |                      |                       |                       |                       |
| Transfer Out to Assigned Fund Balance             |                        | (1,699,689)          |                      |                      |                      |                       |                       |                       |
| Unassigned Fund Balance                           | <b>\$ 8,826,549</b>    | <b>\$ 6,907,328</b>  | <b>\$ 7,150,128</b>  | <b>\$ 7,311,628</b>  | <b>\$ 7,081,428</b>  | <b>\$ 6,345,228</b>   | <b>\$ 5,372,428</b>   | <b>\$ 3,829,628</b>   |
| <b><u>ASSIGNED FUND BALANCE</u></b>               |                        |                      |                      |                      |                      |                       |                       |                       |
| Future Pension Obligations                        | \$ 250,000             | \$ 1,099,845         | \$ 1,099,845         | \$ 1,099,845         | \$ 1,099,845         | \$ 1,099,845          | \$ 1,099,845          | \$ 1,099,845          |
| Insurance   | 582,425                | 582,425              | 582,425              | 582,425              | 582,425              | 582,425               | 582,425               | 582,425               |
| Capital Improvements                              | 1,416,553              | 2,031,397            | 1,266,397            | 1,266,397            | 1,266,397            | 1,266,397             | 1,266,397             | 1,266,397             |
| Health Benefits                                   | 360,363                | 360,363              | 360,363              | 360,363              | 360,363              | 360,363               | 360,363               | 360,363               |
| Encumbrances                                      | 394,918                | 394,918              | 394,918              | 394,918              | 394,918              | 394,918               | 394,918               | 394,918               |
| Special Events                                    | 57,132                 | 57,132               | 57,132               | 57,132               | 57,132               | 57,132                | 57,132                | 57,132                |
| SB1186-Disability Access                          | 2,762                  | 2,762                | 2,762                | 2,762                | 2,762                | 2,762                 | 2,762                 | 2,762                 |
| Seismic   | 318                    | 318                  | 318                  | 318                  | 318                  | 318                   | 318                   | 318                   |
| Assigned Fund Balance                             | <b>\$ 3,064,471</b>    | <b>\$ 4,529,160</b>  | <b>\$ 3,764,160</b>  | <b>\$ 3,764,160</b>  | <b>\$ 3,764,160</b>  | <b>\$ 3,764,160</b>   | <b>\$ 3,764,160</b>   | <b>\$ 3,764,160</b>   |
| <b><u>UNASSIGNED-CONTINGENCY FUND BALANCE</u></b> |                        |                      |                      |                      |                      |                       |                       |                       |
| Catastrophes                                      | \$ 300,000             | \$ 300,000           | \$ 300,000           | \$ 300,000           | \$ 300,000           | \$ 300,000            | \$ 300,000            | \$ 300,000            |
| Contingencies                                     | 100,000                | 100,000              | 100,000              | 100,000              | 100,000              | 100,000               | 100,000               | 100,000               |
| Economic Uncertainty                              | 600,000                | 600,000              | 600,000              | 600,000              | 600,000              | 600,000               | 600,000               | 600,000               |
| Inassigned-Contingency Fund Balance               | <b>1,000,000</b>       | <b>1,000,000</b>     | <b>1,000,000</b>     | <b>1,000,000</b>     | <b>1,000,000</b>     | <b>1,000,000</b>      | <b>1,000,000</b>      | <b>1,000,000</b>      |
| <b><u>NONSPENDABLE FUND BALANCE</u></b>           |                        |                      |                      |                      |                      |                       |                       |                       |
| Advance to other funds                            | \$ 17,841              | 17,841               | 17,841               | 17,841               | 17,841               | 17,841                | 17,841                | 17,841                |
| Inventory   | 53,372                 | 53,372               | 53,372               | 53,372               | 53,372               | 53,372                | 53,372                | 53,372                |
| Nonspendable Fund Balance                         | <b>71,213</b>          | <b>71,213</b>        | <b>71,213</b>        | <b>71,213</b>        | <b>71,213</b>        | <b>71,213</b>         | <b>71,213</b>         | <b>71,213</b>         |
| Total Fund Balance                                | <b>* \$ 12,962,233</b> | <b>\$ 12,507,701</b> | <b>\$ 11,985,501</b> | <b>\$ 12,147,001</b> | <b>\$ 11,916,801</b> | <b>\$ 11,180,601</b>  | <b>\$ 10,207,801</b>  | <b>\$ 8,665,001</b>   |



## **Section 5: General Government**



# General Government





# General Government

## City Council

Establish City goals and policies

## City Manager

Policy Development

Policy Implementation

Economic Development

Direction/Leadership of City Staff

## City Clerk

City Records Management

Community Meetings Liaison

Conduct Elections

## City Attorney

Legal Advice and Representation

## City Treasurer

Integrity/Fidelity of City Finances

The General Government group supports all City programs. Programs within this section provide overall operational management, policy direction, public meeting and record administration, legal services, and a variety of non-departmental services. Functional areas of General Government include the City Council, City Manager, City Clerk, City Attorney (a contracted service), and City Treasurer. The City Council, including the Mayor, City Clerk and City Treasurer, are elected positions. Authorized positions in this area include the City Manager, Executive Assistant to the City Manager, and Deputy City Clerk.

### DEPARTMENT BUDGETED STAFF

| <u>Budgeted Positions</u>           | <u>2015-16</u> | <u>2016-17</u> | <u>2017-18</u> | <u>2018-19</u> |
|-------------------------------------|----------------|----------------|----------------|----------------|
| City Manager                        | 1.0            | 1.0            | 1.0            | 1.0            |
| Executive Assistant to City Manager | 1.0            | 1.0            | 1.0            | 1.0            |
| Deputy City Clerk                   | 1.0            | 1.0            | 1.0            | 1.0            |
|                                     | <u>3.0</u>     | <u>3.0</u>     | <u>3.0</u>     | <u>3.0</u>     |

## GENERAL GOVERNMENT

### CITY COUNCIL

The Martinez City Council is comprised of the Mayor and four Council Members who are each elected at-large for four-year terms. The Council is responsible for representing the residents of Martinez, providing policy and programmatic direction to the City Manager and City organization, and ensuring staff accountability for carrying out policies responsive to community needs.

In preparation for this budget, a strategic planning study session was held on January 25, 2017, which focused on a review of the basic elements of a Strategic Plan, as well as an overview of external and internal impacts on the organization. With that context in mind, the Council then worked on developing Vision, Mission and Goal statements. At a second study session, held on February 6th, the Council finalized the work initiated at the prior study session, as well as identified priorities, or “action items,” for the FY 2017-19 budget period. This work has been compiled to serve as the City’s 2017-19 Strategic Plan and is included as part of the FY 2017-19 Budget.

As part of that process, the Council also identified a number of top priorities for the upcoming budget period, which are as follows:

- Complete Marina Master Plan
- Implement Measure D
- Develop and Implement a Community and Economic Development Department
- Continue to Implement Homeless Initiative
- Project Stabilization or Project Labor Agreement (PLA)
- General Plan Completion
- Addition of Crime Analyst to the Police Department
- Designate a School Resource Officer in the Police Department
- Enhance Community Image
- Alhambra Hills Negotiations

See page xvi of the Introduction Section for the City’s Strategic Plan for FY 2017-19.















## **CITY MANAGER**

The City Manager assists the City Council in developing and evaluating policies meeting the needs of Martinez residents, businesses and visitors, ensures effective implementation of adopted policies, and provides direction and leadership to City staff. The City Manager's significant accomplishments include providing leadership and/or direct management for the following:

### **2015-2017 ACCOMPLISHMENTS**

- Conducted an organizational scan to develop recommendations that will support the City in meeting Council priorities and delivering high-quality municipal services to the community.
- Coordinated preparation of special sales tax "Measure D" ballot materials including Council-adopted Ordinance, Tax Expenditure Plan, Resolution, Ballot Language, and Argument in Favor, and assisted in development of the informational mailer website resource page. Measure D passed with almost 72% voter approval on November 8, 2016.
- Received Council approval to fund citywide economic development program, to include a market study, building and site inventory, and related marketing materials.
- Recruited and filled Council-approved Community and Economic Development Director position.
- Acquired \$90K grant through Tesoro for the Police Department to continue with homelessness initiative.
- Developed Citizens' Police Academy that provides insight into Law Enforcement profession.
- Conducted a cost of services fee study.
- Procured and deployed IPAD's for City Council paperless agenda.
- Redesigned City website with CRM mobile applications and website software upgrade
- Completed annual audits and received 15th consecutive GFOA Certificate of Achievement for Excellence in Financial Reporting.
- Received 6th consecutive GFOA Distinguished Budget Program Award.
- Established Reserve Policy and Investment Policy
- Examined Business License Ordinance to evaluate rates and implemented HdL license software.
- Completed Hidden Lakes Soccer Field Renovation design and construction.
- Completed Parking Lot 4 Renovation design and construction.
- Completed Intermodal Phase 3 vehicular bridge.
- Implemented Water Treatment Plant Improvements (Seismic Upgrade, Electrical Upgrade and chemical tank installation)
- Completed rehabilitation of the Amtrak Train Station.

## 2017-19 KEY OBJECTIVES

- Implement Measure D Street Repair Program. (FYs 17-19) 
- Develop and implement market study, building and site inventory, and related marketing materials for citywide economic development program. (FY 17-18) 
- Recruit and fill Council-approved Economic Development Coordinator position. (FY 17-18) 
- Determine appropriate Old Train Depot reuse options. (FY 17-18) 
- Provide staff support to the Measure D Oversight Committee and oversee administration of Measure D revenues. (FY 17-19) 
- Establish regionalized approach to homelessness with Contra Costa County and Pleasant Hill PD; contract with Contra Costa County for homeless outreach services in Martinez. (FY 17-19) 
- Increase efforts to clean up homeless encampments. (FY 17-18) 
- Project Stabilization (PLA) (FY 17-19) 
- Upgrade Police Department File Share and Police Department Public Safety servers, as well as Microsoft Server Operating Systems Software. (FY 17-18) 
- Implement MS Office 365. (FY 17-18) 
- Develop an IT Strategic Plan. (FY 18-19) 
- Work with Budget/Finance Subcommittee to refine allocation and use of funding within the Reserve Policy. (FY 17-18) 
- Implement and enforce new NPDES Regulations. (FY 17-19) 
- Develop a scope of work to enhance community image. (FY 17-19) 
- Complete 2017 Park Renovation design and construction. (FYs 17-19)
- Complete 2017 Marina Dredge Project. (FY 17-18)
- Complete Intermodal Phase 3 access road and pedestrian bridge. (FYs 17-19)
- Design and implement Reliez Valley Road Pedestrian Improvement Project. (FY 17-18)

## **CITY CLERK**

The City Clerk is elected at-large and serves part-time to guard public information, administer oaths of office, and verify resolutions and ordinances. The Deputy City Clerk, a full-time position, is responsible for ensuring the security and accessibility of official City records, and serves as the information and records manager of legislative proceedings; conducts municipal elections; acts as compliance officer for federal, state and local statutes including the Political Reform Act and Brown Act; and serves as a support office to the City Clerk, City Council, City Manager and staff, City boards and commissions, and to residents of Martinez.

## **2015-17 ACCOMPLISHMENTS**

- Updated Municipal Code Ordinances to reflect adoption of FY 2015-17 ordinances.
- Conducted November 2016 regular election, coordinated consolidation services with the Contra Costa County Elections Office, provided election services to prospective candidates, ensured elections procedures and filings adhered to the Elections Code, and ensured all candidate services were provided.
- Ensured Council Minutes were completed and posted on the City's website in a timely manner.
- Complied with the filing duties of the Fair Political Practices Commission (FFPC) requirements for all public officials, employees and contractors on the Annual Office Statement of Economic Interests, Form 700.
- Archived permanent records via Laserfiche digital records storage system.
- Worked with Martinez Museum on City Hall historical information permanent display.

## **2017-19 KEY OBJECTIVES**

- Conduct regular election in November 2018 in conformance with local and California Elections Law. (FY 18-19)
- Perform filing official duties to ensure all FFPC filings adhere to the Political Reform Act and Code of Regulations. (FY 17-19)
- Work with the Martinez Museum on a City Hall historical information rotating display. (FY 17-19)
- Continue archiving of permanent records using Laserfiche digital records storage system. (FY 17-19)
- Work with IT to implement streamlined agenda management software and assist with training departments/divisions (FY 17-18)

## **CITY ATTORNEY**

The City Attorney provides the City Council, City Manager, and all City programs with the legal advice and representation they request or require in order to provide service to the public. The City Attorney also is responsible for advising or taking appropriate steps to reduce the risks of various City activities, and for assisting in the administration and enforcement of laws, regulations, and City programs. The City Attorney's regular duties include: representing the City in legal matters and providing advice as requested on a variety of issues and concerns; attending City Council meetings to provide expert counsel, clarification, and interpretation; and providing information and assistance to City staff as needed to support program and service delivery efforts. City Attorney services are provided to the City of Martinez on a contractual basis.

## **CITY TREASURER**

The City Treasurer, a part-time elected official of the City of Martinez, is charged with ensuring the integrity and fidelity of City finances and signing all checks issued by the City.

## **NONDEPARTMENTAL SERVICES**

This budget group consists of General Services, Retired Employees, and Contingency, and accounts for expenditures that are not based in a specific program. No positions are allocated here. A description of each area is provided below.

- **GENERAL SERVICES**

This budget includes general operating supplies and equipment such as postage, phone charges and contract maintenance and repair.

- **RETIRED EMPLOYEES**

This is the budget for the current year cost of the retired employees' medical benefit.

- **CONTINGENCY**

Funds have been designated for unknown but anticipated budget increases.

## GENERAL GOVERNMENT EXPENDITURES

|                           | <u>2015-16</u><br><u>Actual</u> | <u>2016-17</u><br><u>Revised</u> | <u>2017-18</u><br><u>Budget</u> | <u>Increase</u><br><u>(Decrease)</u> | <u>2018-19</u><br><u>Budget</u> | <u>Increase</u><br><u>(Decrease)</u> |
|---------------------------|---------------------------------|----------------------------------|---------------------------------|--------------------------------------|---------------------------------|--------------------------------------|
| <b>General Government</b> |                                 |                                  |                                 |                                      |                                 |                                      |
| 01 101 CITY COUNCIL       |                                 |                                  |                                 |                                      |                                 |                                      |
| Labor                     | 113,097                         | 117,721                          | 116,100                         | (1,621)                              | 116,100                         |                                      |
| Operating                 | 143,815                         | 152,751                          | 73,400                          | (79,351)                             | 73,200                          | (200)                                |
| Direct & Indirect Costs   | 18,949                          | 22,704                           | 22,900                          | 196                                  | 22,900                          |                                      |
| TOTAL CITY COUNCIL        | <u>275,860</u>                  | <u>293,176</u>                   | <u>212,400</u>                  | <u>(80,776)</u>                      | <u>212,200</u>                  | <u>(200)</u>                         |
| 01 103 CITY TREASURER     |                                 |                                  |                                 |                                      |                                 |                                      |
| Labor                     | 17,839                          | 18,519                           | 17,800                          | (719)                                | 18,200                          | 400                                  |
| Operating                 | 433                             | 1,413                            | 1,100                           | (313)                                | 1,200                           | 100                                  |
| Direct & Indirect Costs   |                                 |                                  |                                 |                                      |                                 |                                      |
| TOTAL CITY TREASURER      | <u>18,272</u>                   | <u>19,932</u>                    | <u>18,900</u>                   | <u>(1,032)</u>                       | <u>19,400</u>                   | <u>500</u>                           |
| 01 104 CITY MANAGER       |                                 |                                  |                                 |                                      |                                 |                                      |
| Labor                     | 370,133                         | 500,500                          | 476,200                         | (24,300)                             | 473,100                         | (3,100)                              |
| Operating                 | 98,687                          | 36,932                           | 61,100                          | 24,168                               | 61,900                          | 800                                  |
| Direct & Indirect Costs   | (27,244)                        | (49,784)                         | (96,500)                        | (46,716)                             | (97,300)                        | (800)                                |
| TOTAL CITY MANAGER        | <u>441,576</u>                  | <u>487,648</u>                   | <u>440,800</u>                  | <u>(46,848)</u>                      | <u>437,700</u>                  | <u>(3,100)</u>                       |

|    |                                 | <b>2015-16<br/>Actual</b> | <b>2016-17<br/>Revised</b> | <b>2017-18<br/>Budget</b> | <b><i>Increase<br/>(Decrease)</i></b> | <b>2018-19<br/>Budget</b> | <b><i>Increase<br/>(Decrease)</i></b> |
|----|---------------------------------|---------------------------|----------------------------|---------------------------|---------------------------------------|---------------------------|---------------------------------------|
| 01 | 102 CITY CLERK                  |                           |                            |                           |                                       |                           |                                       |
|    | Labor                           | 154,116                   | 164,039                    | 149,200                   | (14,839)                              | 154,900                   | 5,700                                 |
|    | Operating                       | 32,191                    | 85,852                     | 43,400                    | (42,452)                              | 74,000                    | 30,600                                |
|    | Direct & Indirect Costs         | (21,548)                  | (30,020)                   | (30,000)                  | 20                                    | (30,000)                  |                                       |
|    | <b>TOTAL CITY CLERK</b>         | <b>164,758</b>            | <b>219,871</b>             | <b>162,600</b>            | <b>(57,271)</b>                       | <b>198,900</b>            | <b>36,300</b>                         |
| 01 | 105 CITY ATTORNEY               |                           |                            |                           |                                       |                           |                                       |
|    | Labor                           |                           |                            |                           |                                       |                           |                                       |
|    | Operating                       | 365,130                   | 225,000                    | 350,000                   | 125,000                               | 350,000                   |                                       |
|    | Direct & Indirect Costs         | (31,358)                  | (17,500)                   | (17,500)                  |                                       | (17,500)                  |                                       |
|    | <b>TOTAL CITY ATTORNEY</b>      | <b>333,772</b>            | <b>207,500</b>             | <b>332,500</b>            | <b>125,000</b>                        | <b>332,500</b>            |                                       |
|    | <b>TOTAL GENERAL GOVERNMENT</b> | <b>\$1,234,238</b>        | <b>\$1,228,127</b>         | <b>\$1,167,200</b>        | <b>\$ (60,927)</b>                    | <b>\$1,200,700</b>        | <b>\$ 33,500</b>                      |

## NONDEPARTMENTAL EXPENDITURES

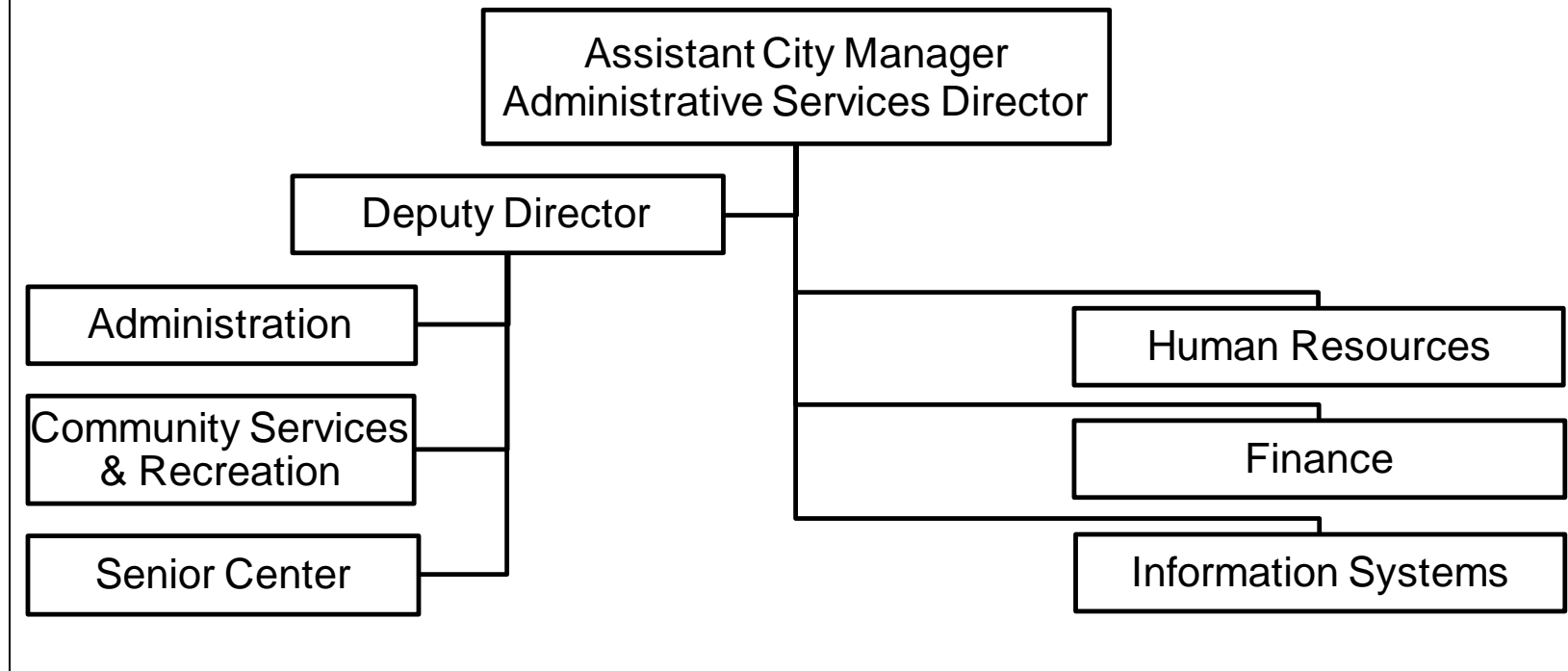
|                              | <u>2015-16<br/>Actual</u>  | <u>2016-17<br/>Revised</u> | <u>2017-18<br/>Budget</u>  | <u>Increase<br/>(Decrease)</u> | <u>2018-19<br/>Budget</u>  | <u>Increase<br/>(Decrease)</u> |
|------------------------------|----------------------------|----------------------------|----------------------------|--------------------------------|----------------------------|--------------------------------|
| <b>Nondepartmental</b>       |                            |                            |                            |                                |                            |                                |
| 01 201 GENERAL SERVICES      |                            |                            |                            |                                |                            |                                |
| Labor                        |                            | 147,200                    |                            |                                |                            |                                |
| Operating                    | 97,465                     | 125,716                    | 128,200                    | 2,484                          | 130,800                    | 2,600                          |
| Capital                      | 837                        | 5,000                      | 5,100                      | 100                            | 5,200                      | 100                            |
| Direct & Indirect Costs      |                            |                            |                            |                                |                            |                                |
| TOTAL GENERAL SERVICES       | <u>98,302</u>              | <u>277,916</u>             | <u>133,300</u>             | <u>2,584</u>                   | <u>136,000</u>             | <u>2,700</u>                   |
| 01 204 RETIRED EMPLOYEES     |                            |                            |                            |                                |                            |                                |
| Labor                        | 374,240                    | 540,376                    | 599,900                    | 59,524                         | 779,600                    | 179,700                        |
| Operating                    | 916,509                    | 1,148,141                  | 1,234,300                  | 86,159                         | 1,259,100                  | 24,800                         |
| TOTAL RETIRED EMPLOYEES      | <u>1,290,749</u>           | <u>1,688,517</u>           | <u>1,834,200</u>           | <u>145,683</u>                 | <u>2,038,700</u>           | <u>204,500</u>                 |
| 01 203 CONTINGENCY           |                            |                            |                            |                                |                            |                                |
| Labor                        |                            |                            |                            |                                |                            |                                |
| Operating                    |                            | 132,000                    | 150,000                    | 18,000                         | 150,000                    |                                |
| TOTAL CONTINGENCY            |                            | <u>132,000</u>             | <u>150,000</u>             | <u>18,000</u>                  | <u>150,000</u>             |                                |
| <b>TOTAL NONDEPARTMENTAL</b> | <u><b>\$ 1,389,051</b></u> | <u><b>\$ 2,098,433</b></u> | <u><b>\$ 2,117,500</b></u> | <u><b>\$ 166,267</b></u>       | <u><b>\$ 2,324,700</b></u> | <u><b>\$ 207,200</b></u>       |



## **Section 6: Administrative Services Department**



## Administrative Services Department





# Administrative Services Department

## Administration

Risk Management/Safety Program  
Contract/Franchise Agreements  
Waste, Recycling, and Green Programs  
Citywide Policies and Programs

The Administrative Services Department is charged with the overall administration of several City programs, including Risk Management; Contract/Franchise Agreements; Financial Management; Human Resources; Solid Waste, Recycling, and Sustainability Programs; Information Systems; Community Services & Recreation; and the Senior Center.

## DEPARTMENT BUDGETED STAFF - ADMIN, FINANCE, HR AND IT

## Finance

Payroll  
Billing and Collections  
Accounts Payable and Receivable  
Financial Audits and Reports  
Budget Preparation and Analysis  
Business Licenses

### Budgeted Positions

|   | <u>2015-16</u> | <u>2016-17</u> | <u>2017-18</u> | <u>2018-19</u> |
|---|----------------|----------------|----------------|----------------|
| Assistant City Manager                  | 1.0            | 1.0            | 1.0            | 1.0            |
| Deputy Administrative Services Director | 0.0            | 0.0            | 1.0            | 1.0            |
| Assistant to the City Manager           | 1.0            | 1.0            | 0.0            | 0.0            |
| Human Resources Analyst                 | 0.0            | 1.0            | 1.0            | 1.0            |
| Human Resources Technician              | 1.0            | 1.0            | 1.0            | 1.0            |
| Finance Manager                         | 1.0            | 1.0            | 1.0            | 1.0            |
| Accountant                              | 1.0            | 1.0            | 1.0            | 1.0            |
| Senior Account Technician               | 2.0            | 2.0            | 2.0            | 2.0            |
| Account Technician III                  | 1.0            | 1.0            | 1.0            | 1.0            |
| Account Technician II                   | 2.0            | 2.0            | 2.0            | 2.0            |
| Information Technology Administrator    | 1.0            | 1.0            | 1.0            | 1.0            |
|   | <u>11.0</u>    | <u>12.0</u>    | <u>12.0</u>    | <u>12.0</u>    |

## Human Resources

Recruitments  
Employee Benefits  
Labor Relations

## Information Systems

Computer Support  
Telephones and Data Accessories  
City Website



# Administrative Services Department

## Community Services & Recreation

Recreation Programs  
Special Events  
Waterfront Amphitheater  
Cultural and Community Commissions

## Senior Center

Educational and Recreational Activities  
Social Services and Activities

(Continued from previous page)

## DEPARTMENT BUDGETED STAFF - COMMUNITY SERVICES & RECREATION AND SENIOR CENTER

*Community Services & Recreation and Senior Center*

| <b><u>Budgeted Positions</u></b> | <b><u>2015-16</u></b> | <b><u>2016-17</u></b> | <b><u>2017-18</u></b> | <b><u>2018-19</u></b> |
|----------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Recreation Supervisor            | 1.0                   | 1.0                   | 1.0                   | 1.0                   |
| Recreation Coordinator           | 1.0                   | 1.0                   | 1.0                   | 1.0                   |
| Administrative Aide III          | 1.0                   | 1.0                   | 1.0                   | 1.0                   |
| Senior Citizen Supervisor        | 1.0                   | 1.0                   | 1.0                   | 1.0                   |
| Senior Citizen Coordinator       | 0.8                   | 0.8                   | 1.0                   | 1.0                   |
|                                  | 4.8                   | 4.8                   | 5.0                   | 5.0                   |
| Totals from previous page        | 11.0                  | 12.0                  | 12.0                  | 12.0                  |
| Administrative Services Totals   | 15.8                  | 16.8                  | 17.0                  | 17.0                  |

## ADMINISTRATIVE SERVICES DEPARTMENT

### ADMINISTRATION DIVISION



Administration oversees risk management; contract/lease/license/franchise administration; City policies and programs; solid waste, recycling, and sustainability programs; and Recreation and Senior Center programs. The City participates in the Municipal Pooling Authority of Northern California (MPA) for risk management.

### 2015-17 ACCOMPLISHMENTS

- Coordinated preparation of special sales tax “Measure D” ballot materials including Council-adopted Ordinance, Tax Expenditure Plan, Resolution, Ballot Language, and Argument in Favor, and assisted in development of the informational mailer website resource page. Measure D passed with almost 72% voter approval on November 8, 2016.
- Completed innovative Employee Safety Incentive policies in conjunction with bargaining groups and through Council approval
- Implemented new Employee Safety Recognition Program for managers and supervisors to recognize exemplary safety practices of employees.
- Achieved 38% reduction in worker injuries from 2015 to 2016.
- Completed 2017 Base Year Rate Review of Garbage Franchise through two Subcommittee meetings and one Public Hearing, resulting in phased implementation of rate increase over two-year period.
- Initiated and completed Hourly Rate and Cost Allocation Plan Study.
- Completed major adjustment to the Hidden Lakes Park Soccer Fees through PRMCC and City Council and conducted preparatory work necessary to establish and implement a Turf Replacement Fund in 2017-18.
- Initiated comprehensive Administrative Policies Review project, utilizing \$11,500 in funding provide through an MPA dividend, and completed major revisions to various policies including the “Policy Against Harassment, Discrimination, and Retaliation” and the “Family Medical Leave Act (FMLA)/California Family Relief Act (CFRA) Policy,” among others.
- Finalized new reporting performance measures for Chamber and Main Street Martinez contracts.
- Completed new childcare lease for Morello preschool facility, and amendments to Grazing License (extension), T-Mobile (Wildcroft), NorCal Courts (indoor Bocce), and Verizon.
- Completed necessary steps for membership in Marin Clean Energy JPA to implement a Community Choice Aggregation Program in the City of Martinez.

- Secured 100% of program funding from outside donations/sponsorships to provide the California Youth Energy Services (CYES) program to Martinez residents free energy audit and installation services.
- Completed two-year recycling program grant implementation throughout Martinez Unified School District (MUSD) and developed bridge agreement to continue providing recycling program assistance to MUSD elementary schools in FY 17-18.
- Secured 11-month part-time commitment from CivicSpark fellow at cost of \$2,500 to help advance City Sustainability programs.
- Secured in-kind technical assistance valued at \$20K through the East Bay Energy Watch (EBEW) to assist with design and scoping of HVAC replacement project.

### 2017-19 KEY OBJECTIVES

- Coordinate progress of transition of recycling program management to MUSD. (FY 17-18) 
- Work with HR to complete several additional updates to City Administrative policies in conjunction with Liebert Cassidy Whitmore and/or City Attorney's office. (FY 17-19) 
- Complete second "Risk Control - Critical Program Assessment" through MPA and continue focusing efforts on effective City Risk Management programs to reduce worker injuries and City liability exposures. (FY 17-18)
- Implement new City Safety Incentive Program through all departments and bargaining groups. (FY 17-18)
- Utilize existing part-time CivicSpark Fellow and hire Sustainability Programs Assistant to complete Greenhouse Gas (GHG) inventory and help advance City recycling and Climate planning/energy efficiency goals. (FY 17-18)
- Utilize available technical resources through EBEW to assist Engineering with evaluating options for the design and/or construction of City Hall projects including overhaul of HVAC system, replacement of single-pane windows, and conversion to LED lighting. (FY 17-18)
- Work with City Attorney's office and MPA to update the City's standard form contracts and various Recreation and Senior Center agreements. (FY 17-18)






## HUMAN RESOURCES DIVISION


Human Resources (HR) provides support services to all departments including recruitment and examination, new employee orientations, labor relations, employee benefit administration, workers' compensation claims, staff training and development, and maintenance of official personnel files. Human Resources ensures compliance with State and Federal laws, Civil Service Rules, City policies, and various memorandums of understanding. The Division works closely with the MPA, of which the City is a member, coordinates with the International City/County Management Association (ICMA), the City's deferred compensation administrator, and CalPERS, the California Public Employees' Retirement System.

### 2015-17 ACCOMPLISHMENTS

- Assisted and supported negotiations with the bargaining units for expiring labor contracts.
- Completed conversion of job descriptions into new NeoGov software for online public access, improved recruitment processing and administration, and simplification of recruitment advertising. Trained department Management staff on the use of the new system.
- Revised employment application forms and completed a transition to a new online application process to improve convenience for applicants and achieve greater efficiency for staff by significantly reducing data entry requirements.
- Reviewed compliance requirements of Affordable Care Act and California Paid Sick Leave Law to ensure all aspects of the health plan design are adopted and all employee communications are completed within required timelines.
- Completed 38 recruitments for positions.
- Processed 2,228 + entries in the Human Resources Information System (HRIS), assisted with 12 retirements, and processed 115 regular and temporary/seasonal new hires.

### 2017-19 KEY OBJECTIVES

- Conduct labor negotiations with bargaining units for expiring labor contracts. (FY 17-18) 
- Coordinate with departments/divisions on succession planning efforts (e.g., Recreation). (FY 17-18) 
- Working with Finance, address various PERS and benefits administration updates. (FY 17-19) 
- Working with Finance, ensure compliance with Affordable Care Act and/or new health care reform legislation. (FY 17-19) 
- Working with Administration, complete updates to several HR-related administrative policies to ensure compliance with State and Federal regulations. (FY 17-19) 

- Provide support to the Senior Center in review and enhancement of volunteer program (FY 18-19) 
- Complete a revision to the Human Resources Procedures Manual. (FY 18-19)
- Enhance employee communications and engagement efforts (e.g., employee newsletter, wellness events, improved orientation system, and recognition opportunities). (FYs 17-19)







## FINANCE DIVISION

Finance prepares and monitors the biennial budget and Comprehensive Annual Financial Report (CAFR), coordinates annual and special audits, prepares annual State reports, issues fiscal status reports, and calculates the annual appropriation limit. Finance provides support services to other departments including general accounting, budget preparation, accounts payable, accounts receivable, payroll and employee benefits. In addition, Finance administers the City's treasury and revenue operations, manages debt service, maintains the general ledger, issues business licenses and parking permits, applies job costing, staffs the public cashier counter, and processes billing and collection of water revenues. Finance monitors the City's capital improvement budget and coordinates major capital financing transactions.

## 2015-17 ACCOMPLISHMENTS

- Assisted with the implementation of Measure D – the half cent sales tax for the improvement and maintenance of roads.
- Implemented Healthy Workplaces/Healthy Families Act of 2014 to provide sick leave to part-time employees.
- Established Reserve Policy in December 2015.
- Completed OPEB actuarial report for Fiscal Years 2017 and 2018.
- Completed annual audits and received 15th consecutive GFOA Certificate of Achievement for Excellence in Financial Reporting.
- Received 6th consecutive GFOA Distinguished Budget Program Award.
- Implemented tracking of part-time workers to comply with Affordable Health Care Act.

## 2017-19 KEY OBJECTIVES

- Support Human Resources in labor negotiations with bargaining units for expiring labor contracts. (FY 17-18) 
- Working with Human Resources, address various PERS and benefit administration issues. (FY 17-18) 
- Working with Human Resources, ensure compliance with requirements of Affordable Care Act. (FY 17-18) 
- Provide staff support to the Measure D Oversight Committee and oversee administration of Measure D revenues. (FY 17-19) 
- Work with Budget/Finance Subcommittee to refine allocation and use of funding within the Reserve Policy. (FY 17-18) 
- Evaluate and implement Munis modules – timekeeping, position control, fixed assets. (FY 17-18) 
- Sell \$5 million of Measure H Improvement bonds to finance final projects. (FY 17-18)





## INFORMATION SYSTEMS DIVISION

The Information Systems Division supports, maintains and enhances Citywide information services related to the Wide and Local Area Network (WAN/LAN), computer hardware, software applications, data communications, telecommunications and the website. Information Systems is an Internal Service Fund for accounting and monitoring purposes and includes the City's hardware, software and staff support. It also manages maintenance contracts with outside vendors for computer hardware and software.

## 2015-17 ACCOMPLISHMENTS

- Upgraded City Hall server virtual environment.
- Implemented credit card payments at the Rankin Aquatic Center.
- Assisted with enabling online applications for employment and business license processes.
- Upgraded Disaster Recovery solution on City Hall network.
- Upgraded Police Department public safety and records management system.
- Implemented paperless agenda for use by City Council and Mayor during City Council meetings.
- Installed new copiers and associated software on each workstation, and provided training to users.
- Provided the Building Department with a solution to assist in updating inspections in the field (currently testing).
- Upgraded the network firewall and all routers.
- Completed A/V upgrade in Board Room.
- Replaced Police Department Communications Server.
- Upgraded MS Office on all (125) workstations.
- Installed new MUNIS server and upgraded to MUNIS 11.1 utilizing a data integrity tool to ensure clean conversion
- Installed Tyler Content Management server to allow customers to review PDF versions of previous bills to assist in usage comparison during drought.
- Upgrade network internet to fiber.
- Complete the website and mobile app redesign.

## 2017-19 KEY OBJECTIVES

- Upgrade Police Department File Share and Police Department Public Safety servers, as well as Microsoft Server Operating Systems Software. (FY 17-18) 
- Implement MS Office 365. (FY 17-18) 
- Develop an IT Strategic Plan. (FY 18-19) 
- Install WiFi at Senior Center. (FY 17-18) 
- Research Computerized Maintenance Management Program (CMMP) for Public Works. (FY 17-18) 
- Complete Mobile Data Terminal (MDT) replacement in all 17 patrol cars. (FY 17-19)
- Upgrade MS Exchange (mail) and Laserfiche (Records) servers in virtual environment. (FY 17-18)
- Research citizen transparency options for City website with Finance department. (FY 18-19)
- Continue to maintain City website, Facebook and Twitter pages. (FY 17-19)
- Maintain and enhance City and Police Department's IT hardware, software and communications infrastructure. (FY 17-19)
- Continue to work with outside agencies including California Department of Justice; Contra Costa Sheriff's Office; and Contra Costa Department of Information Technology to configure, update and troubleshoot Public Safety systems. (FY 17-19)

## COMMUNITY SERVICES AND RECREATION DIVISION

Community Services and Recreation offers activities and services for residents of all ages. The Recreation Division provides sports, summer camps, classes, and operates the Rankin Park pool and aquatic programs. Recreation staff also manage special events including use of the Martinez Waterfront Amphitheater and provide staff support to the Cemetery; Parks, Recreation, Marina, and Cultural (PRMCC); and Veteran's commissions. Community Services and Recreation fall under Administrative Services Department.


Recreation provides programs for the following infrastructure:

- 16 ballfields and 4 concession stands
- 17 parks
- Alhambra Cemetery
- Golden Hills Park Building
- Kiwanis Youth Center
- Martinez Waterfront Amphitheater
- Nancy Boyd Park Building
- Rankin Aquatic Center

## 2015-17 ACCOMPLISHMENTS

- Developed and implemented Holiday Highlands rental policy.
- Expanded youth sports camp offerings Tot Sports and Parent Tot Sports
- Increased number of participants attending the summer playground program from 25 to 40 children per day average.
- Implemented a system to accept credit cards for swimming pool admissions and streamline process via point of sale system and added sales of goggles and sunscreen by popular demand.
- Offered 12 free entertainment shows at City Hall for families and children each year.
- Updated the Alhambra Cemetery decedent list (over 3,300 names) and remodeled the kiosk holding the names. Created an Alhambra Cemetery section of the City website to include the decedent list and cemetery history.
- Streamlined committee and commission agendas by creating tighter timelines for management staff and chairs.
- Moved Veteran's Commission Memorial Day and Veteran's Day Programs to Ignacio Plaza to accommodate larger attendance.
- Processed 51 community-requested special events per year.

## 2017-19 KEY OBJECTIVES

- Work with HR to successfully transition from retiring staff to new staff. (FY 17-18) 
- Begin using a computer touch screen at Rankin Aquatic Center to speed patron admission. (FY 17-18)
- Explore the use of ground penetrating radar to identify burial at the Alhambra Cemetery. (FY 17-18)
- Create an online aspect of training that staff can access from their phone. (FY 17-19)
- Improve marketing of recreation programs through social media. (FY 17-19)
- Reach out to local dance and yoga studios to expand recreation program offerings. (FY 17-19)
- Streamline the event permit process. (FY 17-18)
- Increase the number of family friendly shows to include the Campbell Theater. (FY 17-18)
- Transition staff and training to the new (2017) American Red Cross Lifeguard program. (FY 17-18)



## SENIOR CENTER DIVISION

The Martinez Senior Community Center promotes educational, recreational and social opportunities and services meeting the needs of local senior citizens and those from surrounding cities. The Center offers a variety of innovative, entertaining and engaging programs, activities, and services for members ages 50 and older. The Senior Center falls under the Administrative Services Department.

### 2015-17 ACCOMPLISHMENTS

- Established a community partnership with East Bay Regional Park District, which provided three local field trips to Big Break Reservoir, Black Diamond Mines and Tilden national park.
- Selected to appear in the winter 2017 edition of COMPASS, Healthy Parks Healthy People sponsored by Regional Parks Foundation.
- Promoted Older American's month (May 2016) and National Senior Center month (September 2016) to increase awareness for all the programs and services offered at the Martinez Senior Center.
- Added five additional day trips, which increased day trip offerings from 12 to 18, and collaborated with the Cities of Walnut Creek and Benicia to increase the number of participants.
- Implemented recommendations from the Martinez Police Department, along with new safety protocols, policies and procedures for staff and participants to maintain a safe environment for all.
- Planned, organized and coordinated four special events that resulted in overall participation numbers increasing from 40 to 90 members.
- Redesigned a new format and layout for the Golden Times Bulletin to make it more user friendly.
- Streamlined the production process of the Bulletin by outsourcing the printing and establishing an email sign up list. These changes have provided a savings of \$1,637 in postage and \$3,607 in printing. The bulletin serves as a key marketing piece to communicate the beneficial programs offered to the public in senior services.

## 2017-19 KEY OBJECTIVES

- Develop a volunteer program that provides opportunities for community service by supporting projects and programs that help seniors maintain a healthy, enjoyable, and independent lifestyle. (FY 17-19) 
- Review current Senior Respite Care Program provided as a service extension by the City of Martinez & the Martinez Senior Citizens Club. Implement necessary changes to refine the program to meet current standards of operations and services. (FY 17-19) 
- Market and promote a positive active image of the Martinez Senior Center within the community to increase participation by 5%. (FY 17-19)
- Integrate and coordinate Senior Center planning and programming with the Senior Citizens' Club Board of Directors on goals and expectations. (FY 17-19)
- Evaluate and prioritize current profitability of senior center instructional classes and programs and make necessary recommendations to appropriate management staff to improve revenue generation. (FY 17-19)

## ADMINISTRATIVE SERVICES EXPENDITURES

|                                |     |                              | <u>2015-16</u><br><u>Actual</u> | <u>2016-17</u><br><u>Revised</u> | <u>2017-18</u><br><u>Budget</u> | <u>Increase</u><br><u>(Decrease)</u> | <u>2018-19</u><br><u>Budget</u> | <u>Increase</u><br><u>(Decrease)</u> |
|--------------------------------|-----|------------------------------|---------------------------------|----------------------------------|---------------------------------|--------------------------------------|---------------------------------|--------------------------------------|
| <b>Administrative Services</b> |     |                              |                                 |                                  |                                 |                                      |                                 |                                      |
| 01                             | 401 | ADMINISTRATION               |                                 |                                  |                                 |                                      |                                 |                                      |
|                                |     | Labor                        | 391,105                         | 340,850                          | 415,500                         | 74,650                               | 416,200                         | 700                                  |
|                                |     | Operating                    | 60,816                          | 43,562                           | 52,600                          | 9,038                                | 55,500                          | 2,900                                |
|                                |     | Direct & Indirect Costs      | (94,146)                        | (100,777)                        | (115,700)                       | (14,923)                             | (115,900)                       | (200)                                |
|                                |     | TOTAL ADMINISTRATION         | <u>357,774</u>                  | <u>283,635</u>                   | <u>352,400</u>                  | <u>68,765</u>                        | <u>355,800</u>                  | <u>3,400</u>                         |
|                                |     |                              |                                 |                                  |                                 |                                      |                                 |                                      |
| 01                             | 404 | FINANCE                      |                                 |                                  |                                 |                                      |                                 |                                      |
|                                |     | Labor                        | 746,257                         | 653,131                          | 650,700                         | (2,431)                              | 647,900                         | (2,800)                              |
|                                |     | Operating                    | 119,850                         | 91,878                           | 229,100                         | 137,222                              | 235,200                         | 6,100                                |
|                                |     | Direct & Indirect Costs      | (122,894)                       | (127,334)                        | (129,400)                       | (2,066)                              | (126,000)                       | 3,400                                |
|                                |     | TOTAL FINANCE                | <u>743,213</u>                  | <u>617,675</u>                   | <u>750,400</u>                  | <u>132,725</u>                       | <u>757,100</u>                  | <u>6,700</u>                         |
|                                |     |                              |                                 |                                  |                                 |                                      |                                 |                                      |
| 01                             | 402 | HUMAN RESOURCES              |                                 |                                  |                                 |                                      |                                 |                                      |
|                                |     | Labor                        | 148,893                         | 153,949                          | 267,200                         | 113,251                              | 270,900                         | 3,700                                |
|                                |     | Operating                    | 119,828                         | 71,125                           | 170,700                         | 99,575                               | 139,700                         | (31,000)                             |
|                                |     | Direct & Indirect Costs      | (24,584)                        | (29,055)                         | (28,900)                        | 155                                  | (28,900)                        |                                      |
|                                |     | TOTAL PERSONNEL              | <u>244,138</u>                  | <u>196,019</u>                   | <u>409,000</u>                  | <u>212,981</u>                       | <u>381,700</u>                  | <u>(27,300)</u>                      |
|                                |     |                              |                                 |                                  |                                 |                                      |                                 |                                      |
| 01                             | 801 | COMMUNITY SERVICES ADMIN     |                                 |                                  |                                 |                                      |                                 |                                      |
|                                |     | Labor                        | 262,800                         | 301,078                          | 274,700                         | (26,378)                             | 271,400                         | (3,300)                              |
|                                |     | Operating                    | 66,934                          | 71,380                           | 88,100                          | 16,720                               | 89,600                          | 1,500                                |
|                                |     | Direct & Indirect Costs      | 28,688                          | 28,275                           | 28,200                          | (75)                                 | 28,200                          |                                      |
|                                |     | TOTAL COMMUNITY SERVICES ADI | <u>358,423</u>                  | <u>400,733</u>                   | <u>391,000</u>                  | <u>(9,733)</u>                       | <u>389,200</u>                  | <u>(1,800)</u>                       |

|    |     |                              | <b>2015-16<br/>Actual</b> | <b>2016-17<br/>Revised</b> | <b>2017-18<br/>Budget</b> | <b><i>Increase<br/>(Decrease)</i></b> | <b>2018-19<br/>Budget</b> | <b><i>Increase<br/>(Decrease)</i></b> |
|----|-----|------------------------------|---------------------------|----------------------------|---------------------------|---------------------------------------|---------------------------|---------------------------------------|
| 01 | 802 | CULTURAL AND ARTS            |                           |                            |                           |                                       |                           |                                       |
|    |     | Operating                    | 28,596                    | 59,969                     | 67,500                    | 7,531                                 | 67,600                    | 100                                   |
|    |     | Direct & Indirect Costs      |                           |                            |                           |                                       |                           |                                       |
|    |     | TOTAL CULTURAL AND ARTS      | <u>28,596</u>             | <u>59,969</u>              | <u>67,500</u>             | <u>7,531</u>                          | <u>67,600</u>             | <u>100</u>                            |
| 01 | 803 | GENERAL RECREATION           |                           |                            |                           |                                       |                           |                                       |
|    |     | Labor                        | 30,556                    | 31,536                     | 31,700                    | 164                                   | 31,400                    | (300)                                 |
|    |     | Operating                    | 7,122                     | 13,328                     | 15,000                    | 1,672                                 | 15,400                    | 400                                   |
|    |     | Direct & Indirect Costs      |                           |                            |                           |                                       |                           |                                       |
|    |     | TOTAL GENERAL RECREATION     | <u>37,679</u>             | <u>44,864</u>              | <u>46,700</u>             | <u>1,836</u>                          | <u>46,800</u>             | <u>100</u>                            |
| 01 | 804 | MUNICIPAL SWIMMING POOL      |                           |                            |                           |                                       |                           |                                       |
|    |     | Labor                        | 170,782                   | 134,030                    | 184,600                   | 50,570                                | 184,400                   | (200)                                 |
|    |     | Operating                    | 161,632                   | 158,406                    | 167,500                   | 9,094                                 | 169,900                   | 2,400                                 |
|    |     | Direct & Indirect Costs      |                           |                            |                           |                                       |                           |                                       |
|    |     | TOTAL MUNICIPAL SWIMMING POC | <u>332,414</u>            | <u>292,436</u>             | <u>352,100</u>            | <u>59,664</u>                         | <u>354,300</u>            | <u>2,200</u>                          |
| 01 | 805 | AMPHITHEATER                 |                           |                            |                           |                                       |                           |                                       |
|    |     | Labor                        |                           |                            |                           |                                       |                           |                                       |
|    |     | Operating                    | 24,754                    | 9,053                      | 8,400                     | (653)                                 | 8,600                     | 200                                   |
|    |     | Direct & Indirect Costs      |                           |                            |                           |                                       |                           |                                       |
|    |     | TOTAL AMPHITHEATER           | <u>24,754</u>             | <u>9,053</u>               | <u>8,400</u>              | <u>(653)</u>                          | <u>8,600</u>              | <u>200</u>                            |
| 01 | 806 | DAY CARE                     |                           |                            |                           |                                       |                           |                                       |
|    |     | Labor                        |                           |                            |                           |                                       |                           |                                       |
|    |     | Operating                    | 715                       | 1,201                      | 1,200                     | (1)                                   | 1,200                     |                                       |
|    |     | Direct & Indirect Costs      |                           |                            |                           |                                       |                           |                                       |
|    |     | TOTAL DAY CARE               | <u>715</u>                | <u>1,201</u>               | <u>1,200</u>              | <u>(1)</u>                            | <u>1,200</u>              |                                       |

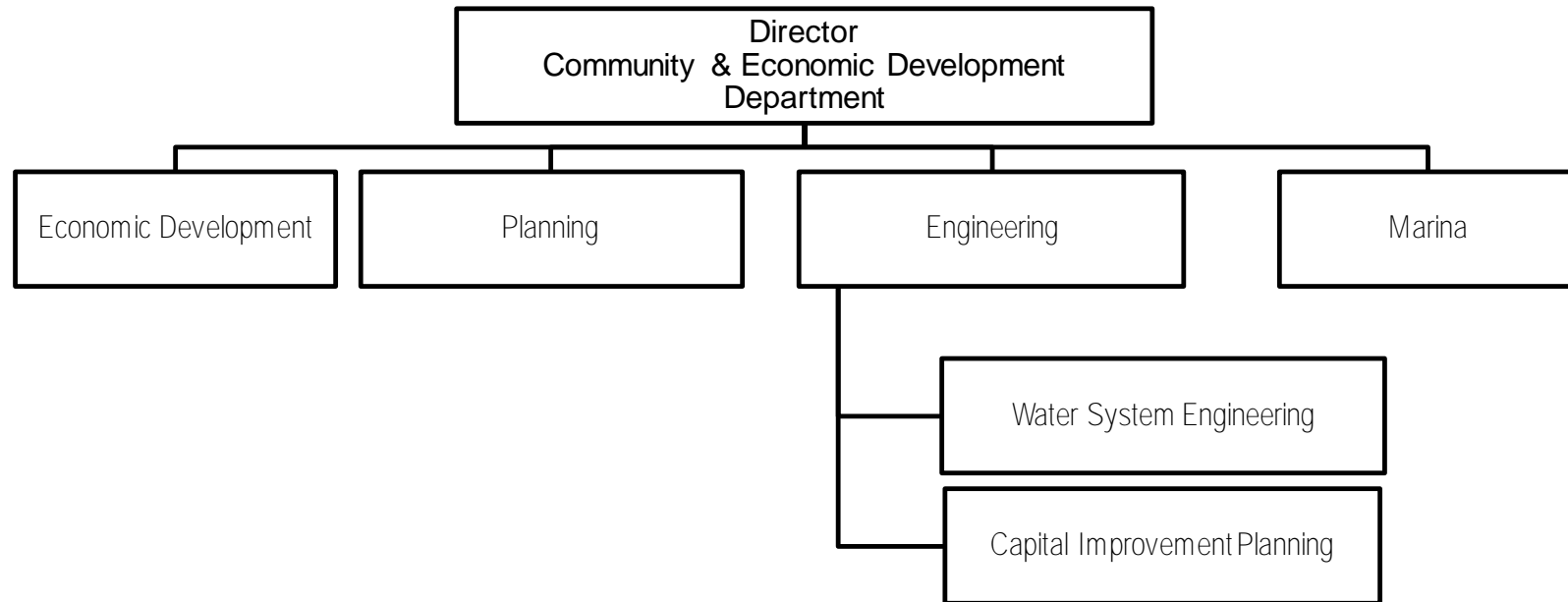
|    |       |                                      | <b>2015-16<br/>Actual</b>  | <b>2016-17<br/>Revised</b> | <b>2017-18<br/>Budget</b>  | <b><i>Increase<br/>(Decrease)</i></b> | <b>2018-19<br/>Budget</b>  | <b><i>Increase<br/>(Decrease)</i></b> |
|----|-------|--------------------------------------|----------------------------|----------------------------|----------------------------|---------------------------------------|----------------------------|---------------------------------------|
| 01 | 808   | SPORTS PROGRAMS                      |                            |                            |                            |                                       |                            |                                       |
|    |       | Labor                                | 7,241                      | 28,158                     | 11,300                     | (16,858)                              | 11,200                     | (100)                                 |
|    |       | Operating                            | 26,467                     | 34,530                     | 36,152                     | 1,622                                 | 36,900                     | 748                                   |
|    |       | Direct & Indirect Costs              |                            |                            |                            |                                       |                            |                                       |
|    |       | TOTAL SPORTS PROGRAMS                | <u>33,708</u>              | <u>62,688</u>              | <u>47,452</u>              | <u>(15,236)</u>                       | <u>48,100</u>              | <u>648</u>                            |
| 01 | 809   | SENIOR CITIZEN PROGRAMS              |                            |                            |                            |                                       |                            |                                       |
|    |       | Labor                                | 180,928                    | 248,356                    | 270,700                    | 22,344                                | 275,700                    | 5,000                                 |
|    |       | Operating                            | 168,943                    | 141,698                    | 126,700                    | (14,998)                              | 132,100                    | 5,400                                 |
|    |       | Direct & Indirect Costs              |                            |                            |                            |                                       |                            |                                       |
|    |       | TOTAL SENIOR CITIZEN PROGRAMS        | <u>349,871</u>             | <u>390,054</u>             | <u>397,400</u>             | <u>7,346</u>                          | <u>407,800</u>             | <u>10,400</u>                         |
| 01 | 809.1 | ALZHEIMER RESPITE                    |                            |                            |                            |                                       |                            |                                       |
|    |       | Labor                                | 11,755                     | 9,911                      | 28,700                     | 18,789                                | 29,100                     | 400                                   |
|    |       | Operating                            | 908                        | 2,402                      | 4,500                      | 2,098                                 | 4,700                      | 200                                   |
|    |       | TOTAL ALZHEIMER RESPITE              | <u>12,663</u>              | <u>12,313</u>              | <u>33,200</u>              | <u>20,887</u>                         | <u>33,800</u>              | <u>600</u>                            |
|    |       | <b>TOTAL ADMINISTRATIVE SERVICES</b> | <b><u>\$ 2,523,948</u></b> | <b><u>\$ 2,370,640</u></b> | <b><u>\$ 2,856,752</u></b> | <b><u>\$ 414,471</u></b>              | <b><u>\$ 2,852,000</u></b> | <b><u>\$ (17,200)</u></b>             |



## **Section 7: Community & Economic Development Department**



# Community and Economic Development Department





# Community and Economic Development Department

## Economic Development

Revitalization  
Development Coordination  
Market Survey and Analysis  
Branding and Marketing  
Business Liaison Coordination

## Planning

Development Review  
Advance Planning  
Design Review Committee

## Engineering

Transportation  
Development Review  
Pavement Management  
Capital Improvement Projects  
Clean Water Program

This Department is charged with managing the City's Economic Development, Planning, and Engineering functions. The City's Capital Improvement Projects, including those of the Enterprise funds and Transportation, are also managed here. The functions of Community Services & Recreation and the Senior Center were previously budgeted here but are now part of the Administrative Services Department. The functions of Engineering will continue to report to Public Works until the new Director has been established and a determination regarding future reporting relationships has been made. See Section 10, Enterprise Funds, for information on the Marina.

### DEPARTMENT BUDGETED STAFF

| <u>Budgeted Positions</u>            | <u>2015-16</u> | <u>2016-17</u> | <u>2017-18</u> | <u>2018-19</u> |
|--------------------------------------|----------------|----------------|----------------|----------------|
| Community and Economic Dev. Director | 0.0            | 1.0            | 1.0            | 1.0            |
| Planning Manager                     | 0.8            | 0.0            | 0.0            | 0.0            |
| Economic Development Coordinator     | 0.0            | 1.0            | 1.0            | 1.0            |
| Administrative Aide III              | 2.0            | 2.0            | 2.0            | 2.0            |
| Senior Planner                       | 1.0            | 1.0            | 1.0            | 1.0            |
| City Engineer                        | 1.0            | 1.0            | 1.0            | 1.0            |
| Senior Civil Engineer                | 1.0            | 1.0            | 1.0            | 1.0            |
| Associate Civil Engineer             | 1.0            | 1.0            | 1.0            | 1.0            |
|                                      | <u>6.8</u>     | <u>8.0</u>     | <u>8.0</u>     | <u>8.0</u>     |

## COMMUNITY AND ECONOMIC DEVELOPMENT DEPARTMENT




### ECONOMIC DEVELOPMENT DIVISION

Economic Development focuses on downtown revitalization, strengthening the local economy and promoting the City as a destination for new businesses, visitors, and investors. These efforts are strengthened through coordination with local and regional business organizations, property owners, and business owners. Economic Development responsibilities have been managed by the City Manager's office in recent years but are returning to the Community and Economic Development Department upon the hiring of the Director and Economic Development Coordinator positions.

### 2015-17 ACCOMPLISHMENTS

- Received Council approval to fill key positions of Community and Economic Development Director and Economic Development Coordinator.
- Received Council approval to fund citywide economic development program, to include a market study, building and site inventory, and related marketing materials.
- Participated in Contra Costa County Northern Waterfront regional collaborative effort to revitalize and transform area into an economic asset and presented at the September 2016 Northern California Certified Commercial Investment Manager (CCIM) Broker Forum.
- Created promotional video spot highlighting the ongoing transformation of downtown Martinez as a hub for emerging small businesses.
- Developed new reporting performance measures for the Chamber of Commerce and Main Street Martinez as part of their annual contracts with the City.
- Recruited and filled Council-approved Community and Economic Development Director position.

### 2017-19 KEY OBJECTIVES

- Recruit and fill Council-approved Economic Development Coordinator position. (FY 17-18) 
- Develop and implement market study, building and site inventory, and related marketing materials for the citywide economic development program. (FY 17-18) 
- Determine appropriate Old Train Depot reuse options. (FY 17-18) 
- Evaluate potential options for continued operation of Campbell Theater. (FY 17-18)

- Research Enhanced Infrastructure Finance District (EIFD) and related financing tools. (FY 18-19)
- Coordinate business recruitment efforts with economic development partner organizations Chamber of Commerce and Main Street Martinez to attract potential new business interests to the City. (FY 17-19)
- Evaluate options for enhancing infrastructure at the Amphitheater as means of expanding regional draw of the facility and promoting economic development and vitality in the Downtown. (FY 17-19)
- Determine development potential for City owned Lot 4 parcel. (FY 17-18)
- Assist with acquisition and re-use of the Old Jail building. (FY 17-18)





## PLANNING DIVISION

Planning serves and provides assistance to developers, business and property owners, and residents navigating the local land use and development regulatory process. This includes: single-family property owners, residential production builders, commercial and industrial property owners and developers. Planning Division staff assists the public with permit processing and interpretation of City regulations and policies related to the Subdivision and Zoning ordinances. In long-range planning, staff provides assistance to the Planning Commission, the City Council, advisory committees, and community groups involved directly or indirectly with land use and development policy, including updates to the General Plan, Zoning Ordinance and Housing Element. Staff also works with residents, business and property owners, community groups, developers, other City departments/divisions, and outside agencies with community development problems, concerns, and opportunities.

## 2015-17 ACCOMPLISHMENTS

- Assisted with code enforcement actions for land use violations.
- Engaged consultant to coordinate the completion of the General Plan update including circulating the draft EIR and General Plan update, compiling public comments, and drafting policy papers for discussion of four major topics from public comment.
- Started processing revised Pine Meadows subdivision application with Council determination of appropriate General Plan and zoning categories.
- Commenced application processing for Amare Homes 128-unit apartment project.
- Started discussion of Telfer Transportation parcel conversion to downtown residential.
- Assisted City Manager's office with analysis of new County administration building in Downtown.
- Completed adoption of view ordinance.

## 2017-19 KEY OBJECTIVES

- Complete adoption of the General Plan Update. (FY 17-18) 
- Complete reorganization of the planning function as part of the re-established Community & Economic Development department. (FY 17-18) 
- Develop and implement a citywide economic development program. (FY 17-19) 
- Start process for preparation of a Marina Master Plan per state requirements. (FY 17-18) 

- Complete Alhambra Hills Negotiations. (FY 17-18) 
- Commence revision of Zoning Ordinance. (FY 17-18)
- Complete processing of Pine Meadows subdivision map. (FY 17-18)
- Complete processing of Amare Apartments project. (FY 17-18)
- Complete determination of compliance of the Telfer downtown residential project with the Housing Element. (FY 17-18)
- Complete Downtown Priority Development Area Market Analysis. (FY 17-18)
- Complete Alhambra Valley annexation and Urban Limit Line adjustment. (FY 17-18)




## ENGINEERING DIVISION

Engineering works with other City departments to design, plan, and construct public facilities including streets, park improvements, storm drains, traffic signals and water systems. In addition, Engineering staff manage the City Clean Water National Pollution Discharge Elimination System (NPDES) Program; apply for annual Community Development Block Grants (CDBG) for infrastructure improvements; establish and maintain Lighting and Landscape Assessment Districts; support the Traffic Safety Committee; review and process development applications; prepare State and Federal capital improvement project grant applications; manage City's transportation capital projects such as the Intermodal Phase III, Measure J, and federally-funded paving projects; provide construction management assistance on capital improvement projects and represent City on local/regional boards and commissions including the Contra Costa Transportation Authority, Caltrans, Capital Corridor Joint Powers Authority and Transportation Partnership and Cooperation (TRANSPAC).

## 2015-17 ACCOMPLISHMENTS

- Complied and implemented new State Water Board regulations for the Municipal Regional Permit (MRP2).
- Implemented City's two-year, \$18.3M Capital Improvement Program.
- Participate in Contra Costa Transportation Authority (CCTA) activities to maintain Measure J compliance.
- Successfully obtained \$1,400,000 grant funding for street, sidewalk and ADA projects.
- Utilized City's web site to improve the flow of information to the public for Capital Improvement Program including Measure H parks project status updates.
- Incorporate updated Transportation Elements into the General Plan as part of the City's General Plan update.
- Completed 2012 Marina Dredge Mitigation Program.

## 2017-19 KEY OBJECTIVES

- Implement Measure D Pavement Program. (FY 17-19) 
- Implement Capital Improvement Program. (FY 17-19) 
- Secure Grant funding for various un-funded CIP projects. (FY 17-19) 
- Ensure compliance with Water Board MRP2 including 70% trash reduction, PCB reduction and "Green Streets" implementation. (FY 17-18)

- Complete New Development Review in a timely manner including Contra Costa County downtown civic area improvements. (FY 17-19)
- Participate in Contra Costa Transportation Authority (CCTA) activities to maintain Measure J compliance. (FY 17-19)
- Obtain Federal and State disaster fund reimbursement for January 2017 storm damage. (FY 17-18)
- Complete Storm Drain GIS layer. (FY 17-18)

## COMMUNITY & ECONOMIC DEVELOPMENT EXPENDITURES

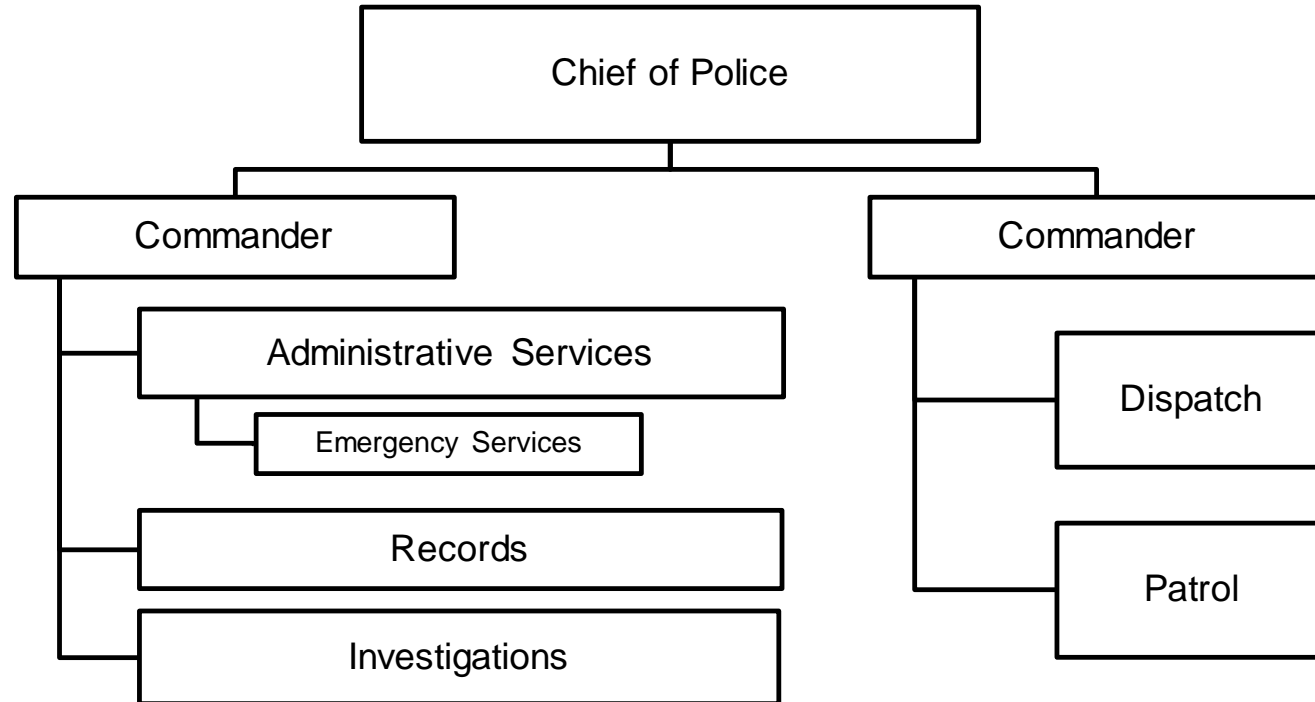
|                                    | 2015-16<br>Actual | 2016-17<br>Revised  | 2017-18<br>Budget   | Increase<br>(Decrease) | 2018-19<br>Budget   | Increase<br>(Decrease) |
|------------------------------------|-------------------|---------------------|---------------------|------------------------|---------------------|------------------------|
| <b>Community Development</b>       |                   |                     |                     |                        |                     |                        |
| 01 701 COMMUNITY DEVELOPMENT ADMIN |                   |                     |                     |                        |                     |                        |
| Labor                              |                   | 21,549              | 263,900             | 242,351                | 262,800             | (1,100)                |
| Operating                          | 1,387             | 2,100               | 17,700              | 15,600                 | 18,200              | 500                    |
| Direct & Indirect Costs            |                   | (8,427)             | (8,400)             | 27                     | (8,400)             |                        |
| TOTAL COMMUNITY DEVELOPMENT ADM    | 1,387             | 15,222              | 273,200             | 257,978                | 272,600             | (600)                  |
| 01 702 ECONOMIC DEVELOPMENT        |                   |                     |                     |                        |                     |                        |
| Labor                              | 53,334            | 16,670              | 139,300             | 122,630                | 143,500             | 4,200                  |
| Operating                          | 141,800           | 214,522             | 268,900             | 54,378                 | 270,400             | 1,500                  |
| Direct & Indirect Costs            | 746               | 5,110               | 5,200               | 90                     | 5,200               |                        |
| TOTAL ECONOMIC DEVELOPMENT         | 195,880           | 236,302             | 413,400             | 177,098                | 419,100             | 5,700                  |
| 01 703 PLANNING                    |                   |                     |                     |                        |                     |                        |
| Labor                              | 310,102           | 277,264             | 254,700             | (22,564)               | 252,300             | (2,400)                |
| Operating                          | 65,448            | 245,827             | 86,500              | (159,327)              | 88,300              | 1,800                  |
| Direct & Indirect Costs            | 7,811             | 7,699               | 7,700               | 1                      | 7,700               |                        |
| TOTAL PLANNING                     | 383,362           | 530,790             | 348,900             | (181,890)              | 348,300             | (600)                  |
| 01 704 ENGINEERING                 |                   |                     |                     |                        |                     |                        |
| Labor                              | 605,107           | 691,220             | 713,000             | 21,780                 | 716,700             | 3,700                  |
| Operating                          | (194,265)         | (228,072)           | (111,300)           | 116,772                | (110,000)           | 1,300                  |
| Direct & Indirect Costs            | (118,574)         | (131,610)           | (131,600)           | 10                     | (131,600)           |                        |
| TOTAL ENGINEERING                  | 292,267           | 331,538             | 470,100             | 138,562                | 475,100             | 5,000                  |
| <b>TOTAL COMMUNITY DEVELOPMENT</b> | <b>\$ 872,896</b> | <b>\$ 1,113,852</b> | <b>\$ 1,505,600</b> | <b>\$ 391,748</b>      | <b>\$ 1,515,100</b> | <b>\$ 9,500</b>        |



## **Section 8: Police Department**



# Police Department





# Police Department

| <b>Administrative Services</b>        | The Police Department is charged with maintaining the Public Safety of the City's citizens and its visitors. In addition to its administrative functions, the Department consists of Field Services, Investigative Services, Support Services, Traffic Enforcement, and Emergency Services. |                       |                       |                       |                       |
|---------------------------------------|---|-----------------------|-----------------------|-----------------------|-----------------------|
| Policies/Programs/Training/Recruiting |   |                       |                       |                       |                       |
| Budgeting, Contracts, and Personnel   |   |                       |                       |                       |                       |
| <b>Investigative Services</b>         | <b>DEPARTMENT BUDGETED STAFF</b>  |                       |                       |                       |                       |
| Criminal Case Investigations          | <b><u>Budgeted Positions</u></b>  | <b><u>2015-16</u></b> | <b><u>2016-17</u></b> | <b><u>2017-18</u></b> | <b><u>2018-19</u></b> |
| Regional Enforcement                  | Police Chief  | 1.0                   | 1.0                   | 1.0                   | 1.0                   |
| <b>Support Services</b>               | Police Captain  | 1.0                   | 0.0                   | 0.0                   | 0.0                   |
| Police Dispatching Services           | Police Commander  | 0.0                   | 2.0                   | 2.0                   | 2.0                   |
| Records Management                    | Police Lieutenant   | 2.0                   | 0.0                   | 0.0                   | 0.0                   |
| Public Counter Service                | Police Sergeant   | 5.0                   | 6.0                   | 6.0                   | 6.0                   |
| <b>Traffic Enforcement</b>            | Police Officer  | 28.0                  | 28.0                  | 28.0                  | 28.0                  |
| Parking/Moving Violations Enforcement | Administrative Secretary  | 1.0                   | 1.0                   | 1.0                   | 1.0                   |
| Neighborhood Traffic Enforcement      | Dispatch Supervisor   | 1.0                   | 1.0                   | 1.0                   | 1.0                   |
| Traffic Accident Investigation        | Police Dispatcher I/II  | 7.0                   | 7.0                   | 7.0                   | 7.0                   |
| <b>Patrol Bureau</b>                  | Records Supervisor  | 1.0                   | 1.0                   | 1.0                   | 1.0                   |
| 24-hour Uniformed Patrol Services     | Police Assistant  | 3.0                   | 3.0                   | 3.0                   | 3.0                   |
| Community Policing/Crime Prevention   | Records Clerk   | 2.0                   | 2.0                   | 2.0                   | 2.0                   |
| Reserve and Cadet Programs            |   | 52.0                  | 52.0                  | 52.0                  | 52.0                  |
| <b>Emergency Services</b>             |   |                       |                       |                       |                       |
| Emergency Planning and Response       |   |                       |                       |                       |                       |
| Emergency Operations Center           |   |                       |                       |                       |                       |

## POLICE DEPARTMENT




### ADMINISTRATIVE SERVICES DIVISION


The mission is to deliver a high level of community interaction, providing professional law enforcement and public safety services in a fair, compassionate, and proactive manner, and to maintain a high City quality of life and safety for residents, businesses and visitors.

### 2015-17 ACCOMPLISHMENTS

- Established Community Police Academy with 23 graduates in 2016.
- Established Mental Health Evaluation Team Liaison.
- Reorganized the PD to increase management span of control, increase efficiency, and address department needs.
- Hired Chief of Police and four officers, and promoted two sergeants.
- Hired three Dispatchers (successfully retained one), one Records Clerk, two Police Assistants, and two Cadets.
- Conducted organizational scan and assessment to identify Department needs.
- Acquired \$90K grant through Tesoro to continue with homelessness initiative.
- Maintained high level of employee training for employee growth and development by sending one Commander to the FBI National Academy, sending two sergeants to the Supervisory Leadership Institute (SLI), sending six SWAT officers to a 40-hour planning and tactics update school, provided active shooter response training, put one Dispatcher through the Dispatch Academy, and continued Crisis Intervention Training resulting in 75% of sworn staff trained on this topic.
- Modified Citizen Complaint forms to address Department of Justice mandate.
- Implemented online reporting for Department of Justice mandated Use of Force Reporting, which is separate from the Citizen Complaint form mandate.

### 2017-19 KEY OBJECTIVES

- Establish a regionalized approach to homelessness with Contra Costa County and Pleasant Hill PD; contract with Contra Costa County for homeless outreach services in Martinez. (FY 17-19) 
- Coordinate with Public Works to increase efforts to clean up homeless encampments. (FY 17-18) 
- Comply with mandated DOJ reporting requirements. (FY 18-19) 

- Consider establishment of a Crime Analyst position to bolster department's analytical resources. (FY 17-18) 
- Incorporate Team Building Workshops to restate mission, vision, and department focus. (FY 17-18)
- Remodel and update briefing room and improve workspace areas. (FY 17-19)
- Expand Community Police Academy to two sessions per year. (FY 18-19)
- Increase success rate of newly hired dispatchers with hiring incentives to attract exceptionally qualified candidates. (FY 17-18)
- Expand Department Website to include access to crime maps, data, and Crime Prevention Information. (FY 17-19)
- Continue succession planning through training. (FY 17-19)
- Expand regional approach to crime fighting strategies and quality of life issues specific to property crimes. (FY 17-19)



## INVESTIGATIVE SERVICES DIVISION

Investigative Services is responsible for major criminal investigations. The Bureau has expanded its investigations into computer crimes and identity theft and increased attention on sales of illegal substances to minors, such as alcohol, drugs, etc.

### 2015-17 ACCOMPLISHMENTS

- Re-established investigative working group with neighboring agencies.
- Established “Cold Case” protocol with District Attorney’s Office to revisit old investigations.
- Developed protocols with Amtrak Police Department and conducted several successful interdiction investigations.
- Developed tracking mechanism for case investigations.
- Migrated sex registration coordination to Detective Bureau from Records for better tracking and case management.
- Adjusted deployment to accommodate Dispatch and Patrol personnel shortages to mitigate overtime expenditures.
- Established Community Court program.
- Participated regularly in regional VTSET (Vehicle Theft Suppression Enforcement Team) to target the theft of stolen cars.
- Transitioned lead role from Department to District Attorney’s Office for ICAC (Internet Crimes Against Children).
- Transitioned and trained two new detectives into Detective Bureau.
- Established partnerships with Federal Law Enforcement Partners and created a dedicated workstation for Federal investigators.
- Provided in-house training on crime scene processing.
- Acquired computer equipment through a partnership with Homeland Security Firearms and Tech Ops Division, specifically for the investigation of Internet Crimes Against Children (ICAC), that was paid for through Homeland Security. The cost of the computer equipment was \$11,697.

### 2017-19 KEY OBJECTIVES

- Create a working group between PD, Planning, and Finance to further research and address ramifications of Proposition 64 depending on whether the City modifies the temporary ban on recreational marijuana businesses. (FY 17-18) 
- Establish a non-sworn Merchant Liaison/Crime Prevention Coordinator position to function as liaison to all businesses in the City as well as to focus on crime prevention efforts throughout the community and build stronger neighborhood watch. (FY 18-19) 

- Establish investigative and enforcement strategies to mitigate community harms and provide timely identification of crime trends. (FY 17-19)
- Increase number of cases referred to Community Court from zero to three in FY 17-18 and from three to five in FY 18-19.
- Increase and maintain high level of specialized investigative training for full service investigative capacity. (FY 18-19)
- Improve communication with District Attorney's Office on case filing standards to increase successful prosecutions. (FY 17-18)
- Increase DPT (Drug Presumptive Training) to streamline narcotics investigations and reduce prosecution costs. (FY 17-18)


## SUPPORT SERVICES DIVISION

Support Services consists of the Records Bureau and Dispatch Bureau. Dispatchers are responsible for police dispatching and records personnel are responsible for report transcription, records control and confidentiality issues involving police reports. The Records Bureau also staffs the front counter and has direct contact with the general public.

### 2015-17 ACCOMPLISHMENTS

- Achieved full staffing in the Records Bureau.
- Complied with Department of Justice mandate to create and provide non-charged arrestees of detention-only certificates.
- Sent two Dispatchers to trainings on Active Shooter and Mental Illness Awareness.
- Enrolled and graduated Dispatch Supervisor from 2016 Contra Costa Leadership Academy.
- Reduced average Dispatch time for Priority 1 calls to 1 minute and 17 seconds from 2 minutes and 20 seconds.
- Effectively cross-trained one police officer to function as a solo dispatcher.
- Trained Dispatch Supervisor in ArcGIS to facilitate crime mapping – funded by a \$2,825 State grant (Cal 911).
- Coordinated a successful, neighborhood based, and well received National Night Out in August 2016 for building community and police relationships. The event hosted several hundred participants citywide.
- Utilized capabilities of current systems to explore and provide basic crime mapping functions.

### 2017-19 KEY OBJECTIVES

- Work with IT to update PD Communications Server. (FY 17-18) 
- Focus on recruiting, retention, and training to attain full staffing in Dispatch (hiring for five vacancies). (FY 17-19)
- Increase Volunteers in Police Service (VIPs) from three to seven. (FY 17-19)
- Cross train available staff in Records to function in Dispatch. (FY 17-19)
- Modify electronic reporting systems to mirror expansion of electronic case filing with the District Attorney's Office. (FY 17-19)
- Draft departmental procedure in anticipation of fully implementing "Text to 911." (FY 17-18)

## **TRAFFIC ENFORCEMENT DIVISION**

Traffic enforcement activities are patrol bureau functions. Police personnel are responsible for enforcement of California Vehicle Code violations and parking violations. The Bureau is responsible for vehicle abatement on both public and private property as well as numerous community oriented projects involving traffic to include enforcement based on neighborhood complaints. This unit is staffed with three police assistants, but had one to two vacancies during the previous budget cycle. The traffic enforcement functions were previously performed by police officers working in the Patrol Bureau. One full-time police officer has been added to focus on accident mitigation through enforcement as well as accident investigation.

## **2015-17 ACCOMPLISHMENTS**

- Deployed one full-time Traffic Enforcement Officer.
- Participated in Regional Traffic Team saturation patrols in the region.
- Reduced traffic collisions by 9.5%.
- Reduced DUI traffic collisions from 52 in fiscal year 2013-2015 to 48 for fiscal year 2015-2017.
- Participated in Traffic Safety Fair with Martinez Unified School District (MUSD).

## **2017-19 KEY OBJECTIVES**

- Continue with the Multi-Agency Traffic Team to enhance investigative capabilities and utilize multi-agency technology. (FY 17-19)
- Increase number of citations written (to include parking citations) by 30%. (FY 17-19)
- Increase Traffic Enforcement Unit capacity by adding one additional full-time Traffic Enforcement/Commercial Vehicle Enforcement Officer, once PD is at full staffing. (FY 17-19)
- Train/Update staff on State requirements for SFST (Standardized Field Sobriety Test) to reduce DUI collisions. (FY 17-18)
- Coordinate and participate in quarterly pedestrian crosswalk sting operations with CCSO and CHP to enhance safety. (FY 17-19)



## PATROL BUREAU DIVISION

The Patrol Bureau is part of the Operations and Services Division and is responsible for all uniformed patrol. Police officers respond to calls 24 hours a day. Police officers are also responsible, in part, for working on issues that impact their Neighborhood Policing Area (NPA). This might include neighborhood watch, meetings, group discussions, foot patrol, park, and bicycle patrols. The NPA approach seeks to expand partnerships with individuals, businesses and the community as a whole.

## 2015-17 ACCOMPLISHMENTS

- Trained 70% of patrol staff in Crisis Intervention Training (CIT).
- Conducted Active Shooter training at Contra Costa Regional Medical Center involving hospital staff at Sheriff's Department.
- Conducted second Cyber Safety class at Martinez Junior High School for students and parents.
- Conducted regional Active Shooter training in Moraga as with Urban Area Security Initiative.
- Restructured NPA deployment placing multiple officers in each NPA resulting in 4 NPAs rather than 24 NPAs.
- Participated in a successful National Night Out with six neighborhoods that coordinated gatherings in their neighborhoods. There were several locations that had attendance of well over 100 people throughout the evening and we had 18 officers participate. We coordinated with the California Highway Patrol, CalStar, ConFire, and community sponsors such as Les Schwab, Creekside Church, and Dominos.
- Expanded police canine program from one to three canines.
- Coordinated two Coffee with a Cop events for building police and community relationships.
- Hired four police officers.
- Expanded crime prevention outreach resources.
- Assigned resources to impact homelessness.
- MHET (Mental Health Evaluation Team) liaison established for follow-up on the mentally ill.
- Replaced Department-issued duty firearms and conducted transitional firearms training.

## 2017-19 KEY OBJECTIVES

- Establish School Resource Officer Program with one sworn officer as vacancies are staffed. (FY 18-19) 
- Research and implement technology including additional city-wide cameras; Body Cameras; unmanned aerial vehicle (UAV) for disaster response, active shooter response, and suspect location strategies; and, a tactical vehicle for coordinated emergency response efforts with our regional SWAT team partners. (FY 18-19) 
- Hire four new officers to fill budgeted vacancies. (FY 17-19)
- Continue NPA meetings in four defined NPA areas. (FY 17-19)
- Increase number of police and community relationship building events such as Coffee with a Cop/Pizza with a Cop. (FY 17-19)
- Train 100% of staff on CIT (Crisis Intervention Training). (FY 17-19)
- Reduce the number of auto thefts by 10% in FY 17-18 and by 10% in FY 18-19. (FY 17-19)
- Acquire ALPR (Automated License Plate Readers) to patrol cars and in fixed locations in city. (FY 17-19).
- Explore implementing Body Cameras for use in patrol. (FY 18-19)
- Conduct scenario-based use of force training and purchase equipment needed to support this training. (FY 17-19)

## **EMERGENCY SERVICES DIVISION**

Emergency Services is responsible for citywide emergency preparedness and emergency services response. This includes training of City employees and providing information to the general public. In an actual emergency, the Police Department has the responsibility of taking the lead in all citywide emergency services and coordinating with other agencies such as County Fire and the County Sheriff's Office.

### **2015-17 ACCOMPLISHMENTS**

- Conducted two EOC training sessions for City Employees.
- Graduated approximately 60 new community members through CERT training.
- Enhanced Social Media efforts with the purchase of Nixle for notifications to community of emergency events.
- Distributed emergency evacuation procedures to residents in areas with fire dangers.

### **2017-19 KEY OBJECTIVES**

- Update Emergency Operations Plan. (FY 17-18)
- Conduct Citywide EOC function training to include a table top exercise. (FY 17-19)
- Relocate and upgrade the EOC to efficiently use building space and to expand on technology. (FY 17-18)
- Continue to support CERT program. (FY 17-19)

## POLICE DEPARTMENT EXPENDITURES

|                               | 2015-16<br>Actual | 2016-17<br>Revised | 2017-18<br>Budget | Increase<br>(Decrease) | 2018-19<br>Budget | Increase<br>(Decrease) |
|-------------------------------|-------------------|--------------------|-------------------|------------------------|-------------------|------------------------|
| <b>Police Services</b>        |                   |                    |                   |                        |                   |                        |
| 01 601 POLICE ADMINISTRATION  |                   |                    |                   |                        |                   |                        |
| Labor                         | 386,891           | 429,981            | 440,900           | 10,919                 | 443,200           | 2,300                  |
| Operating                     | 629,865           | 784,248            | 826,500           | 42,252                 | 842,700           | 16,200                 |
| Capital                       |                   |                    |                   |                        |                   |                        |
| Direct & Indirect Costs       | 144,737           | 142,653            | 81,100            | (61,553)               | 77,700            | (3,400)                |
| TOTAL POLICE ADMINISTRATION   | 1,161,492         | 1,356,882          | 1,348,500         | (8,382)                | 1,363,600         | 15,100                 |
| 01 602 INVESTIGATIVE SERVICES |                   |                    |                   |                        |                   |                        |
| Labor                         | 1,038,747         | 1,035,325          | 1,082,300         | 46,975                 | 1,092,000         | 9,700                  |
| Operating                     | 102,937           | 197,842            | 160,100           | (37,742)               | 161,800           | 1,700                  |
| Direct & Indirect Costs       |                   |                    |                   |                        |                   |                        |
| TOTAL INVESTIGATIVE SERVICES  | 1,141,684         | 1,233,167          | 1,242,400         | 9,233                  | 1,253,800         | 11,400                 |
| 01 603 SUPPORT SERVICES       |                   |                    |                   |                        |                   |                        |
| Labor                         | 1,202,761         | 1,413,807          | 1,334,100         | (79,707)               | 1,342,500         | 8,400                  |
| Operating                     | 191,603           | 265,175            | 188,100           | (77,075)               | 192,100           | 4,000                  |
| Capital                       |                   |                    |                   |                        |                   |                        |
| Direct & Indirect Costs       | (17,826)          | (18,631)           | (17,800)          | 831                    | (17,800)          |                        |
| TOTAL SUPPORT SERVICES        | 1,376,538         | 1,660,351          | 1,504,400         | (155,951)              | 1,516,800         | 12,400                 |

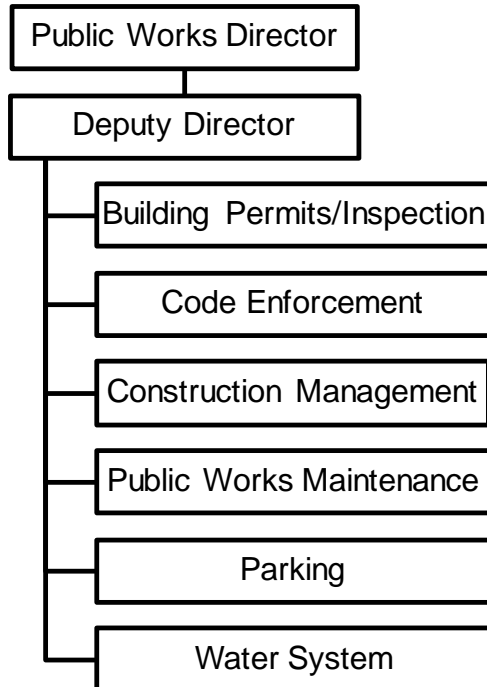
|                                       | <b>2015-16<br/>Actual</b>   | <b>2016-17<br/>Revised</b>  | <b>2017-18<br/>Budget</b>   | <b>Increase<br/>(Decrease)</b> | <b>2018-19<br/>Budget</b>   | <b>Increase<br/>(Decrease)</b> |
|---------------------------------------|-----------------------------|-----------------------------|-----------------------------|--------------------------------|-----------------------------|--------------------------------|
| 01 604 TRAFFIC ENFORCEMENT            |                             |                             |                             |                                |                             |                                |
| Labor                                 | 99,357                      | 180,424                     | 169,900                     | (10,524)                       | 168,100                     | (1,800)                        |
| Operating                             | 3,455                       | (38,845)                    | 21,600                      | 60,445                         | 21,800                      | 200                            |
| Direct & Indirect Costs               |                             |                             | (20,600)                    | (20,600)                       | (21,600)                    | (1,000)                        |
| TOTAL TRAFFIC ENFORCEMENT             | <u>102,812</u>              | <u>141,579</u>              | <u>170,900</u>              | <u>29,321</u>                  | <u>168,300</u>              | <u>(2,600)</u>                 |
| 01 605 PATROL BUREAU                  |                             |                             |                             |                                |                             |                                |
| Labor                                 | 6,116,799                   | 6,190,933                   | 6,464,100                   | 273,167                        | 6,654,500                   | 190,400                        |
| Operating                             | 529,534                     | 539,752                     | 471,500                     | (68,252)                       | 477,300                     | 5,800                          |
| Capital                               |                             |                             |                             |                                |                             |                                |
| Direct & Indirect Costs               | <u>(50,975)</u>             | <u>(51,867)</u>             | <u>(201,100)</u>            | <u>(149,233)</u>               | <u>(152,000)</u>            | <u>49,100</u>                  |
| TOTAL PATROL BUREAU                   | <u>6,595,358</u>            | <u>6,678,818</u>            | <u>6,734,500</u>            | <u>55,682</u>                  | <u>6,979,800</u>            | <u>245,300</u>                 |
| 01 607 EMERGENCY SERVICES             |                             |                             |                             |                                |                             |                                |
| Labor                                 |                             |                             |                             |                                |                             |                                |
| Operating                             | 17,692                      | 19,750                      | 23,700                      | 3,950                          | 21,100                      | (2,600)                        |
| TOTAL EMERGENCY SERVICES              | <u>17,692</u>               | <u>19,750</u>               | <u>23,700</u>               | <u>3,950</u>                   | <u>21,100</u>               | <u>(2,600)</u>                 |
| <b>TOTAL POLICE SERVICES FUNCTION</b> | <b><u>\$ 10,395,575</u></b> | <b><u>\$ 11,090,547</u></b> | <b><u>\$ 11,024,400</u></b> | <b><u>\$ (66,147)</u></b>      | <b><u>\$ 11,303,400</u></b> | <b><u>\$ 279,000</u></b>       |



## **Section 9: Public Works Department**



# Public Works Department





# Public Works Department

## Building Permits/Inspection

Plan Review  
Permit Issuance  
Inspections  
Erosion Control Monitoring  
Stormwater Pollution Prevention Plans  
Record Retention

## Code Enforcement

Complaint Investigation  
Municipal Code Enforcement  
Violation Abatement

## Construction Management

City Construction Management  
Construction Schedule Maintenance  
Change Order Negotiation  
Progress Payments

The Public Works Department is charged with managing a variety of areas including Building Permits and Inspection; Code Enforcement; Construction Management; Parks, Streets, and Water System Maintenance; Fleet Management; Water System Treatment; Water System Distribution; Water Quality and Availability; Water Inspection and Security; and Parking Meter Collections programs.

### DEPARTMENT BUDGETED STAFF

| <u>Budgeted Positions</u>    | <u>2015-16</u> | <u>2016-17</u> | <u>2017-18</u> | <u>2018-19</u> |
|------------------------------|----------------|----------------|----------------|----------------|
| Public Works Director        | 1.0            | 1.0            | 1.0            | 1.0            |
| Deputy Public Works Director | 1.0            | 1.0            | 1.0            | 1.0            |
| Sr. Construction Inspector   | 1.0            | 1.0            | 1.0            | 1.0            |
| Sr. Building Inspector       | 0.0            | 0.0            | 1.0            | 1.0            |
| Building Inspector II        | 2.0            | 2.0            | 1.0            | 1.0            |
| Permit Technician II         | 1.0            | 1.0            | 1.0            | 1.0            |
|                              | <u>6.0</u>     | <u>6.0</u>     | <u>6.0</u>     | <u>6.0</u>     |

(Staffing summary continued on next page)



## Public Works Department

### Public Works

Maintenance

Fleet Management

Water Quality and Availability\*

Water System Treatment\*

Water Inspection and Security\*

Water System Maintenance\*

Water System Distribution\*

Parking Meter Collections\*

(Continued from previous page)

### DEPARTMENT BUDGETED STAFF

| <u>Budgeted Positions</u>   | <u>2015-16</u> | <u>2016-17</u> | <u>2017-18</u> | <u>2018-19</u> |
|-----------------------------|----------------|----------------|----------------|----------------|
| Public Works Superintendent | 1.0            | 1.0            | 1.0            | 1.0            |
| Maintenance Supervisor      | 1.0            | 1.0            | 1.0            | 1.0            |
| Maintenance Lead Worker     | 1.0            | 1.0            | 1.0            | 1.0            |
| Maintenance Worker          | 6.0            | 6.0            | 6.0            | 6.0            |
| Senior Fleet Mechanic**     | 0.0            | 1.0            | 1.0            | 1.0            |
| Equipment Mechanic**        | 2.0            | 1.0            | 1.0            | 1.0            |
| Account Technician II       | 1.0            | 1.0            | 1.0            | 1.0            |
| Senior Custodian            | 1.0            | 1.0            | 1.0            | 1.0            |
| Park Supervisor             | 1.0            | 1.0            | 1.0            | 1.0            |
| Park Lead Caretaker         | 3.0            | 3.0            | 3.0            | 3.0            |
| Park Caretaker***           | 7.0            | 8.0            | 8.0            | 8.0            |
|                             | <u>24.0</u>    | <u>25.0</u>    | <u>25.0</u>    | <u>25.0</u>    |
| Totals from previous page   | <u>6.0</u>     | <u>6.0</u>     | <u>6.0</u>     | <u>6.0</u>     |
| Department Totals           | 30.0           | 31.0           | 31.0           | 31.0           |

\*\*funded by Internal Service Fund

\*\*\*includes one position funded by NPDES

\*see Enterprise Funds for details

## **PUBLIC WORKS DEPARTMENT**

### **BUILDING PERMITS/INSPECTION DIVISION**

Inspection staff coordinates and monitors review, plan checking, City approval, permit issuance, inspection, code compliance, and acceptance processes for all building construction activities. Staff assists the public at the service counter and helps design professionals with project submittals. Inspection activities include utility and encroachment permits, engineering grading, and site development. Staff assists with National Pollution Discharge Elimination System (NPDES) program issues such as erosion control and storm water pollution prevention plans. Additionally, staff provides construction management and inspection services for capital improvement projects including contract management, budget administration, work scheduling, payroll certification, change order processing, and resolution of design issues.

### **2015-2017 ACCOMPLISHMENTS**

- Adopted the 2016 California Building, Electrical, Plumbing, Mechanical and Green Building Codes.
- Provided ongoing training to staff on new Building Regulations.
- Worked with downtown property owners on seismic retrofit of Unreinforced Masonry Buildings.
- Trained staff in Accessibility standards under the Americans with Disability Act.
- Issued 3,233 building permits for construction, renovation or remodel of buildings and structures.

### **2017-2019 KEY OBJECTIVES**

- Work with property owners to finalize the retrofit of Unreinforced Masonry Buildings in the downtown. (FY 17-18)
- Continue to provide an efficient inspection, plan check and permitting process to the public. This includes next day inspections, and over the counter permits for many types of applications. (FY 17-19)
- Move plans from storage and incorporate into Laserfiche to allow for better customer access. (FY 17-19)
- Continue staff training on recently-adopted codes to ensure Buildings and Construction projects comply with applicable codes and standards. (FY 17-19)
- Explore utilizing mobile applications for efficiently inputting inspections into Accela Automation software program. (FY 17-18)



## CODE ENFORCEMENT DIVISION

The Code Enforcement program investigates land use, zoning, municipal code and other health and safety complaints. Staff works with property owners to correct violations, which improves property values and the environment. Code Enforcement works with several other agencies to investigate complaint including, Contra Costa Fire, County Environmental Health, both Sanitation Districts, the District Attorney's office and the Police Department. Code Enforcement is currently staffed by two-part time employees.

## 2015-2017 ACCOMPLISHMENTS

- Added a second part time Code Enforcement Officer for more rapid response to calls for assistance.
- Recovered \$30,000 in Code Enforcement fees through settlement on lien of property.
- Issued 253 courtesy warning notices for violations of the Martinez Municipal Code.
- Responded to 29 illicit discharges complaints for storm water violations.
- Worked with Central Contra Costa Sanitary District on inspection of 67 Business's for NPDES Compliance.
- Updated Chapter 15 of the Martinez Municipal Code to allow for enforcement efficiencies which allow for Police Department cite or arrest individuals who enter Red Tagged Buildings.

## 2017-2019 KEY OBJECTIVES

- Implement and enforce new NPDES Regulations. (FY 17-19) 
- Continue to work with the Police and other agencies on problem properties & homeless encampment abatement. (FY 17-19) 
- Continue to explore ideas for Code Enforcement cost recovery. (FY 17-19)
- Train Officers on new laws pertaining to abatement of properties. (FY 17-19)
- Update handouts for common violations for public use. (FY 17-19)

## CONSTRUCTION MANAGEMENT DIVISION

This program area manages all City construction projects to ensure compliance with plans and specifications. Staff works with contractors, designers, and other agencies to keep projects on schedule and within budget. Key functions include assisting the design group with construction document preparation and monitoring the contract bidding and awarding process. This group also represents the City in disputes, responds to requests for information, and negotiates change orders encountered during construction.

### 2015-2017 ACCOMPLISHMENTS

- Managed several key Measure H projects including, Hidden Lakes Soccer Field, Susana St. Park, Brown St. Park and Mountain View Park renovations.
- Inspected over 500 permits for work within the public right away.
- Provided inspection of all development work improvements and infrastructure within the city.
- Managed Capital Improvement Projects, including: \$3 million in Electrical Upgrades at the Water Plant, \$3 million in Seismic Upgrades at the Water Plant, Intermodal Phase 3 Bridge Project, 2015 Pavement rehabilitation Project and 2015/16 Paving Project.
- Trained inspectors on accessibility standards for public works.

### 2017-2019 KEY OBJECTIVES

- Manage and inspect Measure D construction phase projects. (FY 17-19) 
- Manage remaining Measure H construction projects, including: Waterfront Park, Golden Hills Park, Highland Park renovations. (FY 17-19)
- Manage and inspect projects at the Water Treatment Plant including new Flocculator paddles placement and new Ammonia Tank. (FY 17-19)
- Provide inspection of infrastructure provided as part of developments. (FY 17-19)
- Inspect all work within the public right of way. (FY 17-19)



## **PUBLIC WORKS MAINTENANCE DIVISION**

Public Works Maintenance is responsible for the City's maintenance, fleet management, water system treatment, and parking meter collection functions. It maintains 122 miles of City streets, 103 acres of developed park land, 230 acres of open space, 11 acres of medians, 200 miles of water lines, and 9,800 water meters. Public Works Maintenance staff also provide repair and janitorial services for all City buildings, install new water mains and services, read and service water meters, repair water leaks, and maintain 110 pieces of large and small equipment, including replacement, routine servicing and repairs. The City's Water System and Parking Services are enterprise funds separate from the General Fund and are described in detail in the Enterprise Funds section.

## **2015-2017 ACCOMPLISHMENTS**

- Completed 67 Service line replacements, 92 Water Main breaks, 14 main line valve replacements, and one fire main service installation.
- Upgraded sentinel subdivision to double check backflow prevention.
- Remodeled both Men's and Women's Bathroom and painted exterior to the Amtrak Station.
- Completed a beautification project in the downtown plaza by installing tables and replacing grass with low maintenance landscaping.
- Completed required inspections of all trash management areas to comply with regional water board requirements.
- Removed turf on South side medians and planted 25 trees.
- Upgraded Amtrak Exterior building lights to L.E.D.
- Maintained exceptional employee safety record with just two recordable injuries in 2016 and one in 2015.
- Continued to utilize funding from the franchised hauler's 2011 Community Impact Payment to repair over 20,000 square feet of roadways.
- Completed Phase 1 of the downtown sidewalk improvement project, during which over \$20K was spent removing tripping hazards on sidewalks and curb approaches in the downtown.

## 2017-2019 KEY OBJECTIVES

- Add several in-line trash capture devices to meet 2018 requirement of 70% trash capture. (FY 17-18) 
- Consistent with intent of Measure D, increase staff capacity for paving and pothole repairs via purchase of new paving related equipment, with a target goal of paving 30,000 square feet per year. (FY 17-19) 
- Increase sidewalk inspection program to semi-annual inspections. (FY 17-19)
- Complete phase 2 of the downtown sidewalk improvement project removing the last identified tripping hazards in the downtown corridor. Approximately \$10K left to complete this phase. (FY 17-18)
- Purchase new line stripper for street stencil and striping requirements, at a replacement cost of \$125K. (FY 17-18)
- Replace Morello Playground equipment. Maintenance crews will assist in the demolition and replacement efforts. (FY 17-18)
- Complete City Hall Fountain restoration and fence replacement. (FY 17-18)
- Replace approximately 65 trees in the downtown area utilizing the 2016 Cool California Challenge funding. (FY 17-19)

## PUBLIC WORKS DEPARTMENT EXPENDITURES

|                                    | 2015-16<br>Actual | 2016-17<br>Revised | 2017-18<br>Budget | Increase<br>(Decrease) | 2018-19<br>Budget | Increase<br>(Decrease) |
|------------------------------------|-------------------|--------------------|-------------------|------------------------|-------------------|------------------------|
| <b>Public Works Department</b>     |                   |                    |                   |                        |                   |                        |
| 01 502 INSPECTION                  |                   |                    |                   |                        |                   |                        |
| Labor                              | 965,166           | 950,554            | 983,300           | 32,746                 | 983,300           |                        |
| Operating                          | 103,487           | (88,528)           | (82,200)          | 6,328                  | (79,800)          | 2,400                  |
| Direct & Indirect Costs            | (334,885)         | (94,053)           | (127,200)         | (33,147)               | (126,600)         | 600                    |
| TOTAL INSPECTION                   | <u>733,767</u>    | <u>767,973</u>     | <u>773,900</u>    | <u>5,927</u>           | <u>776,900</u>    | <u>3,000</u>           |
| 01 503 CODE ENFORCEMENT            |                   |                    |                   |                        |                   |                        |
| Labor                              | 46,772            | 85,908             | 73,100            | (12,808)               | 72,300            | (800)                  |
| Operating                          | 11,437            | 6,365              | 5,900             | (465)                  | 6,000             | 100                    |
| Direct & Indirect Costs            |                   |                    |                   |                        |                   |                        |
| TOTAL CODE ENFORCEMENT             | <u>58,209</u>     | <u>92,273</u>      | <u>79,000</u>     | <u>(13,273)</u>        | <u>78,300</u>     | <u>(700)</u>           |
| 01 510 TRAFFIC CONTROL MAINTENANCE |                   |                    |                   |                        |                   |                        |
| Operating                          | 129,295           | 150,720            | 153,600           | 2,880                  | 156,600           | 3,000                  |
| Direct & Indirect Costs            |                   | 10,000             |                   | (10,000)               | 10,000            | 10,000                 |
| TOTAL TRAFFIC CONTROL MAINT.       | <u>129,295</u>    | <u>160,720</u>     | <u>153,600</u>    | <u>(7,120)</u>         | <u>166,600</u>    | <u>13,000</u>          |
| 01 512 STREET LIGHTING             |                   |                    |                   |                        |                   |                        |
| Operating                          | 308,664           | 334,960            | 341,600           | 6,640                  | 348,500           | 6,900                  |
| Direct & Indirect Costs            | 7,090             | 19,966             |                   | (19,966)               | 3,000             | 3,000                  |
| TOTAL STREET LIGHTING              | <u>315,753</u>    | <u>354,926</u>     | <u>341,600</u>    | <u>(13,326)</u>        | <u>351,500</u>    | <u>9,900</u>           |
| 01 520 PARKS GROUNDS MAINTENANCE   |                   |                    |                   |                        |                   |                        |
| Labor                              | 953,946           | 1,110,230          | 1,120,100         | 9,870                  | 1,118,900         | (1,200)                |
| Operating                          | 490,906           | 507,206            | 520,700           | 13,494                 | 533,300           | 12,600                 |
| Capital                            |                   |                    |                   |                        |                   |                        |
| Direct & Indirect Costs            | (88,750)          | (68,998)           | (105,000)         | (36,002)               | (105,000)         |                        |
| TOTAL PARK GROUNDS MAINT.          | <u>1,356,102</u>  | <u>1,548,438</u>   | <u>1,535,800</u>  | <u>(12,638)</u>        | <u>1,547,200</u>  | <u>11,400</u>          |

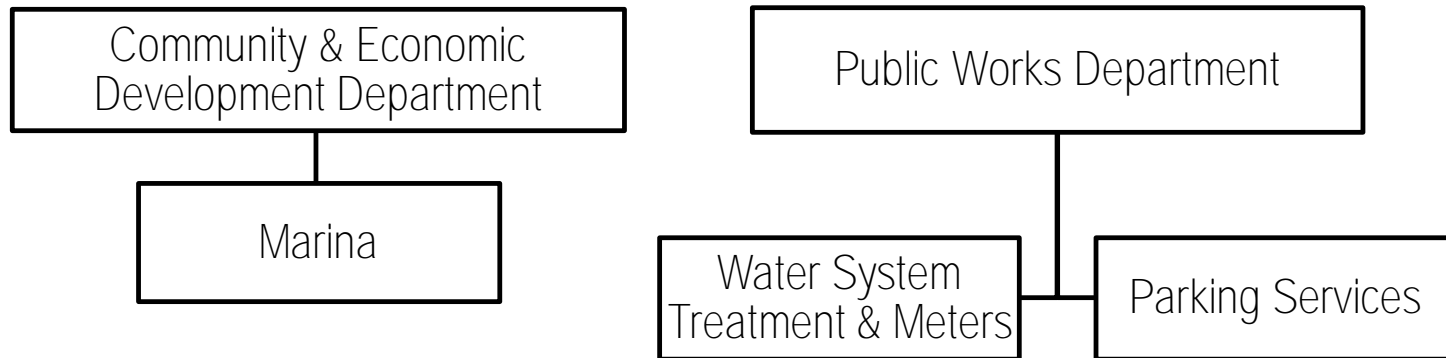
|                                       | <b>2015-16<br/>Actual</b>  | <b>2016-17<br/>Revised</b> | <b>2017-18<br/>Budget</b>  | <b>Increase<br/>(Decrease)</b> | <b>2018-19<br/>Budget</b>  | <b>Increase<br/>(Decrease)</b> |
|---------------------------------------|----------------------------|----------------------------|----------------------------|--------------------------------|----------------------------|--------------------------------|
| 01 523 CEMETERY MAINTENANCE           |                            |                            |                            |                                |                            |                                |
| Operating                             | 3,514                      | 3,250                      | 3,300                      | 50                             | 3,300                      |                                |
| Direct & Indirect Costs               |                            |                            |                            |                                |                            |                                |
| TOTAL CEMETERY MAINTENANCE            | <u>3,514</u>               | <u>3,250</u>               | <u>3,300</u>               | <u>50</u>                      | <u>3,300</u>               |                                |
| 01 524 OPEN SPACE MAINTENANCE         |                            |                            |                            |                                |                            |                                |
| Operating                             | 65,281                     | 70,000                     | 77,300                     | 7,300                          | 78,600                     | 1,300                          |
| Direct & Indirect Costs               | 89,706                     | 73,998                     | 79,500                     | 5,502                          | 79,500                     |                                |
| TOTAL OPEN SPACE MAINTENANCE          | <u>154,987</u>             | <u>143,998</u>             | <u>156,800</u>             | <u>12,802</u>                  | <u>158,100</u>             | <u>1,300</u>                   |
| 01 530 PUBLIC FACILITIES MAINTENANCE  |                            |                            |                            |                                |                            |                                |
| Operating                             | 123,639                    | 128,263                    | 130,300                    | 2,037                          | 133,300                    | 3,000                          |
| Direct & Indirect Costs               | 61,384                     | 134,523                    | 120,900                    | (13,623)                       | 120,900                    |                                |
| TOTAL PUBLIC FACILITIES MAINT.        | <u>185,024</u>             | <u>262,786</u>             | <u>251,200</u>             | <u>(11,586)</u>                | <u>254,200</u>             | <u>3,000</u>                   |
| 01 590 CITY HALL BUILDING MAINTENANCE |                            |                            |                            |                                |                            |                                |
| Labor                                 | 101,757                    | 104,346                    | 101,300                    | (3,046)                        | 100,900                    | (400)                          |
| Operating                             | 281,845                    | 259,517                    | 264,500                    | 4,983                          | 269,900                    | 5,400                          |
| Direct & Indirect Costs               | (383,602)                  | (362,957)                  | (365,800)                  | (2,843)                        | (370,900)                  | (5,100)                        |
| TOTAL BUILDING MAINTENANCE            | <u>(0)</u>                 | <u>906</u>                 |                            | <u>(906)</u>                   | <u>(100)</u>               | <u>(100)</u>                   |
| 01 591 MAINTENANCE SERVICES           |                            |                            |                            |                                |                            |                                |
| Labor                                 | 971,322                    | 1,141,715                  | 1,147,400                  | 5,685                          | 1,142,200                  | (5,200)                        |
| Operating                             | (86,349)                   | (131,291)                  | (135,600)                  | (4,309)                        | (133,100)                  | 2,500                          |
| Direct & Indirect Costs               | (166,019)                  | (255,352)                  | (318,000)                  | (62,648)                       | (318,400)                  | (400)                          |
| TOTAL MAINTENANCE SERVICES            | <u>718,953</u>             | <u>755,072</u>             | <u>693,800</u>             | <u>(61,272)</u>                | <u>690,700</u>             | <u>(3,100)</u>                 |
| <b>TOTAL PUBLIC WORKS DEPARTMENT</b>  | <b><u>\$ 3,655,605</u></b> | <b><u>\$ 4,090,342</u></b> | <b><u>\$ 3,989,000</u></b> | <b><u>\$ (101,342)</u></b>     | <b><u>\$ 4,026,700</u></b> | <b><u>\$ 37,700</u></b>        |



## **Section 10: Enterprise Funds**



## Enterprise Funds





## Enterprise Funds

### Water System

Water Quality and Availability  
Water System Treatment  
Water Inspection and Security  
Water System Maintenance  
Water System Distribution

### Marina

Site Improvements and Revitalization  
Master Plan  
Lease Management  
Dredging and Breakwater  
Ferry Service  
State Agency Coordination

### Parking Services

Parking Meters  
Citations and Enforcement  
Meter Maintenance and Collection

The City's Enterprise Funds include the Water System, Marina, and Parking Services. Each is financed and operated in a manner similar to a private business enterprise. The intent is that the costs of providing goods or services to the general public on a continuing basis are to be financed or recovered primarily through user charges. The rate schedules for these services are established to ensure that revenues are adequate to meet all necessary expenditures.

### WATER SYSTEM STAFFING

#### Water System Operations

| <b>Budgeted Positions</b>      | <b>2015-16</b> | <b>2016-17</b> | <b>2017-18</b> | <b>2018-19</b> |
|--------------------------------|----------------|----------------|----------------|----------------|
| Water Superintendent           | 1.0            | 1.0            | 1.0            | 1.0            |
| Assistant Water Superintendent | 1.0            | 1.0            | 1.0            | 1.0            |
| Maintenance Lead Worker        | 1.0            | 1.0            | 1.0            | 1.0            |
| Senior Meter Service Worker    | 1.0            | 1.0            | 1.0            | 1.0            |
| Meter Service Worker*          | 3.0            | 3.0            | 3.0            | 3.0            |
| Meter Repair Worker            | 1.0            | 1.0            | 1.0            | 1.0            |
| Senior Instrument Technician   | 1.0            | 1.0            | 1.0            | 1.0            |
| Water Operations Supervisor    | 1.0            | 1.0            | 1.0            | 1.0            |
| Water Treatment Plant Operator | 5.0            | 6.0            | 6.0            | 6.0            |
|                                | <u>15.0</u>    | <u>16.0</u>    | <u>16.0</u>    | <u>16.0</u>    |

\*Positions partially funded by Parking Fund

(Staffing summary continued on next page)



# Enterprise Funds

## Water System

Water Quality and Availability  
Water System Treatment  
Water Inspection and Security  
Water System Maintenance  
Water System Distribution

## Marina

Site Improvements and Revitalization  
Master Plan  
Lease Management  
Dredging and Breakwater  
Ferry Service  
State Agency Coordination

## Parking Services

Parking Meters  
Citations and Enforcement  
Meter Maintenance and Collection

(Continued from previous page)

## WATER SYSTEM STAFFING

### Water System Maintenance

| <b><u>Budgeted Positions</u></b> | <b><u>2015-16</u></b> | <b><u>2016-17</u></b> | <b><u>2017-18</u></b> | <b><u>2018-19</u></b> |
|----------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Maintenance Supervisor*          | 1.0                   | 1.0                   | 1.0                   | 1.0                   |
| Maintenance Lead Worker*         | 1.0                   | 1.0                   | 1.0                   | 1.0                   |
| Maintenance Worker*              | 2.0                   | 2.0                   | 2.0                   | 2.0                   |
|                                  | <u>4.0</u>            | <u>4.0</u>            | <u>4.0</u>            | <u>4.0</u>            |
| Totals from previous page        | 15.0                  | 16.0                  | 16.0                  | 16.0                  |
| Water System Totals              | 19.0                  | 20.0                  | 20.0                  | 20.0                  |

\*positions managed by Public Works but funded by Water System

## ENTERPRISE FUNDS

### WATER SYSTEM

The Water System provides a reliable supply of high quality potable water in sufficient quantity to meet the needs of residents and businesses. The safety of the water and the health of the community are ensured through the use of advanced technology, proper water treatment, water quality analysis, treatment plant maintenance, backflow prevention, and distribution system maintenance and upgrades.

### 2015-17 ACCOMPLISHMENTS

- Completed the water treatment plant electrical upgrade.
- Completed the water treatment plant clearwell and backwash water tank, seismic upgrade.
- Completed construction of welded steel 1.65 million gallon treated water reservoir.
- Switched coagulant storage from portable containers to a permanent tank. This reduced product cost.
- Developed and implemented a comprehensive employee safety training system, primarily through utilization of an online safety training platform.

### 2017-19 OBJECTIVES

- Replace up to 2,500 feet of aging water mains annually. (FY 17-19)
- Repair and refurbish flocculation equipment and basins. (FY 17-18)
- Replace the suction piping of the 1948 water treatment plant pumps. (FY 17-18)
- Design and replace Webster drive hydro-pneumatic pump station. (FY 18-19)
- Complete the remaining seismic upgrades of the Water Treatment Plant. (FY 17-18)
- Eliminate the use of anhydrous ammonia to a safer product of liquid ammonia. (FY 17-18)





## MARINA

The marina provides recreational activities such as boating and walking along the trails throughout the Waterfront Park. The marina is a regional asset home to Sea Scouts programs, eleven oil spill response boats, and launch point for tour and charter fishing boats. Many non-motorized boaters also launch from the marina regularly. Current berthing capacity is 332 boat slips, but as of June 2017, 127 are actually berthed. The marina is managed by Almar Marina Management. This marina is operated through an enterprise fund in which all revenue goes back into the marina operation.

## 2015-17 ACCOMPLISHMENTS

- Managed coordination with State Lands Commission over five-month period and successfully achieved waiver of SB1424 requirement to remit 20% of Marina revenues to the State Lands Commission, saving the City approximately \$24K.
- Successfully executed Prop SF Access Agreement for potential private ferry service at Marina.
- Coordinated with interested private parties to evaluate potential opportunities for expanded dredging and revenue generation.
- Coordinated 2017 maintenance dredge activities through initial and revised project scope and character sedimentation phase.
- Completed over \$15K in electrical repairs.

## 2017-19 OBJECTIVES

- Initiate RFP to select consultant for Marina Master Plan update as required by SB1424. (FY 17-18) 
- Complete Marina Master Plan update to evaluate and provide options for the future of the Martinez Marina. (FY 18-19) 
- Continue coordination with Prop SF for potential private ferry service to Martinez Marina in 2017. (FY 17-18) 
- Continue coordination with key stakeholders, including Contra Costa Transportation Authority (CCTA) & the Water. (FY 17-19) 
- Emergency Transportation Authority (WETA) on potential for public ferry transit access in Martinez. (FY 17-19)
- Complete 2017 maintenance dredge of Marina. (FY 17-18)
- Continue negotiations/coordination with affected parties for private dredging of Martinez Marina. (FY 17-19)

## **PARKING SERVICES**

Parking Services revenue is generated from parking meter collections. This program includes collecting parking meter revenues; depositing meter revenue, submitting deposit verifications; maintaining collection records; installing parking meters; repairing meter clock mechanisms; testing parking meter timing devices at the request of the Police Department or Municipal Court; and responding to general inquiries from the public regarding traffic signs, parking meters and parking ordinances. One full-time position is allocated to this Fund; however, certain code enforcement activities from the Police Department and maintenance activities from Public Works are also charged against this Fund.

## **2015-17 ACCOMPLISHMENTS**

- Initiated battery change-out program to ensure properly functioning meters.
- Replaced and fixed IPS and Mackay meters. (IPS is a meter brand that accepts credit cards and coins, Mackey is a meter brand that accepts coins only.)
- Maintained anti-fogging program to keep lenses clear.
- Removed single space meters in parking lots replaced with multi space meters.
- Implemented a collection program to reduce collection times. Parking meter usage monitoring allows collection cycles to be reduced on low usage areas. City staff has started using a collection team instead of single person to reduce total hours and provide improved safety when handling money.

## **2017-19 OBJECTIVES**

- Install two new pay stations. (FY 17-18)
- Install credit card meters as needed. (FY 17-19)
- Update and improve maintenance programs. This includes repairing and monitoring status during routine coin collection on an ongoing basis. (FY 17-19)
- Continue battery change out program to keep meters functioning properly. (FY 17-19)
- Maintain anti-fogging lens program to assist with ease of use. Parking meter lenses must be kept clear to read the meter time and violation signals. The anti-fogging program allows customers to read the meters clearly and make them easier to use. (FY 17-19)

## ENTERPRISE FUNDS MAJOR CAPITAL IMPROVEMENT PROJECTS OVERVIEW

The following is a list of major, non-routine capital projects scheduled for FY 2017-19.

### WATER

#### ***Webster Pump Station Replacement Construction***

The Webster Pump station was constructed in 1971. The design of this project was approved in fiscal year 2016-17. When constructed, old deteriorated piping will be replaced and pumping improved to increase fire flows to the neighborhood. Design is scheduled for completion in FY 2017-18 and construction completed in FY 2018-19. This project is fully funded with \$1,500,000 of Water funds.

#### ***St. Mary's Hydro Pneumatic System Upgrade***

An addition pump will be added to the pump station to increase capacity. As an alternate, an 8" diameter pipe from Zone 2 can be run and the existing pump station would no longer be necessary. This project is fully funded with \$1,000,000 in Water Funds.

#### ***Ozone Generator Replacement***

Many of the major components in the ozone generation system are at or nearing the end of their useful life. Parts are no longer available for the three ozone generators. An evaluation of continuing with a similar system or converting to an oxygen-based system will be evaluated. The preferred alternative will be designed in FY 2018-19 with completion of construction anticipated in FY 2019-20. This project is fully funded with \$1,500,000 in Water Funds.

### PARKING

#### ***Downtown Parking Study***

With the construction of the new Contra Costa County Administration Building and proposed parking structure, the downtown parking needs should be re-evaluated. Contra Costa County has agreed to a joint study for the downtown area east of Ferry Street. It is proposed the study be augmented with an additional study paid through the Downtown Parking Fund that covers the downtown west of Ferry Street. This project is fully funded with \$35,000 in Parking Funds and is scheduled to be completed in FY 2017-18.

#### ***New Parking Meters***

The City has begun a program to install new IPS credit card enabled parking meters. It is proposed to add an addition 150 meters to the existing pool of IPS meters bringing the total to approximately 750 of the approximate 1,000 single space meters. This project is expected to be completed in over the course of FY 2017-19 and is fully funded with \$100,000 in Parking Funds each year.

***Parking Lots – Green Infrastructure***

As part of the Water Board “Green Infrastructure” requirement it is proposed to treat storm water run-off from at two of the Downtown parking lots. Design and construction are scheduled for completion in FY 2018-19. This project is fully funded with \$250,000 in Parking Funds.

**MARINA*****2017 Marina Dredge***

The Marina requires dredging every three to five years. The City Council authorized the design of 2017 Marina Dredge. The City Council will need to approve the extent and construction budget for work anticipated to occur in September of 2017. This project is currently funded with a total of \$965,000 in unassigned Infrastructure funding, of which \$200,000 was previously allocated in FY 2017-18 for the design.

## ENTERPRISE FUNDS - SUMMARY

| Fund #                        | Estimated<br>Fund Balance<br>6-30-17 | 2017-18                       |                                     |                                 | Estimated<br>Fund Balance<br>6-30-18 | 2018-19                       |                                     |                                 | Estimated<br>Fund Balance<br>6-30-19 |
|-------------------------------|--------------------------------------|-------------------------------|-------------------------------------|---------------------------------|--------------------------------------|-------------------------------|-------------------------------------|---------------------------------|--------------------------------------|
|                               |                                      | Budget<br>Revenues<br>2017-18 | Budget<br>Appropriations<br>2017-18 | Transfers<br>In(Out)<br>2017-18 |                                      | Budget<br>Revenues<br>2018-19 | Budget<br>Appropriations<br>2018-19 | Transfers<br>In(Out)<br>2018-19 |                                      |
| 71 Water System               | \$2,739,304                          | \$11,878,500                  | \$11,251,600                        | \$(1,713,900)                   | \$3,752,304                          | \$12,179,700                  | \$11,564,000                        | \$(2,121,000)                   | \$2,247,004                          |
| 72 Water Capital Projects     | 2,043,333                            |                               | 0                                   | 140,000                         | 2,183,333                            |                               | 1,800,000                           | 550,000                         | 933,333                              |
| 47 Water Debt Service Fund    | 1,204,897                            |                               | 1,155,200                           | 1,147,700                       | 1,197,397                            |                               | 1,143,200                           | 1,135,700                       | 1,189,897                            |
| <b>Total Water System</b>     | <b>5,987,534</b>                     | <b>11,878,500</b>             | <b>12,406,800</b>                   | <b>(426,200)</b>                | <b>7,133,034</b>                     | <b>12,179,700</b>             | <b>14,507,200</b>                   | <b>(435,300)</b>                | <b>4,370,234</b>                     |
| 73 Marina                     | (442,869)                            | 169,500                       | 111,500                             | (71,270)                        | (456,139)                            | 170,000                       | 111,600                             | (71,270)                        | (469,009)                            |
| 74 Marina CIP                 | 65,650                               |                               | 765,000                             | 815,000                         | 115,650                              |                               | -                                   | 50,000                          | 165,650                              |
| 48 Marina Debt Service        | (2,653)                              |                               | 71,300                              | 71,270                          | (2,683)                              |                               | 71,300                              | 71,270                          | (2,713)                              |
| <b>Total Marina</b>           | <b>(379,872)</b>                     | <b>169,500</b>                | <b>947,800</b>                      | <b>815,000</b>                  | <b>(343,172)</b>                     | <b>170,000</b>                | <b>182,900</b>                      | <b>50,000</b>                   | <b>(306,072)</b>                     |
| 75 Parking Services           | 1,049,216                            | 525,000                       | 395,800                             | (135,000)                       | 1,043,416                            | 525,500                       | 368,600                             | (350,000)                       | 850,316                              |
| 76 Parking Services CIP       | 296                                  |                               | 135,000                             | 135,000                         | 296                                  |                               | 350,000                             | 350,000                         | 296                                  |
| <b>Total Parking Services</b> | <b>1,049,512</b>                     | <b>525,000</b>                | <b>530,800</b>                      | <b>0</b>                        | <b>1,043,712</b>                     | <b>525,500</b>                | <b>718,600</b>                      | <b>0</b>                        | <b>850,612</b>                       |
| <b>Total EnterpriseFunds</b>  | <b>\$6,657,174</b>                   | <b>\$12,573,000</b>           | <b>\$13,885,400</b>                 | <b>\$ 388,800</b>               | <b>\$7,833,574</b>                   | <b>\$12,875,200</b>           | <b>\$15,408,700</b>                 | <b>\$ (385,300)</b>             | <b>\$4,914,774</b>                   |

## ENTERPRISE FUNDS TRANSFER SUMMARY

| To Fund                       | From Fund                          | Purpose                         | Transfer In &<br>Transfer Out<br>2015-16 | Transfer In &<br>Transfer Out<br>2016-17 | Transfer In &<br>Transfer Out<br>2017-18 | Transfer In &<br>Transfer Out<br>2018-19 |
|-------------------------------|------------------------------------|---------------------------------|--|--|--|--|
| Transfers In                  |                                    |                                 |  |  |  |  |
| Water System                  | General Fund                       | Lifeline                        | 20,254                                   | 28,000                                   | 28,000                                   | 28,000                                   |
| Marina Fund                   | General Fund-Assigned Fund Balance | Mitigation                      | 50,000                                   | 50,000                                   | 50,000                                   | 50,000                                   |
| Marina Fund                   | General Fund-Assigned Fund Balance | Mitigation                      |  | 200,000                                  | 765,000                                  | -  |
| Sub-Total Transfer In         |                                    |                                 | 70,254                                   | 278,000                                  | 843,000                                  | 78,000                                   |
|                               |                                    |                                 |  |  |  |  |
| Capital Improvement Program   | Water System                       | Storm Drain & Street GIS System |  | 34,850                                   |  |  |
| General Fund                  | Water System                       | Water In-Lieu Transfer          | 0  | 0  | 454,200                                  | 463,300                                  |
| Sub-Total Transfer Out        |                                    |                                 | -  | 34,850                                   | 454,200                                  | 463,300                                  |
|                               |                                    |                                 |  |  |  |  |
| TOTAL NET INTERFUND TRANSFERS |                                    |                                 | \$ 70,254                                | \$ 243,150                               | \$ 388,800                               | \$ (385,300)                             |

## ENTERPRISE FUNDS - REVENUE

|                                     | 2015-16<br>Actual | 2016-17<br>Revised | 2017-18<br>Budget | 2018-19<br>Budget |
|-------------------------------------|-------------------|--------------------|-------------------|-------------------|
| <b>Water System (71)</b>            |                   |                    |                   |                   |
| 4922 Charges for Services           | \$ 4,158,823      | \$ 4,200,000       | \$ 4,284,000      | \$ 4,369,700      |
| 4701 Interest Income                | 97,504            | 45,000             | 45,000            | 45,000            |
| 4750 Rents, Leases & Royalties      | 75,790            | 46,818             | 75,000            | 75,000            |
| 4780 Return Check Charges           | 755               | 1,000              | 1,000             | 1,000             |
| 4921 Zone 1 Water Sales             | 2,627,754         | 2,781,000          | 2,864,400         | 2,950,300         |
| 4921 Zone 2 Water Sales             | 2,385,410         | 3,502,000          | 3,572,000         | 3,679,200         |
| 4921 Zone 3 Water Sales             | 155,073           | 247,200            | 252,100           | 259,700           |
| 4921 Zone 4 Water Sales             | 79,234            | 139,050            | 141,800           | 146,100           |
| 4922 Water Drought Charge           | 359,313           | 0                  | 0                 | 0                 |
| 4922 Unbilled Water Sales           | 104,945           | 0                  | 0                 | 0                 |
| 4923 Penalty Charges                | 61,819            | 60,000             | 60,000            | 60,000            |
| 4924 Backflow Charges               | 116,981           | 95,000             | 95,000            | 95,000            |
| 4925 Account Establishment Fee      | 12,018            | 13,000             | 13,000            | 13,000            |
| 4931 Development Connection Charge  | 321,511           | 60,000             | 60,000            | 60,000            |
| 4932 Service Line Fee               | 144,476           | 10,000             | 10,000            | 10,000            |
| 4933 Meter Installation Fee         | 13,349            | 5,000              | 5,000             | 5,000             |
| 4934 Other Charges                  | 49                | 500                | 500               | 500               |
| 4936 Hydrant Meter Charge           | 53,394            | 30,000             | 30,000            | 30,000            |
| 4938 Water Fire Service Charge      | 345,370           | 339,488            | 349,700           | 360,200           |
| 4939 Water Trip Charge              | 7,274             | 5,000              | 5,000             | 5,000             |
| 4830 Damage & Recovery              | 20,070            |                    | 10,000            | 10,000            |
| 4870 Miscellaneous Revenue          | 11,585            | 5,000              | 5,000             | 5,000             |
| 4001 Workers Comp/Liability Rebate  | 2,436             |                    |                   |                   |
| <b>Sub-total Operating Revenues</b> | <b>11,154,933</b> | <b>11,585,056</b>  | <b>11,878,500</b> | <b>12,179,700</b> |
| 4001 Transfers In                   | 70,254            | 28,000             | 28,000            | 28,000            |
| <b>Total Water Operations</b>       | <b>11,225,187</b> | <b>11,613,056</b>  | <b>11,906,500</b> | <b>12,207,700</b> |

|                                       | <b>2015-16</b>       | <b>2016-17</b>       | <b>2017-18</b>       | <b>2018-19</b>       |
|---------------------------------------|----------------------|----------------------|----------------------|----------------------|
|                                       | <b>Actual</b>        | <b>Revised</b>       | <b>Budget</b>        | <b>Budget</b>        |
| <b>Marina Operations (73)</b>         |                      |                      |                      |                      |
| 4112 Personal Property Tax            | 4,800                | 4,800                | 4,800                | 4,800                |
| 4115 Sales & Use Tax                  | 11,382               | 9,500                | 9,500                | 9,500                |
| 4662 Launch Ramp                      | 175                  | 100                  | 100                  | 100                  |
| 4701 Interest Income                  | 1,332                | 500                  | 500                  | 500                  |
| 4750 Rents, Leases & Royalties        | 61,450               | 60,000               | 59,700               | 60,000               |
| 4750 Rents - Trust Land               |                      |                      | 10,500               | 10,700               |
| 4796 Marina Management                |                      |                      | 76,000               | 76,000               |
| 4795 Railroad Lease                   |                      |                      | 8,364                | 8,400                |
| <b>Total Marina Operations</b>        | <b>79,140</b>        | <b>74,900</b>        | <b>169,464</b>       | <b>170,000</b>       |
| <b>Marina Capital Projects (74)</b>   |                      |                      |                      |                      |
| 4001 Transfers In from General Fund   | 50,000               | 250,000              | 815,000              | 50,000               |
| <b>Total Marina Capital Projects</b>  | <b>50,000</b>        | <b>250,000</b>       | <b>815,000</b>       | <b>50,000</b>        |
| <b>Parking Services (75)</b>          |                      |                      |                      |                      |
| 4111 Real Property Tax                | 48,760               | 56,100               | 56,000               | 56,500               |
| 4701 Interest Income                  | 5,431                | 4,000                | 4,000                | 4,000                |
| 4974 Platforms                        | 13,152               | 12,000               | 12,000               | 12,000               |
| 4971 Parking Meters                   | 340,608              | 395,000              | 395,000              | 395,000              |
| 4972 Parking Permits                  | 70,333               | 58,000               | 58,000               | 58,000               |
| 4076 Transfer from Parking            | 145,647              |                      |                      |                      |
| <b>Total Parking Services</b>         | <b>623,930</b>       | <b>525,100</b>       | <b>525,000</b>       | <b>525,500</b>       |
| <b>TOTAL REVENUE ENTERPRISE FUNDS</b> | <b>\$ 11,978,257</b> | <b>\$ 12,463,056</b> | <b>\$ 13,415,964</b> | <b>\$ 12,953,200</b> |

## ENTERPRISE FUNDS - EXPENDITURES

|                               |     |                                | 2015-16<br>Actual | 2016-17<br>Revised | 2017-18<br>Budget | Increase<br>(Decrease) | 2018-19<br>Budget | Increase<br>(Decrease) |
|-------------------------------|-----|--------------------------------|-------------------|--------------------|-------------------|------------------------|-------------------|------------------------|
| Operations-Water System       |     |                                |                   |                    |                   |                        |                   |                        |
| 71                            | 910 | WATER ADMINISTRATION           |                   |                    |                   |                        |                   |                        |
|                               |     | Labor                          | \$ 557,211        | \$ 494,071         | \$ 517,100        | \$ 23,029              | \$ 576,600        | \$ 59,500              |
|                               |     | Operating (includes transfers) | 2,882,071         | 2,915,203          | 2,981,300         | 66,097                 | 2,964,500         | (16,800)               |
|                               |     | Direct & Indirect Costs        | 548,069           | 550,841            | 650,100           | 99,259                 | 666,100           | 16,000                 |
|                               |     | TOTAL WATER ADMINISTRATION     | 3,987,351         | 3,960,115          | 4,148,500         | 188,385                | 4,207,200         | 58,700                 |
| 71                            | 911 | WATER TREATMENT                |                   |                    |                   |                        |                   |                        |
|                               |     | Labor                          | 1,123,730         | 1,231,242          | 1,381,600         | 150,358                | 1,363,600         | (18,000)               |
|                               |     | Operating                      | 3,645,436         | 4,172,738          | 4,140,500         | (32,238)               | 4,341,500         | 201,000                |
|                               |     | Capital                        | 13,073            | 127,498            | 72,000            | (55,498)               | 72,000            |                        |
|                               |     | Direct & Indirect Costs        |                   |                    |                   |                        |                   |                        |
|                               |     | TOTAL WATER TREATMENT          | 4,782,239         | 5,531,478          | 5,594,100         | 62,622                 | 5,777,100         | 183,000                |
| 71                            | 912 | WATER DISTRIBUTION             |                   |                    |                   |                        |                   |                        |
|                               |     | Labor                          | 916,981           | 1,111,628          | 1,053,500         | (58,128)               | 1,064,700         | 11,200                 |
|                               |     | Operating                      | 773,750           | 819,902            | 790,200           | (29,702)               | 856,600           | 66,400                 |
|                               |     | Capital                        | 39,483            | 65,500             | 11,600            | (53,900)               | 11,700            | 100                    |
|                               |     | Direct & Indirect Costs        | 105,854           | 105,766            | 107,900           | 2,134                  | 110,000           | 2,100                  |
|                               |     | TOTAL WATER DISTRIBUTION       | 1,836,068         | 2,102,796          | 1,963,200         | (139,596)              | 2,043,000         | 79,800                 |
| TOTAL WATER SYSTEM OPERATIONS |     |                                | 10,605,658        | 11,594,389         | 11,705,800        | 111,411                | 12,027,300        | 321,500                |

## ENTERPRISE FUNDS - EXPENDITURES

|  | 2015-16<br>Actual | 2016-17<br>Revised | 2017-18<br>Budget | Increase<br>(Decrease) | 2018-19<br>Budget | Increase<br>(Decrease) |
|--|-------------------|--------------------|-------------------|------------------------|-------------------|------------------------|
| <b>Capital Projects-Water System</b>         |                   |                    |                   |                        |                   |                        |
| 72 C7008 HARBORVIEW RESERVOIR REPL.          | 856,495           |                    |                   |                        |                   |                        |
| 72 C7028 WATER MAIN                          | 127,635           | 3,328,559          |                   | (3,328,559)            |                   |                        |
| 72 C7030 WATER SYSTEM GIS                    | 1,234             |                    |                   |                        |                   |                        |
| 72 C7037 ELECTRICAL UPGRADE                  | 2,197,670         | 662,971            |                   | (662,971)              |                   |                        |
| 72 C7038 WATER SYSTEM GIS/HYDRAULIC MODELING | 6,735             | 47,502             |                   | (47,502)               |                   |                        |
| 72 C7042 SEISMIC UPGRADE                     | 3,583,158         | 1,003,953          |                   | (1,003,953)            |                   |                        |
| 72 C7044 FLOCCULATION PADDLES                | 58,259            | 843,000            |                   | (843,000)              |                   |                        |
| 72 C7047 INSTRUMENTATION UPGRADE             | 71,534            | 148,403            |                   | (148,403)              |                   |                        |
| 72 C7048 AQUEOUS AMONIA CONVERSION           |                   | 175,000            |                   | (175,000)              |                   |                        |
| 72 C7050 WEBSTER PUMP STATION                |                   | 500,000            |                   | (500,000)              | 1,000,000         | 1,000,000              |
| 72 ST MARY'S HYDRO PNEUMATIC SYSTEM UPGRADE  |                   |                    |                   |                        | 500,000           | 500,000                |
| 72 OZONE GENERATOR REPLACEMENT               |                   |                    |                   |                        | 300,000           | 300,000                |
| <b>TOTAL WATER CAPITAL PROJECTS</b>          | <b>6,902,721</b>  | <b>6,709,388</b>   |                   | <b>(6,709,388)</b>     | <b>1,800,000</b>  | <b>1,800,000</b>       |

## ENTERPRISE FUNDS - EXPENDITURES

|                                  |     | <u>2015-16<br/>Actual</u>      | <u>2016-17<br/>Revised</u>  | <u>2017-18<br/>Budget</u>   | <u>Increase<br/>(Decrease)</u> | <u>2018-19<br/>Budget</u>   | <u>Increase<br/>(Decrease)</u> |
|----------------------------------|-----|--------------------------------|-----------------------------|-----------------------------|--------------------------------|-----------------------------|--------------------------------|
| <b>Debt Service-Water System</b> |     |                                |                             |                             |                                |                             |                                |
| 47                               | 441 | DEBT SERVICE 2012 COP          |                             |                             |                                |                             |                                |
|                                  |     | Operating                      | 3,483                       | 3,500                       | 3,500                          | 3,500                       |                                |
|                                  |     | Principal                      | 460,000                     | 475,000                     | 490,000                        | 505,000                     | 15,000                         |
|                                  |     | Interest                       | 227,383                     | 216,425                     | 202,000                        | 187,000                     | (15,000)                       |
|                                  |     | TOTAL 2012 COP                 | <u>690,866</u>              | <u>694,925</u>              | <u>695,500</u>                 | <u>695,500</u>              |                                |
| 47                               | 441 | DEBT SERVICE 2003 COP          |                             |                             |                                |                             |                                |
|                                  |     | Operating                      | 2,233                       | 4,000                       | 4,000                          | 4,000                       |                                |
|                                  |     | Principal                      | 395,000                     | 415,000                     | 430,000                        | 435,000                     | 5,000                          |
|                                  |     | Interest                       | 58,627                      | 42,103                      | 25,700                         | 8,700                       | (17,000)                       |
|                                  |     | TOTAL 2003 COP                 | <u>455,859</u>              | <u>461,103</u>              | <u>459,700</u>                 | <u>447,700</u>              | <u>(12,000)</u>                |
|                                  |     |                                | <b>1,146,725</b>            | <b>1,156,028</b>            | <b>1,155,200</b>               | <b>1,143,200</b>            | <b>(12,000)</b>                |
|                                  |     | <b>TOTAL WATER SYSTEM FUND</b> | <b><u>\$ 18,655,103</u></b> | <b><u>\$ 19,459,805</u></b> | <b><u>\$ 12,861,000</u></b>    | <b><u>\$ 14,970,500</u></b> | <b><u>\$ 2,109,500</u></b>     |

## ENTERPRISE FUNDS - EXPENDITURES

|               |     |                                    | <u>2015-16</u><br><u>Actual</u> | <u>2016-17</u><br><u>Revised</u> | <u>2017-18</u><br><u>Budget</u> | <u>Increase</u><br><u>(Decrease)</u> | <u>2018-19</u><br><u>Budget</u> | <u>Increase</u><br><u>(Decrease)</u> |
|---------------|-----|------------------------------------|---------------------------------|----------------------------------|---------------------------------|--------------------------------------|---------------------------------|--------------------------------------|
| <b>Marina</b> |     |                                    |                                 |                                  |                                 |                                      |                                 |                                      |
| 73            | 920 | MARINA ADMINISTRATION              |                                 |                                  |                                 |                                      |                                 |                                      |
|               |     | Labor                              | \$ -                            | \$ -                             | \$ -                            |                                      | \$ -                            |                                      |
|               |     | Operating                          | 67,313                          | 51,877                           | 78,100                          | 26,223                               | 78,100                          |                                      |
|               |     | Capital                            |                                 |                                  |                                 |                                      |                                 |                                      |
|               |     | Direct & Indirect Costs            |                                 |                                  |                                 |                                      |                                 |                                      |
|               |     | <b>TOTAL MARINA ADMINISTRATION</b> | <u>67,313</u>                   | <u>51,877</u>                    | <u>78,100</u>                   | <u>26,223</u>                        | <u>78,100</u>                   |                                      |
| 73            | 921 | MARINA OPERATIONS                  |                                 |                                  |                                 |                                      |                                 |                                      |
|               |     | Labor                              |                                 |                                  |                                 |                                      |                                 |                                      |
|               |     | Operating                          | 29,290                          | 33,423                           | 33,400                          | (23)                                 | 33,500                          | 100                                  |
|               |     | Capital                            |                                 |                                  |                                 |                                      |                                 |                                      |
|               |     | Direct & Indirect Costs            |                                 |                                  |                                 |                                      |                                 |                                      |
|               |     | <b>TOTAL MARINA OPERATIONS</b>     | <u>29,290</u>                   | <u>33,423</u>                    | <u>33,400</u>                   | <u>(23)</u>                          | <u>33,500</u>                   | <u>100</u>                           |
|               |     | <b>TOTAL MARINA SERVICES</b>       | <u>96,602</u>                   | <u>85,300</u>                    | <u>111,500</u>                  | <u>26,200</u>                        | <u>111,600</u>                  | <u>100</u>                           |

## ENTERPRISE FUNDS - EXPENDITURES

|                                       | <u>2015-16<br/>Actual</u> | <u>2016-17<br/>Revised</u> | <u>2017-18<br/>Budget</u> | <u>Increase<br/>(Decrease)</u> | <u>2018-19<br/>Budget</u> | <u>Increase<br/>(Decrease)</u> |
|---------------------------------------|---------------------------|----------------------------|---------------------------|--------------------------------|---------------------------|--------------------------------|
| <b><i>Capital Projects-Marina</i></b> |                           |                            |                           |                                |                           |                                |
| 74 C8008 2012 DREDGE/MITIGATION       | 68,805                    | 111,821                    |                           | (111,821)                      |                           |                                |
| C8009 MASTER PLAN                     |                           | 50,000                     |                           | (50,000)                       |                           |                                |
| C8011 2017 MARINA DREDGE/MITIGATION   |                           | 200,000                    | 765,000                   | 565,000                        |                           | (765,000)                      |
| <b>TOTAL CAPITAL PROJECTS</b>         | <u><b>68,805</b></u>      | <u><b>361,821</b></u>      | <u><b>765,000</b></u>     | <u><b>403,179</b></u>          |                           | <u><b>(765,000)</b></u>        |
| <br><b><i>Debt Service-Marina</i></b> |                           |                            |                           |                                |                           |                                |
| 73 863 MARINA DEBT SERVICE            |                           |                            |                           |                                |                           |                                |
| Principal                             |                           |                            |                           |                                |                           |                                |
| Interest                              | 88,748                    | 70,000                     | 71,300                    | 1,300                          | 71,300                    |                                |
| <b>TOTAL MARINA DEBT SERVICE</b>      | <u><b>88,748</b></u>      | <u><b>70,000</b></u>       | <u><b>71,300</b></u>      | <u><b>1,300</b></u>            | <u><b>71,300</b></u>      |                                |
| <br><b>TOTAL MARINA SERVICES FUND</b> | <u><b>\$ 254,155</b></u>  | <u><b>\$ 517,121</b></u>   | <u><b>\$ 947,800</b></u>  | <u><b>\$ 430,679</b></u>       | <u><b>\$ 182,900</b></u>  | <u><b>\$ (764,900)</b></u>     |

## ENTERPRISE FUNDS - EXPENDITURES

|   | <u>2015-16<br/>Actual</u>    | <u>2016-17<br/>Revised</u>   | <u>2017-18<br/>Budget</u>    | <u>Increase<br/>(Decrease)</u> | <u>2018-19<br/>Budget</u>    | <u>Increase<br/>(Decrease)</u> |
|---|------------------------------|------------------------------|------------------------------|--------------------------------|------------------------------|--------------------------------|
| <b><i>Parking Services</i></b>                      |                              |                              |                              |                                |                              |                                |
| 75 930 PARKING SERVICES                             |                              |                              |                              |                                |                              |                                |
| Labor   | \$ -                         | \$ -                         | \$ -                         |                                | \$ -                         |                                |
| Operating   | 217,218                      | 308,998                      | 345,300                      | 36,302                         | 317,100                      | (28,200)                       |
| Capital   |                              |                              |                              |                                |                              |                                |
| Direct & Indirect Costs                             | 25,587                       | 49,530                       | 50,500                       | 970                            | 51,500                       | 1,000                          |
| TOTAL PARKING SERVICES                              | <u>242,805</u>               | <u>358,528</u>               | <u>395,800</u>               | <u>37,272</u>                  | <u>368,600</u>               | <u>(27,200)</u>                |
| <br><b><i>Capital Projects-Parking Services</i></b> |                              |                              |                              |                                |                              |                                |
| 76 C8502 PARKING LOT #4 (FERRY/MARINA VISTA)        | 10,412                       | 364,588                      |                              | (364,588)                      |                              |                                |
| C8501 CREDIT CARD PARKING METERS                    | 135,234                      | 116,200                      | 100,000                      | (16,200)                       | 100,000                      |                                |
| DOWNTOWN PARKING STUDY                              |                              |                              | 35,000                       | 35,000                         |                              | (35,000)                       |
| PARKING LOT GREEN INFRASTRUCTURE                    |                              |                              |                              |                                | 250,000                      | 250,000                        |
| TOTAL CAPITAL IMPROVEMENTS                          | <u>145,646</u>               | <u>480,788</u>               | <u>135,000</u>               | <u>(345,788)</u>               | <u>350,000</u>               | <u>215,000</u>                 |
| <br><b>TOTAL PARKING SERVICES</b>                   | <br><u><b>\$ 388,452</b></u> | <br><u><b>\$ 839,316</b></u> | <br><u><b>\$ 530,800</b></u> | <br><u><b>\$ (308,516)</b></u> | <br><u><b>\$ 718,600</b></u> | <br><u><b>\$ 187,800</b></u>   |



## **Section 11: Special Revenue Funds**

## **SPECIAL REVENUE FUNDS**

Special Revenue Funds are used to account for revenue derived from specific taxes or other revenue sources that are restricted by law or administrative action to expenditure for specified purposes. The list below summarizes the City's Special Revenue Funds:

### **Public Safety Grants Fund**

This fund accounts for revenues received from the Federal and State governments to be used specifically for public safety equipment and personnel. Fund balance is projected to be \$192,350 as of June 30, 2017 and decrease slightly to \$182,750 as of June 30, 2019.

### **NPDES Stormwater Fund**

These funds account for the revenues and expenditures from assessments levied on all real property in the City in compliance with the provisions of the National Pollutant Discharge Elimination System for prevention of stormwater and flood related damage. Fund balance is projected to be \$638,115 as of June 30, 2017 and decrease slightly to \$292,115 as of June 30, 2019, reflecting support of various maintenance and rehabilitation projects.

### **Measure D**

Measure D funds are from a 2016 voter-approved, half-cent citywide sales tax to be used exclusively to fund Martinez roadway rehabilitation and maintenance projects for 15 years. Fund balance is projected to be \$0 as of June 30, 2017 and \$300,000 as of June 30, 2019, due to the timing of the City's receipts of this new revenue source.

### **Measure J Fund**

This fund receives voter-approved, half cent countywide sales taxes levied to fund transportation improvements and disburses these funds to pay for local street improvements. Fund balance is projected to be \$1,440,280 as of June 30, 2017 and decrease to \$1,158,680 as of June 30, 2019, reflecting allocations of Measure J funding in support of the Pavement Management Program.

### **Gas Tax Funds**

These funds account for the revenues received from the State under codes 2105, 2106, and 2107 to use for street and highway related projects. Fund balance is projected to be \$338,863 as of June 30, 2017 and \$1,035,863 as of June 30, 2019. This significant increase reflects substantial new allocations of this funding due to the implementation of SB1, the Road Repair and Accountability Act of 2017.

### **Housing In-Lieu**

This fund accounts for deposits received from a developer who may be required to pay a fee in lieu of affordable housing. The funds are to be used at the City's discretion for the provision of affordable housing to low and moderate income households. Fund balance is projected to remain largely unchanged from June 30, 2017 to June 30, 2019 at approximately \$355,000.

### **PEG Access Fund**

This fund accounts for the payments received by the City's cable provider to be used for public, educational and governmental capital support as provided by the City's franchise agreement. Fund balance is projected to be largely unchanged over the two-year period, from \$213,060 as of June 30, 2017 and \$200,860 as of June 30, 2019.

### **Lighting and Landscaping Fund**

This fund accounts for the installation, maintenance and improvement of subdivision landscape and lighting within the special districts. Monies are collected through an annual levy on the property owners within each district. Fund balance is projected to be \$259,960 as of June 30, 2017 and \$196,460 as of June 30, 2019, which reflects normal maintenance expenditures of accumulated funding.

### **Mitigation/Impact Fees**

Fees are collected from developers to mitigate the impact of new development. Fund balance is projected to be \$1,568,474 as of June 30, 2017 and \$1,035,863 as of June 30, 2019, primarily reflecting the anticipated allocation of \$300,000 in Cultural Facilities mitigation funds for anticipated facility improvements as described within the CIP "Major Capital Improvement Projects Overview" found on pages 193-194.

### **Recycle Fund**

Revenue comes from grants received from the State of California for the disposal of used oil and recycling. The City also receives funds from our solid waste and recycling hauler to cover costs to implement Assembly Bill 939 and Climate Action Plan initiatives, as well as to help offset differential impacts from the hauler's operations. Fund balance is projected to be \$181,210 as of June 30, 2017 and \$138,410 as of June 30, 2019, due to the anticipated increase of various operating expenses related to ongoing recycling and sustainability-related programs and projects.

## SPECIAL REVENUE FUNDS - SUMMARY

| Fund #                             | Estimated<br>Fund Balance<br>6-30-17 | 2017-18                       |                                     |  | Estimated<br>Fund Balance<br>6-30-18 | 2018-19                       |                                     |   | Estimated<br>Fund Balance<br>6-30-19 |
|------------------------------------|--------------------------------------|-------------------------------|-------------------------------------|--|--------------------------------------|-------------------------------|-------------------------------------|---|--------------------------------------|
|                                    |                                      | Budget<br>Revenues<br>2017-18 | Budget<br>Appropriations<br>2017-18 | Budget<br>Transfers In(Out)<br>2017-18 |                                      | Budget<br>Revenues<br>2018-19 | Budget<br>Appropriations<br>2018-19 | Budget<br>Transfers In (Out)<br>2018-19 |                                      |
| 20 Public Safety Grants Fund       | \$ 192,350                           | \$ 100,200                    | \$ 110,000                          |  | \$ 182,550                           | \$ 100,200                    | \$ 100,000                          |   | \$ 182,750                           |
| 21 NPDES-Stormwater                | 638,115                              | 493,800                       | 438,700                             | (350,700)                              | 342,515                              | 493,800                       | 443,500                             | (100,700)                               | 292,115                              |
| 22 Measure J-Local                 | 1,440,280                            | 561,400                       | 232,800                             | (835,000)                              | 933,880                              | 564,900                       | 240,100                             | (100,000)                               | 1,158,680                            |
| 23 Gas Tax                         | 338,863                              | 1,040,000                     | 577,100                             | (232,000)                              | 569,763                              | 1,477,700                     | 579,600                             | (432,000)                               | 1,035,863                            |
| 27 Housing In-Lieu Fund            | 354,310                              | 500                           |                                     |  | 354,810                              | 500                           |                                     |   | 355,310                              |
| 29 Recycle Fund                    | 181,210                              | 64,800                        | 86,000                              |  | 160,010                              | 64,800                        | 86,400                              |   | 138,410                              |
| 36 PEG Access Fund                 | 213,060                              | 58,000                        | 65,000                              |  | 206,060                              | 60,000                        | 65,200                              |   | 200,860                              |
| 38 Measure D Fund                  | 0                                    | 2,000,000                     | 1,000,000                           |  | 1,000,000                            | 2,000,000                     | 1,000,000                           | 0                                       | 2,000,000                            |
| <b>Sub-totals</b>                  | <b>3,358,188</b>                     | <b>4,318,700</b>              | <b>2,509,600</b>                    | <b>(1,417,700)</b>                     | <b>3,749,588</b>                     | <b>4,761,900</b>              | <b>2,514,800</b>                    | <b>(632,700)</b>                        | <b>5,363,988</b>                     |
| <b>Assessment Districts</b>        |                                      |                               |                                     |  |                                      |                               |                                     |   |                                      |
| 33 Lighting & Landscape            | 259,960                              | 124,400                       | 182,100                             | 13,700                                 | 215,960                              | 125,000                       | 158,200                             | 13,700                                  | 196,460                              |
| <b>Sub-totals</b>                  | <b>259,960</b>                       | <b>124,400</b>                | <b>182,100</b>                      | <b>13,700</b>                          | <b>215,960</b>                       | <b>125,000</b>                | <b>158,200</b>                      | <b>13,700</b>                           | <b>196,460</b>                       |
| <b>Mitigation/Impact Fees</b>      |                                      |                               |                                     |  |                                      |                               |                                     |   |                                      |
| 34 Traffic                         | 166,251                              | 12,000                        |                                     | (252,670)                              | (74,419)                             | 12,000                        | 0                                   | (35,000)                                | (97,419)                             |
| 34 Park In Lieu                    | 257,430                              | 7,000                         |                                     | 0                                      | 264,430                              | 7,000                         | 0                                   | 0                                       | 271,430                              |
| 34 Child Care                      | 4,406                                | 2,500                         |                                     | 0                                      | 6,906                                | 2,500                         | 0                                   | 0                                       | 9,406                                |
| 34 Zone 5 Drainage                 | 81,053                               | 2,500                         |                                     | 0                                      | 83,553                               | 2,500                         | 0                                   | 0                                       | 86,053                               |
| 34 Cultural & Arts                 | 574,876                              | 11,600                        |                                     | (100,000)                              | 486,476                              | 11,600                        | 0                                   | (200,000)                               | 298,076                              |
| 34 Police Facilities               | 69,143                               | 500                           |                                     | 0                                      | 69,643                               | 500                           | 0                                   | 0                                       | 70,143                               |
| 34 Park & Recreation               | 415,314                              | 8,600                         |                                     | (35,000)                               | 388,914                              | 8,600                         | 0                                   | 0                                       | 397,514                              |
| <b>Sub-totals</b>                  | <b>1,568,474</b>                     | <b>44,700</b>                 |                                     | <b>(387,670)</b>                       | <b>1,225,504</b>                     | <b>44,700</b>                 |                                     | <b>(235,000)</b>                        | <b>1,035,204</b>                     |
| <b>Total Special Revenue Funds</b> | <b>\$ 5,186,622</b>                  | <b>\$ 4,487,800</b>           | <b>\$ 2,691,700</b>                 | <b>\$ (1,791,670)</b>                  | <b>\$5,191,052</b>                   | <b>\$ 4,931,600</b>           | <b>\$ 2,673,000</b>                 | <b>\$ (854,000)</b>                     | <b>\$6,595,651</b>                   |

## SPECIAL REVENUE FUNDS TRANSFER SUMMARY

| To Fund                         | From Fund                         | Purpose                                    | Transfer In &<br>Transfer Out<br>2015-16 | Transfer In &<br>Transfer Out<br>2016-17 | Transfer In &<br>Transfer Out<br>2017-18 | Transfer In &<br>Transfer Out<br>2018-19 |
|---------------------------------|-----------------------------------|--|--|--|--|--|
| Lighting & Landscape            | General Fund                      | Share of LLD                               | \$ 8,000                                 | \$ 8,000                                 | \$ 6,000                                 | \$ 6,000                                 |
| Lighting & Landscape            | NPDES-Stormwater                  | LL917 Share of LLD                         | 700                                      | 700                                      | 700                                      | 700                                      |
| Lighting & Landscape            | Gas Tax                           | LL917 Share of LLD                         | 7,000                                    | 7,000                                    | 7,000                                    | 7,000                                    |
| NPDES-Stormwater                | Gas Tax                           |  | 34,754                                   |  |  |  |
| <b>Sub-Total Transfer In</b>    |                                   |  | 50,454                                   | 15,700                                   | 13,700                                   | 13,700                                   |
| NPDES-Stormwater                | Gas Tax                           | E1001 Alhambra Creek Maintenance 5-yr      | 34,753                                   |  |  |  |
| Gas Tax                         | Capital Improvement Program       | C5025 Susana & Mt. View Park               | 32,048                                   |  |  |  |
| Lighting & Landscape            | NPDES-Stormwater                  | LL917 Share of LLD                         | 700                                      | 700                                      | 700                                      | 700                                      |
| Capital Improvement Program     | NPDES-Stormwater                  | C1053 Storm Drain & Street GIS System      | 50,000                                   | 30,850                                   |  |  |
| Capital Improvement Program     | NPDES-Stormwater                  | C3008 Annual Storm Drain Maintenance       | 50,000                                   | 50,000                                   | 50,000                                   | 50,000                                   |
| Capital Improvement Program     | NPDES-Stormwater                  | C3002 Alhambra Creek Channel Maint.        | 50,000                                   | 50,000                                   |  | 50,000                                   |
| Capital Improvement Program     | NPDES-Stormwater                  | C3012 Linton Terrace Culvert Replacement   |  |  | 300,000                                  |  |
| Capital Improvement Program     | Measure J - Local                 | C1052 Annual Pavement Management           |  | 300,000                                  | 700,000                                  | 100,000                                  |
| Capital Improvement Program     | Measure J - Local                 | C2002 Reliez Valley                        |  |  | 35,000                                   |  |
| Capital Improvement Program     | Measure J - Local                 | C1047 Downtown PDA Pavement Restoration    | 500,000                                  |  |  |  |
| Capital Improvement Program     | Measure J - Local                 | M3145 Amtrak Station Improvements          | 150,000                                  |  |  |  |
| Capital Improvement Program     | Measure J - Local                 | 2017 Storm Damage Repair                   |  |  | 100,000                                  |  |
| Capital Improvement Program     | Gas Tax                           | C1056 Bay Trail Phase I                    |  |  |  |  |
| Lighting & Landscape            | Gas Tax                           | LL917 Share of LLD                         | 7,000                                    | 7,000                                    | 7,000                                    | 7,000                                    |
| Capital Improvement Program     | Gas Tax                           | C3012 Linton Terrace Culvert Replacement   | 50,000                                   |  |  |  |
| Capital Improvement Program     | Gas Tax                           | C6010 Bus Stop Improvements                |  |  |  |  |
| Capital Improvement Program     | Gas Tax                           | C1052 Annual Pavement Management           | 500,000                                  | 200,000                                  | 200,000                                  | 400,000                                  |
| Capital Improvement Program     | Gas Tax                           | C1010 ADA Ramps                            | 25,000                                   | 25,000                                   | 25,000                                   | 25,000                                   |
| Capital Improvement Program     | Gas Tax                           | C2006 Downtown Bicycle Project             |  |  |  |  |
| Capital Improvement Program     | Gas Tax                           | C3008 Annual Storm Drain Maintenance       |  | 50,000                                   |  |  |
| Capital Improvement Program     | Gas Tax                           | C1040 Annual Sidewalk Repair               | 25,000                                   | 25,000                                   |  |  |
| Capital Improvement Program     | Gas Tax                           | EEC1 LED Street Lights                     |  |  |  |  |
| Capital Improvement Program     | Gas Tax                           | C1053 Storm Drain & Street GIS System      | 25,000                                   |  |  |  |
| Capital Improvement Program     | Gas Tax                           | C1054 Sign Inventory                       | 50,000                                   | 50,000                                   |  |  |
| Capital Improvement Program     | Gas Tax                           | C5025 Susana & Mt. View Park               |  |  |  |  |
| Capital Improvement Program     | Park Dedication Fees              | C5025 Susana & Mt. View Park               |  |  |  |  |
| Capital Improvement Program     | Park Dedication Fees              | C5017 Waterfront Park                      | 545,539                                  |  |  |  |
| Capital Improvement Program     | Mitigation Fees-Zone 5 Drainag    | C1053 Storm Drain & Street GIS System      | 50,000                                   |  |  |  |
| Capital Improvement Program     | Mitigation Fees-Child Care        | C4015 Morello Daycare Improvements         |  | 50,000                                   |  |  |
| Capital Improvement Program     | Mitigation Fees-Traffic           | Ward Street Undergrounding                 |  |  | 100,000                                  |  |
| Capital Improvement Program     | Mitigation Fees-Cultural Facility | Cultural Facilities Improvements           |  |  | 100,000                                  | 200,000                                  |
| Capital Improvement Program     | Mitigation Fees-Park & Rec        | Sports Field Utilization Study             |  |  | 35,000                                   |  |
| Capital Improvement Program     | Mitigation Fees-Traffic           | C1050 Muir/Center Signal Modification      |  |  |  |  |
| Capital Improvement Program     | Mitigation Fees-Traffic           | C2008 Shell Ave Pedestrian/Bicycle Project |  |  |  |  |
| Capital Improvement Program     | Mitigation Fees-Traffic           | C1025 Marina Vista Streetscape             |  |  | 152,670                                  |  |
| Capital Improvement Program     | Mitigation Fees-Traffic           | Major Street Project                       |  |  |  | 250,000                                  |
| Capital Improvement Program     | Measure D                         | Annual Pavement Management                 |  |  |  | 1,700,000                                |
| <b>Sub-Total Transfer Out</b>   |                                   |  | 2,145,040                                | 838,550                                  | 1,805,370                                | 2,782,700                                |
| <b>TOTAL TRANSFERS IN (OUT)</b> |                                   |  | <b>\$ (2,094,586)</b>                    | <b>\$ (822,850)</b>                      | <b>\$ (1,791,670)</b>                    | <b>\$ (2,769,000)</b>                    |

## SPECIAL REVENUE FUNDS - REVENUE

|        |                                       | 2015-16<br>Actual | 2016-17<br>Revised | 2017-18<br>Budget | 2018-19<br>Budget |
|--------|---------------------------------------|-------------------|--------------------|-------------------|-------------------|
|        | <b>Public Safety Grants Fund (20)</b> |                   |                    |                   |                   |
| 4269   | Asset Seizure                         | \$ 5,167          | \$ -               | \$ -              | \$ -              |
| 4521.3 | SLESF                                 | 114,618           | 100,000            | 100,000           | 100,000           |
| 4521.4 | Office of Traffic Safety              |                   |                    |                   |                   |
| 4531.5 | Federal Grant-ABC                     | 10,910            |                    |                   |                   |
| 4531.6 | Federal - Asset Forfeiture            | 2,595             |                    |                   |                   |
| 4521.2 | Data 911                              | 210,820           |                    |                   |                   |
| 4560   | HIS SLOT: Computer                    |                   | 25,684             |                   |                   |
| 4701   | Interest Income                       | 1,007             | 150                | 200               | 200               |
| 4802   | Donations                             | 13,554            |                    |                   |                   |
|        | <b>Total Police Grants</b>            | <b>358,670</b>    | <b>125,834</b>     | <b>100,200</b>    | <b>100,200</b>    |
|        | <b>NPDES-Stormwater (21)</b>          |                   |                    |                   |                   |
| 4023   | Transfer In                           | 34,753            |                    |                   |                   |
| 4180   | NPDES Assessment                      | 492,588           | 492,000            | 492,000           | 492,000           |
| 4624   | Inspections                           | 626               | 1,000              | 1,000             | 1,000             |
| 4701   | Interest Income                       | 4,812             | 800                | 800               | 800               |
| 4875.2 | Workers Comp/Liability                | 109               |                    |                   |                   |
|        | <b>Total NPDES</b>                    | <b>532,888</b>    | <b>493,800</b>     | <b>493,800</b>    | <b>493,800</b>    |
|        | <b>Measure J - Local (22)</b>         |                   |                    |                   |                   |
| 4360   | Local Return to Source                | 1,090,037         | 447,200            | 447,200           | 447,200           |
| 4361.2 | Measure J Program 28a                 | 81,979            | 88,790             | 92,200            | 95,700            |
| 4665   | Transit Hub                           |                   | 40,000             | 20,000            | 20,000            |
| 4701   | Interest                              | 10,590            | 2,000              | 2,000             | 2,000             |
|        | <b>Total Measure J - Local</b>        | <b>1,182,606</b>  | <b>577,990</b>     | <b>561,400</b>    | <b>564,900</b>    |

|        |                                  | 2015-16        | 2016-17        | 2017-18          | 2018-19          |
|--------|----------------------------------|----------------|----------------|------------------|------------------|
|        |                                  | Actual         | Revised        | Budget           | Budget           |
|        | <b>Gas Tax (23)</b>              |                |                |                  |                  |
| 4350.3 | 2103 Gas Tax                     | 192,040        | 90,658         | 148,400          | 163,200          |
| 4350.5 | 2105 Gas Tax                     | 209,892        | 233,489        | 215,400          | 215,400          |
| 4350.6 | 2106 Gas Tax                     | 135,948        | 118,768        | 134,900          | 134,900          |
| 4350.7 | 2107 Gas Tax                     | 273,309        | 324,235        | 278,200          | 278,200          |
| 4350.8 | 2107.5 Gas Tax                   | 6,000          | 6,000          | 6,000            | 6,000            |
| 4354   | HUTA Loan Repayment              |                |                | 42,400           | 42,400           |
| 4355   | 2031 - RMRA                      |                |                | 213,700          | 636,600          |
| 4701   | Interest Income                  | 7,427          | 1,000          | 1,000            | 1,000            |
| 4031   | Transfer In                      | 32,048         |                |                  |                  |
|        | <b>Total Gas Tax</b>             | <b>856,665</b> | <b>774,150</b> | <b>1,040,000</b> | <b>1,477,700</b> |
|        | <b>Housing In-Lieu Fund (27)</b> |                |                |                  |                  |
| 4421   | Housing In-Lieu Fee              |                |                |                  |                  |
| 4701   | Interest                         | 2,752          | 500            | 500              | 500              |
|        | <b>Total Housing In-Lieu</b>     | <b>2,752</b>   | <b>500</b>     | <b>500</b>       | <b>500</b>       |
|        | <b>Recycle Fund (29)</b>         |                |                |                  |                  |
| 4523   | Recycle & Oil Grants             | 10,419         |                | 9,500            | 9,500            |
| 4523.1 | Beverage Container Grant         | 71,996         |                | 9,500            | 9,500            |
| 4877   | AB939/IMPACT Fee                 | 25,000         | 25,000         | 25,000           | 25,000           |
| 4430.2 | State Green Program              | 127            | 300            | 300              | 300              |
| 4295   | Forfeited C&D Deposit            | 12,096         |                | 5,000            | 5,000            |
| 4663   | Charging Stations                | 4,135          | 2,000          | 4,000            | 4,000            |
| 4802   | Donations                        | 15,000         |                | 10,000           | 10,000           |
| 4856   | MPA IIPP Safety Grant            | 8,745          |                |                  |                  |
| 4870   | Miscellaneous                    | 2,200          |                |                  |                  |
| 4872   | Solid Waste                      | 522            | 1,500          | 1,500            | 1,500            |
|        | <b>Total Recycle</b>             | <b>150,239</b> | <b>28,800</b>  | <b>64,800</b>    | <b>64,800</b>    |

|        |                                       | 2015-16<br>Actual  | 2016-17<br>Revised  | 2017-18<br>Budget   | 2018-19<br>Budget   |
|--------|---------------------------------------|--------------------|---------------------|---------------------|---------------------|
|        | <b>Lighting &amp; Landscape (33)</b>  |                    |                     |                     |                     |
| 4001   | Transfers In                          | 8,000              | 8,000               | 6,000               | 6,000               |
| 4021   | Transfers In                          | 700                | 700                 | 700                 | 700                 |
| 4023   | Transfers In                          | 7,000              | 7,000               | 7,000               | 7,000               |
| 4185   | Local Assessment                      | 122,762            | 124,935             | 123,900             | 124,500             |
| 4701   | Interest                              | 1,936              | 541                 | 500                 | 500                 |
|        | <b>Total Lighting &amp; Landscape</b> | <b>140,398</b>     | <b>141,176</b>      | <b>138,100</b>      | <b>138,700</b>      |
|        | <b>Impact/Mitigation Fees (34)</b>    |                    |                     |                     |                     |
| 4701   | Interest Income                       | 16,444             | 4,100               | 4,100               | 4,100               |
| 4420.1 | Traffic Mitigation Fees               | 5,777              | 11,000              | 11,000              | 11,000              |
| 4420.2 | Park In-Lieu Fees                     | 80,003             | 6,000               | 6,000               | 6,000               |
| 4420.3 | Child Care Impact Fees                | 826                | 2,000               | 2,000               | 2,000               |
| 4420.4 | Drainage Fees Zone 5                  | 3,632              | 2,000               | 2,000               | 2,000               |
| 4420.5 | Cultural Facilities Impact Fees       | 8,918              | 10,800              | 10,800              | 10,800              |
| 4420.6 | Police Facilities Impact Fees         | 1,283              | 500                 | 500                 | 500                 |
| 4420.7 | Park & Recreation Impact Fees         | 6,633              | 8,300               | 8,300               | 8,300               |
|        | <b>Total Impact/Mitigation Fees</b>   | <b>123,516</b>     | <b>44,700</b>       | <b>44,700</b>       | <b>44,700</b>       |
|        | <b>PEG Access Fund (36)</b>           |                    |                     |                     |                     |
| 4803   | Grants                                | 60,478             | 60,000              | 58,000              | 60,000              |
|        | <b>Total PEG Access Fund</b>          | <b>60,478</b>      | <b>60,000</b>       | <b>58,000</b>       | <b>60,000</b>       |
|        | <b>Measure D Fund (38)</b>            |                    |                     |                     |                     |
| 4118   | Transaction and Use Tax               |                    |                     | 2,000,000           | 2,000,000           |
|        | <b>Total Measure D Fund</b>           | <b>0</b>           | <b>0</b>            | <b>2,000,000</b>    | <b>2,000,000</b>    |
|        | <b>TOTAL SPECIAL REVENUE</b>          | <b>\$3,408,211</b> | <b>\$ 2,246,950</b> | <b>\$ 4,501,500</b> | <b>\$ 4,945,300</b> |

## SPECIAL REVENUE FUNDS - EXPENDITURES

|   |                                | <u>2015-16</u><br><u>Actual</u> | <u>2016-17</u><br><u>Revised</u> | <u>2017-18</u><br><u>Budget</u> | <u>Increase</u><br><u>(Decrease)</u> | <u>2018-19</u><br><u>Budget</u> | <u>Increase</u><br><u>(Decrease)</u> |
|---|--------------------------------|---------------------------------|----------------------------------|---------------------------------|--------------------------------------|---------------------------------|--------------------------------------|
| <b><i>Public Safety Grants Fund</i></b>     |                                |                                 |                                  |                                 |                                      |                                 |                                      |
| 20 658 ABC GRANT                            |                                |                                 |                                  |                                 |                                      |                                 |                                      |
| 660   | Labor                          | 10,910                          |                                  |                                 |                                      |                                 |                                      |
|   | Operating                      |                                 |                                  |                                 |                                      |                                 |                                      |
|   | Direct & Indirect Costs        |                                 |                                  |                                 |                                      |                                 |                                      |
|   | TOTAL ABC GRANT                | <u>10,910</u>                   |                                  |                                 |                                      |                                 |                                      |
| 20 636 SUPPLEMENTAL LAW ENFORCEMENT (SLESF) |                                |                                 |                                  |                                 |                                      |                                 |                                      |
|   | Labor                          |                                 |                                  |                                 |                                      |                                 |                                      |
|   | Operating                      | 109,122                         | 100,000                          | 110,000                         | 10,000                               | 100,000                         | (10,000)                             |
|   | Direct & Indirect Costs        |                                 |                                  |                                 |                                      |                                 |                                      |
|   | TOTAL SUPPLEMENTAL LAW ENF.    | <u>109,122</u>                  | <u>100,000</u>                   | <u>110,000</u>                  | <u>10,000</u>                        | <u>100,000</u>                  | <u>(10,000)</u>                      |
| 20 612 FEDERAL ASSET FORFEITURE             |                                |                                 |                                  |                                 |                                      |                                 |                                      |
|   | Labor                          |                                 |                                  |                                 |                                      |                                 |                                      |
|   | Operating                      | 4,538                           |                                  |                                 |                                      |                                 |                                      |
|   | Direct & Indirect Costs        |                                 |                                  |                                 |                                      |                                 |                                      |
|   | TOTAL FEDERAL ASSET FORFEITURE | <u>4,538</u>                    |                                  |                                 |                                      |                                 |                                      |
| 20 368 C.E.R.T.                             |                                |                                 |                                  |                                 |                                      |                                 |                                      |
|   | Labor                          |                                 |                                  |                                 |                                      |                                 |                                      |
|   | Operating                      | 928                             | 46,330                           |                                 | (46,330)                             |                                 |                                      |
|   | Direct & Indirect Costs        |                                 |                                  |                                 |                                      |                                 |                                      |
|   | TOTAL C.E.R.T.                 | <u>928</u>                      | <u>46,330</u>                    |                                 | <u>(46,330)</u>                      |                                 |                                      |

|     |  | <u>2015-16<br/>Actual</u> | <u>2016-17<br/>Revised</u> | <u>2017-18<br/>Budget</u> | <u>Increase<br/>(Decrease)</u> | <u>2018-19<br/>Budget</u> | <u>Increase<br/>(Decrease)</u> |
|-----|--|---------------------------|----------------------------|---------------------------|--------------------------------|---------------------------|--------------------------------|
| 20  | 367 SWAT FUND                              |                           |                            |                           |                                |                           |                                |
|     | Labor                                      | 2,079                     |                            |                           |                                |                           |                                |
|     | Operating                                  |                           |                            |                           |                                |                           |                                |
|     | Direct & Indirect Costs                    |                           |                            |                           |                                |                           |                                |
|     | TOTAL SWAT FUND                            | <u>2,079</u>              |                            |                           |                                |                           |                                |
| 20  | 634 CALIFORNIA 911                         |                           |                            |                           |                                |                           |                                |
| 638 | Labor                                      |                           |                            |                           |                                |                           |                                |
|     | Operating                                  | 215,229                   |                            |                           | ▼                              |                           | ▼                              |
|     | Direct & Indirect Costs                    |                           |                            |                           |                                |                           |                                |
|     | TOTAL CALIFORNIA 911                       | <u>215,229</u>            |                            |                           |                                |                           |                                |
| 20  | 209 EAST BAY REGIONAL RADIO COMMUNICATIONS |                           |                            |                           |                                |                           |                                |
|     | Labor                                      |                           |                            |                           |                                |                           |                                |
|     | Operating                                  | 8,507                     |                            |                           | ▼                              |                           | ▼                              |
|     | Direct & Indirect Costs                    |                           |                            |                           |                                |                           |                                |
|     | Transfer to CIP                            |                           |                            |                           |                                |                           |                                |
|     | TOTAL EAST BAY REGIONAL RADIO              | <u>8,507</u>              |                            |                           |                                |                           |                                |
|     | <b>TOTAL PUBLIC SAFETY GRANTS</b>          | <u><b>\$ 351,312</b></u>  | <u><b>\$ 146,330</b></u>   | <u><b>\$ 110,000</b></u>  | <u><b>\$ (36,330)</b></u>      | <u><b>\$ 100,000</b></u>  | <u><b>\$ (10,000)</b></u>      |

|                                  | <b>2015-16<br/>Actual</b> | <b>2016-17<br/>Revised</b> | <b>2017-18<br/>Budget</b> | <b><i>Increase<br/>(Decrease)</i></b> | <b>2018-19<br/>Budget</b> | <b><i>Increase<br/>(Decrease)</i></b> |
|----------------------------------|---------------------------|----------------------------|---------------------------|---------------------------------------|---------------------------|---------------------------------------|
| <b><i>NPDES-Stormwater</i></b>   |                           |                            |                           |                                       |                           |                                       |
| 21 754 MUNICIPAL MAINTENANCE     |                           |                            |                           |                                       |                           |                                       |
| Labor                            | 91,680                    | 94,493                     | 95,100                    | 607                                   | 93,900                    | (1,200)                               |
| Operating                        | 131,984                   | 153,723                    | 151,000                   | (2,723)                               | 151,500                   | 500                                   |
| Direct & Indirect Costs          |                           |                            |                           |                                       |                           |                                       |
| TOTAL MUNICIPAL MAINTENANCE      | <u>223,664</u>            | <u>248,216</u>             | <u>246,100</u>            | <u>(2,116)</u>                        | <u>245,400</u>            | <u>(700)</u>                          |
| 21 757 AGENCY ADMINISTRATION     |                           |                            |                           |                                       |                           |                                       |
| Operating                        | 109,192                   | 103,023                    | 103,300                   | 277                                   | 103,600                   | 300                                   |
| Direct & Indirect Costs          | 94,475                    | 87,521                     | 89,300                    | 1,779                                 | 94,500                    | 5,200                                 |
| TOTAL AGENCY ADMINISTRATION      | <u>203,667</u>            | <u>190,544</u>             | <u>192,600</u>            | <u>2,056</u>                          | <u>198,100</u>            | <u>5,500</u>                          |
| <b>TOTAL NPDES</b>               | <b>427,331</b>            | <b>438,760</b>             | <b>438,700</b>            | <b>(60)</b>                           | <b>443,500</b>            | <b>4,800</b>                          |
| 21 900 TRANSFERS OUT             |                           |                            |                           |                                       |                           |                                       |
| Transfer to Lighting & Landscape | 700                       | 700                        | 700                       |                                       | 700                       |                                       |
| Transfer to Capital Projects     | 150,000                   | 130,850                    | 350,000                   | 219,150                               | 100,000                   | (250,000)                             |
| TOTAL TRANSFERS OUT              | <u>150,700</u>            | <u>131,550</u>             | <u>350,700</u>            | <u>219,150</u>                        | <u>100,700</u>            | <u>(250,000)</u>                      |
| <b>TOTAL NPDES FUND</b>          | <b><u>\$ 578,031</u></b>  | <b><u>\$ 570,310</u></b>   | <b><u>\$ 789,400</u></b>  | <b><u>\$ 219,090</u></b>              | <b><u>\$ 544,200</u></b>  | <b><u>\$ (245,200)</u></b>            |

|                              | <u>2015-16<br/>Actual</u> | <u>2016-17<br/>Revised</u> | <u>2017-18<br/>Budget</u> | <u>Increase<br/>(Decrease)</u> | <u>2018-19<br/>Budget</u> | <u>Increase<br/>(Decrease)</u> |
|------------------------------|---------------------------|----------------------------|---------------------------|--------------------------------|---------------------------|--------------------------------|
| <b>Measure J - Local</b>     |                           |                            |                           |                                |                           |                                |
| 22 760 MEASURE J - LOCAL     |                           |                            |                           |                                |                           |                                |
| Labor                        |                           |                            |                           |                                |                           |                                |
| Operating                    | 138,213                   | 230,381                    | 232,800                   | 2,419                          | 240,100                   | 7,300                          |
| Capital                      |                           |                            |                           |                                |                           |                                |
| Direct & Indirect Costs      |                           |                            |                           |                                |                           |                                |
| TOTAL TRANSPORTATION         | <u>138,213</u>            | <u>230,381</u>             | <u>232,800</u>            | <u>2,419</u>                   | <u>240,100</u>            | <u>7,300</u>                   |
| 22 900 TRANSFERS OUT         |                           |                            |                           |                                |                           |                                |
| Transfer to Capital Projects | <u>650,000</u>            | <u>300,000</u>             | <u>835,000</u>            | <u>535,000</u>                 | <u>100,000</u>            | <u>(735,000)</u>               |
| TOTAL TRANSFERS OUT          | <u>650,000</u>            | <u>300,000</u>             | <u>835,000</u>            | <u>535,000</u>                 | <u>100,000</u>            | <u>(735,000)</u>               |
| <br>TOTAL LOCAL J            | <br><u>\$ 788,213</u>     | <br><u>\$ 530,381</u>      | <br><u>\$ 1,067,800</u>   | <br><u>\$ 537,419</u>          | <br><u>\$ 340,100</u>     | <br><u>\$ (727,700)</u>        |

|                                    | 2015-16<br>Actual          | 2016-17<br>Revised       | 2017-18<br>Budget        | Increase<br>(Decrease)    | 2018-19<br>Budget          | Increase<br>(Decrease)   |
|------------------------------------|----------------------------|--------------------------|--------------------------|---------------------------|----------------------------|--------------------------|
| <b>Gas Tax</b>                     |                            |                          |                          |                           |                            |                          |
| 23 771 STREET MAINTENANCE          |                            |                          |                          |                           |                            |                          |
| Operating                          | 170,177                    | 280,394                  | 331,100                  | 50,706                    | 331,900                    | 800                      |
| Capital                            |                            |                          |                          |                           |                            |                          |
| Direct & Indirect Costs            |                            |                          |                          |                           |                            |                          |
| TOTAL STREET MAINTENANCE           | <u>170,177</u>             | <u>280,394</u>           | <u>331,100</u>           | <u>50,706</u>             | <u>331,900</u>             | <u>800</u>               |
| 23 772 ARTERIAL MAINTENANCE        |                            |                          |                          |                           |                            |                          |
| Operating                          | 180,034                    | 244,276                  | 246,000                  | 1,724                     | 247,700                    | 1,700                    |
| Capital                            |                            |                          |                          |                           |                            |                          |
| Direct & Indirect Costs            |                            |                          |                          |                           |                            |                          |
| TOTAL ARTERIAL MAINTENANCE         | <u>180,034</u>             | <u>244,276</u>           | <u>246,000</u>           | <u>1,724</u>              | <u>247,700</u>             | <u>1,700</u>             |
| <b>TOTAL GAS TAX OPERATIONS</b>    | <b>350,211</b>             | <b>524,670</b>           | <b>577,100</b>           | <b>52,430</b>             | <b>579,600</b>             | <b>2,500</b>             |
| 23 900 TRANSFERS OUT               |                            |                          |                          |                           |                            |                          |
| Transfer to Landscape and Lighting | 7,000                      | 7,000                    | 7,000                    |                           | 7,000                      |                          |
| Transfer to Capital Projects       | <u>709,753</u>             | <u>350,000</u>           | <u>225,000</u>           | <u>(125,000)</u>          | <u>425,000</u>             | <u>200,000</u>           |
| TOTAL TRANSFERS OUT                | <u>716,753</u>             | <u>357,000</u>           | <u>232,000</u>           | <u>(125,000)</u>          | <u>432,000</u>             | <u>200,000</u>           |
| <b>TOTAL GAS TAX FUND</b>          | <b><u>\$ 1,066,964</u></b> | <b><u>\$ 881,670</u></b> | <b><u>\$ 809,100</u></b> | <b><u>\$ (72,570)</u></b> | <b><u>\$ 1,011,600</u></b> | <b><u>\$ 202,500</u></b> |

**Recycle Fund**

29 202 Recycle

|                   | <u>2015-16<br/>Actual</u> | <u>2016-17<br/>Revised</u> | <u>2017-18<br/>Budget</u> | <u>Increase<br/>(Decrease)</u> | <u>2018-19<br/>Budget</u> | <u>Increase<br/>(Decrease)</u> |
|-------------------|---------------------------|----------------------------|---------------------------|--------------------------------|---------------------------|--------------------------------|
| Labor             | 12,571                    | 5,629                      | 5,300                     | (329)                          | 5,300                     |                                |
| Operating         | <u>146,581</u>            | <u>71,468</u>              | <u>80,700</u>             | <u>9,232</u>                   | <u>81,100</u>             | <u>400</u>                     |
| TOTAL RECYCLE     | <u>159,152</u>            | <u>77,097</u>              | <u>86,000</u>             | <u>8,903</u>                   | <u>86,400</u>             | <u>400</u>                     |
| <br>TOTAL RECYCLE | <br><u>\$ 159,152</u>     | <br><u>\$ 77,097</u>       | <br><u>\$ 86,000</u>      | <br><u>\$ 8,903</u>            | <br><u>\$ 86,400</u>      | <br><u>\$ 400</u>              |

|                         | <u>2015-16<br/>Actual</u> | <u>2016-17<br/>Revised</u> | <u>2017-18<br/>Budget</u> | <u>Increase<br/>(Decrease)</u> | <u>2018-19<br/>Budget</u> | <u>Increase<br/>(Decrease)</u> |
|-------------------------|---------------------------|----------------------------|---------------------------|--------------------------------|---------------------------|--------------------------------|
| <b>PEG Access Fund</b>  |                           |                            |                           |                                |                           |                                |
| 24 900 PEG ACCESS       |                           |                            |                           |                                |                           |                                |
| Operating               | 16,449                    | 285,000                    | 65,000                    | (220,000)                      | 65,200                    | 200                            |
| TOTAL PEG ACCESS        | <u>16,449</u>             | <u>285,000</u>             | <u>65,000</u>             | <u>(220,000)</u>               | <u>65,200</u>             | <u>200</u>                     |
| <b>TOTAL PEG ACCESS</b> | <u>\$ 16,449</u>          | <u>\$ 285,000</u>          | <u>\$ 65,000</u>          | <u>\$ (220,000)</u>            | <u>\$ 65,200</u>          | <u>\$ 200</u>                  |

|                                 | 2015-16<br>Actual | 2016-17<br>Revised | 2017-18<br>Budget | Increase<br>(Decrease) | 2018-19<br>Budget | Increase<br>(Decrease) |
|---------------------------------|-------------------|--------------------|-------------------|------------------------|-------------------|------------------------|
| <b>Lighting &amp; Landscape</b> |                   |                    |                   |                        |                   |                        |
| 33 910 VILLAGE OAKS             |                   |                    |                   |                        |                   |                        |
| Operating                       | 3,942             | 5,261              | 5,200             | (61)                   | 5,200             |                        |
| Direct & Indirect Costs         | 300               | 300                | 300               |                        | 300               |                        |
| TOTAL VILLAGE OAKS              | 4,242             | 5,561              | 5,500             | (61)                   | 5,500             |                        |
| 33 911 MUIR STATION             |                   |                    |                   |                        |                   |                        |
| Operating                       | 7,950             | 9,723              | 10,300            | 577                    | 10,400            | 100                    |
| Direct & Indirect Costs         | 300               | 300                | 300               |                        | 300               |                        |
| TOTAL MUIR STATION              | 8,250             | 10,023             | 10,600            | 577                    | 10,700            | 100                    |
| 33 912 CREEKSIDE                |                   |                    |                   |                        |                   |                        |
| Operating                       | 3,783             | 5,381              | 20,500            | 15,119                 | 5,500             | (15,000)               |
| Direct & Indirect Costs         | 500               | 500                | 500               |                        | 500               |                        |
| TOTAL CREEKSIDE                 | 4,283             | 5,881              | 21,000            | 15,119                 | 6,000             | (15,000)               |
| 33 913 BRITTANY HILLS           |                   |                    |                   |                        |                   |                        |
| Operating                       | 35,885            | 70,593             | 72,500            | 1,907                  | 73,200            | 700                    |
| Direct & Indirect Costs         | 1,800             | 1,800              | 1,800             |                        | 1,800             |                        |
| TOTAL BRITTANY HILLS            | 37,685            | 72,393             | 74,300            | 1,907                  | 75,000            | 700                    |

|   |                          |                          |                          |                         |                          |                           |
|---|--------------------------|--------------------------|--------------------------|-------------------------|--------------------------|---------------------------|
| 33 914 VISTA OAKS                       |                          |                          |                          |                         |                          |                           |
| Operating                               | 13,531                   | 14,789                   | 25,000                   | 10,211                  | 15,100                   | (9,900)                   |
| Direct & Indirect Costs                 | 300                      | 300                      | 300                      |                         | 300                      |                           |
| TOTAL VISTA OAKS                        | <u>13,831</u>            | <u>15,089</u>            | <u>25,300</u>            | <u>10,211</u>           | <u>15,400</u>            | <u>(9,900)</u>            |
| 33 915 COSTCO CENTER                    |                          |                          |                          |                         |                          |                           |
| Operating                               | 6,092                    | 8,919                    | 8,000                    | (919)                   | 8,000                    |                           |
| Direct & Indirect Costs                 | 300                      | 300                      | 300                      |                         | 300                      |                           |
| TOTAL COSTCO CENTER                     | <u>6,392</u>             | <u>9,219</u>             | <u>8,300</u>             | <u>(919)</u>            | <u>8,300</u>             |                           |
| 33 916 TERRA VISTA                      |                          |                          |                          |                         |                          |                           |
| Operating                               | 4,420                    | 6,835                    | 7,600                    | 765                     | 7,600                    |                           |
| Direct & Indirect Costs                 | 1,000                    | 1,000                    | 1,000                    |                         | 1,000                    |                           |
| TOTAL TERRA VISTA                       | <u>5,420</u>             | <u>7,835</u>             | <u>8,600</u>             | <u>765</u>              | <u>8,600</u>             |                           |
| 33 917 LL AD 2003                       |                          |                          |                          |                         |                          |                           |
| Operating                               | 23,107                   | 27,636                   | 28,000                   | 364                     | 28,200                   | 200                       |
| Direct & Indirect Costs                 | 500                      | 500                      | 500                      |                         | 500                      |                           |
| TOTAL 2002-03 LL                        | <u>23,607</u>            | <u>28,136</u>            | <u>28,500</u>            | <u>364</u>              | <u>28,700</u>            | <u>200</u>                |
| <b>TOTAL LIGHTING &amp; LANDSCAPING</b> | <b><u>\$ 103,709</u></b> | <b><u>\$ 154,137</u></b> | <b><u>\$ 182,100</u></b> | <b><u>\$ 27,963</u></b> | <b><u>\$ 158,200</u></b> | <b><u>\$ (23,900)</u></b> |

|                               |    | <u>2015-16<br/>Actual</u> | <u>2016-17<br/>Revised</u> | <u>2017-18<br/>Budget</u> | <u>Increase<br/>(Decrease)</u> | <u>2018-19<br/>Budget</u> | <u>Increase<br/>(Decrease)</u> |
|-------------------------------|----|---------------------------|----------------------------|---------------------------|--------------------------------|---------------------------|--------------------------------|
| <b>Mitigation/Impact Fees</b> |    |                           |                            |                           |                                |                           |                                |
| 34                            | 31 | TRAFFIC                   |                            |                           |                                |                           |                                |
|                               |    | Operating                 |                            |                           |                                |                           |                                |
|                               |    | Transfers Out             |                            |                           |                                |                           |                                |
|                               |    |                           |                            | 252,670                   | 252,670                        | 35,000                    | (217,670)                      |
|                               |    | TOTAL TRAFFIC             |                            |                           |                                |                           |                                |
|                               |    |                           |                            | 252,670                   | 252,670                        | 35,000                    | (217,670)                      |
| 34                            | 32 | PARK IN LIEU              |                            |                           |                                |                           |                                |
|                               |    | Operating                 |                            |                           |                                |                           |                                |
|                               |    | Transfers Out             |                            |                           |                                |                           |                                |
|                               |    | 545,539                   |                            |                           |                                |                           |                                |
|                               |    | TOTAL PARK IN LIEU        |                            |                           |                                |                           |                                |
|                               |    | 545,539                   |                            |                           |                                |                           |                                |
| 34                            | 33 | CHILD CARE                |                            |                           |                                |                           |                                |
|                               |    | Operating                 |                            |                           |                                |                           |                                |
|                               |    | Transfers Out             |                            |                           |                                |                           |                                |
|                               |    |                           | 50,000                     |                           | (50,000)                       |                           |                                |
|                               |    | TOTAL CHILD CARE          |                            |                           |                                |                           |                                |
|                               |    |                           | 50,000                     |                           | (50,000)                       |                           |                                |
| 34                            | 34 | ZONE 5 DRAINAGE           |                            |                           |                                |                           |                                |
|                               |    | Operating                 |                            |                           |                                |                           |                                |
|                               |    | Transfers Out             |                            |                           |                                |                           |                                |
|                               |    | 50,000                    |                            |                           |                                |                           |                                |
|                               |    | TOTAL ZONE 5 DRAINAGE     |                            |                           |                                |                           |                                |
|                               |    | 50,000                    |                            |                           |                                |                           |                                |
| 34                            | 35 | CULTURAL & ARTS           |                            |                           |                                |                           |                                |
|                               |    | Operating                 |                            |                           |                                |                           |                                |
|                               |    | Transfers Out             |                            |                           |                                |                           |                                |
|                               |    |                           |                            | 100,000                   | 100,000                        | 200,000                   | 100,000                        |
|                               |    | TOTAL CULTURAL & ARTS     |                            |                           |                                |                           |                                |
|                               |    |                           |                            | 100,000                   | 100,000                        | 200,000                   | 100,000                        |
| 34                            | 37 | PARK & RECREATION         |                            |                           |                                |                           |                                |
|                               |    | Operating                 |                            |                           |                                |                           |                                |
|                               |    | Transfers Out             |                            |                           |                                |                           |                                |
|                               |    |                           |                            | 35,000                    | 35,000                         |                           | (35,000)                       |
|                               |    | TOTAL PARK & RECREATION   |                            |                           |                                |                           |                                |
|                               |    |                           |                            | 35,000                    | 35,000                         |                           | (35,000)                       |
| TOTAL MITIGATION/IMPACT FEES  |    | \$ 595,539                | \$ 50,000                  | \$ 387,670                | \$ 337,670                     | \$ 235,000                | \$ (152,670)                   |

|                  |                                    | 2015-16<br>Actual | 2016-17<br>Revised | 2017-18<br>Budget   | Increase<br>(Decrease) | 2018-19<br>Budget   | Increase<br>(Decrease) |
|------------------|------------------------------------|-------------------|--------------------|---------------------|------------------------|---------------------|------------------------|
| <b>Measure D</b> |                                    |                   |                    |                     |                        |                     |                        |
| 38               | STREET MAINTENANCE                 |                   |                    |                     |                        |                     |                        |
|                  | Operating                          |                   |                    | 1,000,000           | 1,000,000              | 1,000,000           |                        |
|                  | Capital                            |                   |                    |                     |                        |                     |                        |
|                  | Direct & Indirect Costs            |                   |                    |                     |                        |                     |                        |
|                  | TOTAL STREET MAINTENANCE           |                   |                    | 1,000,000           | 1,000,000              | 1,000,000           |                        |
|                  | <b>TOTAL MEASURE D TAX OPERATI</b> |                   |                    | <b>1,000,000</b>    | <b>1,000,000</b>       | <b>1,000,000</b>    |                        |
| 38               | 900 TRANSFERS OUT                  |                   |                    |                     |                        |                     |                        |
|                  | Transfer to Capital Projects       |                   |                    |                     |                        | 1,700,000           | 1,700,000              |
|                  | TOTAL TRANSFERS OUT                |                   |                    |                     |                        | 1,700,000           | 1,700,000              |
|                  | <b>TOTAL MEASURE D FUND</b>        | <b>\$ -</b>       | <b>\$ -</b>        | <b>\$ 1,000,000</b> | <b>\$ 1,000,000</b>    | <b>\$ 2,700,000</b> | <b>\$ 1,700,000</b>    |



## **Section 12: Internal Service Funds**

## INTERNAL SERVICE FUNDS

Internal Service Funds are used to finance and account for special activities and services performed by a designated department for other departments in the City on a cost reimbursement basis.

The concept of major funds introduced by GASB Statement 34 does not extend to Internal Service Funds because they do not do business with outside parties. GASB Statement 34 requires that for the Statement of Activities, the net revenues or expenses of each Internal Service Fund be eliminated by netting them against the operations of the other City departments which generated them. The remaining balance sheet items are consolidated with these same funds in the Statement of Net Assets.

The City's Internal Service Funds are described below, with the summary details for each provided on the subsequent pages of this section.

### Equipment Replacement Fund

This fund is designed to account for the accumulation of funds for the maintenance and subsequent replacement of equipment under City control. Fund balance is projected to be \$499,287 as of June 30, 2017 and \$31,687 as of June 30, 2019. The change in fund balance reflects the purchase of several pieces of large equipment.

### Information Systems

This fund is designed to account for the services rendered to all City departments for management of the City's hardware and software needs. The Administrative Services Department oversees the functions and staffing of Information Systems. Refer to Section 6 of this Budget for more information. Fund balance is projected to be \$504,018 as of June 30, 2017 and \$436,118 as of June 30, 2019. The change in fund balance reflects increased operating costs for licenses and initiation of an IT Strategic Plan.

## INTERNAL SERVICE FUNDS - SUMMARY

| Fund #                                  |                           | Estimated<br>Fund Balance<br>6-30-17 | 2017-18                       |                                     | Estimated<br>Fund Balance<br>6-30-18 | 2018-19                       |                                     | Estimated<br>Fund Balance<br>6-30-19 |
|---|---------------------------|--------------------------------------|-------------------------------|-------------------------------------|--------------------------------------|-------------------------------|-------------------------------------|--------------------------------------|
|   |                           |                                      | Budget<br>Revenues<br>2017-18 | Budget<br>Appropriations<br>2017-18 |                                      | Budget<br>Revenues<br>2018-19 | Budget<br>Appropriations<br>2018-19 |                                      |
| 81                                      | Equipment Replacement Fun | \$ 499,287                           | \$ 1,035,600                  | \$ 1,299,800                        | \$ 235,087                           | \$ 1,039,100                  | \$ 1,242,500                        | \$ 31,687                            |
| 82                                      | Information Systems       | 504,018                              | 698,600                       | 739,000                             | 463,618                              | 614,400                       | 641,900                             | 436,118                              |
| <b>Total Internal Service<br/>Funds</b> |                           | <b><u>\$ 1,003,305</u></b>           | <b><u>\$ 1,734,200</u></b>    | <b><u>\$ 2,038,800</u></b>          | <b><u>\$ 698,705</u></b>             | <b><u>\$ 1,653,500</u></b>    | <b><u>\$ 1,884,400</u></b>          | <b><u>\$ 467,805</u></b>             |

## INTERNAL SERVICE FUNDS - REVENUE

|   | 2015-16<br>Actual   | 2016-17<br>Revised  | 2017-18<br>Budget   | 2018-19<br>Budget   |
|---|---------------------|---------------------|---------------------|---------------------|
| <b>Equipment Replacement (81)</b>           |                     |                     |                     |                     |
| 4701 Interest                               | \$ 6,869            | \$ 5,000            | \$ 5,000            | \$ 5,000            |
| 4755 Rental Charges-City                    | 930,923             | 918,552             | 1,015,100           | 1,018,600           |
| 4760 Sale of Personal Property              | 2,392               | 15,272              | 15,000              | 15,000              |
| 4870 Miscellaneous                          | 252                 | 0                   | 500                 | 500                 |
| 4830 Restitution/Damage & Recovery          |                     |                     |                     |                     |
| <b>Total Equipment Replacement</b>          | <b>940,436</b>      | <b>938,824</b>      | <b>1,035,600</b>    | <b>1,039,100</b>    |
| <b>Informations Systems (82)</b>            |                     |                     |                     |                     |
| 4431 Technology Fee                         | 24,240              | 22,000              | 22,000              | 22,000              |
| 4701 Interest                               | 4,781               | 2,000               | 2,000               | 2,000               |
| 4755 Rental Charges-City                    | 497,978             | 630,296             | 674,100             | 589,900             |
| 4870 Miscellaneous                          | 202                 | 500                 | 500                 | 500                 |
| <b>Total Information Systems</b>            | <b>527,201</b>      | <b>654,796</b>      | <b>698,600</b>      | <b>614,400</b>      |
| <b>TOTAL REVENUE INTERNAL SERVICE FUNDS</b> | <b>\$ 1,467,637</b> | <b>\$ 1,593,620</b> | <b>\$ 1,734,200</b> | <b>\$ 1,653,500</b> |

## INTERNAL SERVICE FUNDS - EXPENDITURES

|                                     | 2015-16<br>Actual          | 2016-17<br>Revised         | 2017-18<br>Budget          | Increase<br>(Decrease)   | 2018-19<br>Budget          | Increase<br>(Decrease)     |
|-------------------------------------|----------------------------|----------------------------|----------------------------|--------------------------|----------------------------|----------------------------|
| <b>Internal Service Funds</b>       |                            |                            |                            |                          |                            |                            |
| 81 920 EQUIPMENT REPLACEMENT FUND   |                            |                            |                            |                          |                            |                            |
| Labor                               | 208,518                    | 229,318                    | 258,100                    | 28,782                   | 254,000                    | (4,100)                    |
| Operating                           | 464,025                    | 539,747                    | 557,700                    | 17,953                   | 568,500                    | 10,800                     |
| Capital                             | 238,704                    | 351,240                    | 460,000                    | 108,760                  | 396,000                    | (64,000)                   |
| Direct & Indirect Costs             | 26,758                     | 23,955                     | 24,000                     | 45                       | 24,000                     |                            |
| TOTAL EQUIPMENT REPLACEMENT         | <u>938,005</u>             | <u>1,144,260</u>           | <u>1,299,800</u>           | <u>155,540</u>           | <u>1,242,500</u>           | <u>(57,300)</u>            |
| 82 921 INFORMATION SYSTEMS          |                            |                            |                            |                          |                            |                            |
| Labor                               | 198,322                    | 178,978                    | 204,000                    | 25,022                   | 202,400                    | (1,600)                    |
| Operating                           | 250,756                    | 391,623                    | 421,700                    | 30,077                   | 358,900                    | (62,800)                   |
| Capital                             | 15,417                     | 81,000                     | 25,500                     | (55,500)                 |                            | (25,500)                   |
| Direct & Indirect Costs             | 79,586                     | 80,399                     | 87,800                     | 7,401                    | 80,600                     | (7,200)                    |
| TOTAL INFORMATION SYSTEMS           | <u>544,080</u>             | <u>732,000</u>             | <u>739,000</u>             | <u>7,000</u>             | <u>641,900</u>             | <u>(97,100)</u>            |
| <b>TOTAL INTERNAL SERVICE FUNDS</b> | <b><u>\$ 1,482,085</u></b> | <b><u>\$ 1,876,260</u></b> | <b><u>\$ 2,038,800</u></b> | <b><u>\$ 162,540</u></b> | <b><u>\$ 1,884,400</u></b> | <b><u>\$ (154,400)</u></b> |



## **Section 13: Debt Service Funds**

## DEBT SERVICE FUNDS

Debt Service Funds account for the accumulation of resources for the payment of interest and principal on general long-term debt and related costs.

### 2008, Series A & B General Obligation Bonds

This fund accounts for funds received and used for payment of debt service on the 2008, Series A General Obligation Bond issued May, 2009. Interest and principal payments are payable from ad valorem property tax levied by the City and collected by the County.

General Obligation Bonds for \$30,000,000 were authorized at an election held November 4, 2008, at which more than two-thirds of the voters approved. In May 2009, the City issued Series A, General Obligation Bonds in the amount of \$15,000,000, and in May 2012, the City issued Series B, General Obligation Bonds in the amount of \$10,000,000 to finance the costs of acquiring and constructing parks, library improvements, and pool and safety improvements within the City. As of June 30, 2017, \$5,000,000 remains authorized but unissued.

## DEBT SERVICE FUNDS - SUMMARY

| Fund #                          | Estimated<br>Fund Balance<br>6-30-17 | 2017-18                       |                                     | Estimated<br>Fund Balance<br>6-30-18 | 2018-19                       |                                     | Estimated<br>Fund Balance<br>6-30-19 |
|---------------------------------|--------------------------------------|-------------------------------|-------------------------------------|--------------------------------------|-------------------------------|-------------------------------------|--------------------------------------|
|                                 |                                      | Budget<br>Revenues<br>2017-18 | Budget<br>Appropriations<br>2017-18 |                                      | Budget<br>Revenues<br>2018-19 | Budget<br>Appropriations<br>2018-19 |                                      |
| 2008 General Obligation Bond    | 2,114,941                            | 1,595,100                     | 1,261,300                           | 2,448,741                            | 1,627,000                     | 1,284,900                           | 2,790,841                            |
| <b>Total Debt Service Funds</b> | <b><u>\$ 2,114,941</u></b>           | <b><u>\$ 1,595,100</u></b>    | <b><u>\$ 1,261,300</u></b>          | <b><u>\$ 2,448,741</u></b>           | <b><u>\$ 1,627,000</u></b>    | <b><u>\$ 1,284,900</u></b>          | <b><u>\$ 2,790,841</u></b>           |

## DEBT SERVICE FUND - REVENUE

|   | 2015-16<br>Actual              | 2016-17<br>Revised             | 2017-18<br>Budget              | 2018-19<br>Budget              |
|---|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| <b>2008 Series Debt Service (44 &amp; 45)</b> |                                |                                |                                |                                |
| 4701 Interest Income                          | 1,124                          | 1,000                          | 1,000                          | 1,000                          |
| 4820 Bond Premium                             |                                |                                |                                |                                |
| 4185 Tax Levy                                 | 1,547,677                      | 1,243,163                      | 1,594,100                      | 1,626,000                      |
| <b>Total 2008 Debt Service</b>                | <b>1,548,801</b>               | <b>1,244,163</b>               | <b>1,595,100</b>               | <b>1,627,000</b>               |
| <br><b>TOTAL DEBT SERVICE</b>                 | <br><b><u>\$ 1,548,801</u></b> | <br><b><u>\$ 1,244,163</u></b> | <br><b><u>\$ 1,595,100</u></b> | <br><b><u>\$ 1,627,000</u></b> |

## DEBT SERVICE - EXPENDITURES

|                                     | <u>2015-16<br/>Actual</u>  | <u>2016-17<br/>Revised</u> | <u>2017-18<br/>Budget</u>  | <u>Increase<br/>(Decrease)</u> | <u>2018-19<br/>Budget</u>  | <u>Increase<br/>(Decrease)</u> |
|-------------------------------------|----------------------------|----------------------------|----------------------------|--------------------------------|----------------------------|--------------------------------|
| <b>Debt Service</b>                 |                            |                            |                            |                                |                            |                                |
| 44/45    2008 Series GOP- MEASURE H |                            |                            |                            |                                |                            |                                |
| Operating                           |                            |                            |                            |                                |                            |                                |
| Debt Service                        | <u>1,236,363</u>           | <u>1,246,663</u>           | <u>1,261,300</u>           | <u>14,637</u>                  | <u>1,284,900</u>           | <u>23,600</u>                  |
| TOTAL 2008 GOP - MEASURE H          | <u>1,236,363</u>           | <u>1,246,663</u>           | <u>1,261,300</u>           | <u>14,637</u>                  | <u>1,284,900</u>           | <u>23,600</u>                  |
| <br>                                |                            |                            |                            |                                |                            |                                |
| <b>TOTAL DEBT SERVICE FUNCTION</b>  | <u><b>\$ 1,236,363</b></u> | <u><b>\$ 1,246,663</b></u> | <u><b>\$ 1,261,300</b></u> | <u><b>\$ 14,637</b></u>        | <u><b>\$ 1,284,900</b></u> | <u><b>\$ 23,600</b></u>        |



## **Section 14: Capital Improvement Program**

## CAPITAL IMPROVEMENT PROGRAM

The Capital Improvement Program (CIP) budget is for expenditures on capital projects such as major street or park improvements, building construction, and significant facility maintenance. The City prepares a 5-year Capital Improvement Program that identifies capital improvement projects based on need and availability of funding. The CIP is reviewed and updated by the City Council prior to adoption of the Biennial Budget. Most of the CIP projects are funded with non-discretionary funds (such as water, gas tax and park funds), meaning the money must be used for a specific purpose. Fiscal Year 2018-19 will include street repair expenditures of the recently voter approved local Measure D half-cent sales tax. Council-adopted master plans for the parks, the Water Treatment Plant (WTP) and the water system, which are typically only updated every 10 to 15 years, have identified and prioritized projects for the next 10 or more years. In addition, Martinez residents approved Measure H, the Park Improvement Bond, on the November 2008 election ballot. Through this bond, Rankin Pool has been rebuilt and the library has been expanded. Over the next two years, all 17 City parks will have been renovated.

Long term transportation projects are included in the General Plan Transportation Element or are listed in the Transportation and Growth Management Program funded by Measure J, the countywide half-cent sales tax. Staff proposes regular maintenance projects based on input from a variety of sources including citizen complaints, City Council, Council subcommittees and Water, Streets and Park Maintenance divisions. Enterprise Fund capital improvements are reflected in the Enterprise Funds section. Program funding is provided through grants, Measure “J” funds, gasoline tax, NPDES, and Measure H Park Bond proceeds. More detailed information regarding the CIP projects planned for 2017-19 is provided in the Major Capital Improvement Projects Overview.

### 2015-17 ACCOMPLISHMENTS:

- Completed Waterfront Park Renovation design.
- Completed Hidden Lakes Soccer Field Renovation design and construction.
- Completed Parking Lot 4 Renovation design and construction.
- Completed Intermodal Phase 3 vehicular bridge.
- Implemented annual storm drain replacement project.
- Implemented annual pavement rehabilitation projects.
- Implemented annual water main replacement projects.
- Implemented Water Treatment Plant Improvements (Seismic Upgrade, Electrical Upgrade and chemical tank installation).

- Obtained grant funding for pedestrian and bicycle improvement projects.
- Completed rehabilitation of the Amtrak Train Station.
- Completed Pacheco Blvd. Alignment Study and Alternative Analysis Report.
- Installed credit card enabled parking meters and pay stations.

## 2017-19 OBJECTIVES

- Implement Measure D Street Repair Program. (FY 17-19)
- Complete City Hall improvements including replacement HVAC system re-roofing and second floor windows. (FY 17-18)
- Complete 2017 Park Renovation design and construction. (FY 17-19)
- Complete 2017 Marina Dredge Project. (FY 17-18)
- Complete Intermodal Phase 3 access road and pedestrian bridge. (FY 17-19)
- Obtain grant funding for street, pedestrian and bicycle improvement projects. (FY 17-19)
- Implement annual curb ramp project. (FY 18-19)
- Implement annual storm drain replacement project. (FY 18-19)
- Implement annual pavement rehabilitation projects. (FY 18-19)
- Implement annual water main replacement projects. (FY 18-19)
- Complete design and construction of Ferry Street RR Crossing Pedestrian Improvements. (FY 17-18)
- Complete the design and construction of the Water Treatment Plant Ozone Generator Replacement Project. (FY 17-19)
- Complete the design and construct the Webster Street Pump Station Replacement Project. (FY 17-18)
- Complete the design and construction of the Pacheco at Arnold Traffic Signal and Intersection Improvements. (FY 17-18)
- Complete the design and construction of the Linton Terrace Road Culver Replacement Project. (FY 17-19)
- Obtain funding, design and construction the 2017 Flood Damage Repair projects. (FY 17-19)
- Install additional credit card enabled parking meters and pay stations. (FY 17-19)
- Design and implement Reliez Valley Road Pedestrian Improvement Project. (FY 17-18)
- Initiate design of the Ward Street Rule 20A Utility Line Undergrounding Project. (FY 18-19)
- Initiate Project Scoping Documents for major grants. (FY 18-19)

- Complete water meter upgrade feasibility study and potential implementation of project. (FY 17-18)
- Identify and determine appropriate use of available Cultural Facilities mitigation funds based on Council direction. (FY 17-19)
- Re-scope, design and construct traffic signal at Pacheco Blvd. and Arnold Dr. (FY 17-19)

## MAJOR CAPITAL IMPROVEMENT PROJECTS OVERVIEW

The City Council adopted the Five-Year Capital Improvement Program (Program) for Fiscal Years 2017-18 to 2021-22 on June 21, 2017. The Council allocates funding for the first two fiscal years of the Program as part of the biennial budget process. Capital projects have the potential for impacting operating budgets. As an example, should the City build a new community building, janitorial, staffing, utility and maintenance costs would increase General Fund expenses. The FY 2017-18 to FY 2018-19 Program primarily consists of projects that rehabilitate existing facilities. There are no new projects requiring General Fund allocations; however, certain projects, such as the Intermodal Phase 3 Parking facility and pedestrian overcrossing, will require additional General Fund or Measure J Return to Source outlay in future years to support maintenance of the completed facility. A description of the operating impact associated with these projects is included with the narrative below, where known and applicable.

Highlights of the various project types are summarized below.

### ROUTINE MAINTENANCE PROJECTS

#### Pavement Management

This annual project includes base failure and street paving, slurry sealing and cape sealing of both major collector streets and residential neighborhoods. Funding for this project comes from Gas Tax and Measure J return to source funds and grants. The Fiscal Year 2018-19 CIP budget is expected to have a significant increase in gas tax revenue based on recently approved State legislation. Budgeted expenses include \$900,000 in FY 2017-18 and \$600,000 in FY 2018-19.

#### Measure D Pavement Maintenance Program

In November of 2015, Martinez voters approved a ½ cent sales tax increase to improve the condition of our streets. The first full year of revenue will be available starting with the Fiscal Year 2018-19 CIP budget, and expenses of \$1,700,000 are currently budgeted.

To more effectively respond to the increase in Gas Tax Funds and new Measure D revenues, additional paving equipment has been purchased. As a result, operational impacts associated with this program include supplementing staffing with seasonal workers at a cost of approximately \$30,000. These costs are permissible charges against Measure D revenues.

#### Storm Drain Maintenance and Alhambra Creek Channel Maintenance

Once per budget cycle, old and deteriorated storm drains are replaced. This program is primarily funded through the Clean Water Program. Other funding includes drainage and mitigation fees, and Gas Tax monies. Due to increasing regulatory requirements of other aspects of the Clean Water Program, funding for storm drain replacement may not be available in future years. FEMA

reimbursement for the January 2017 flood damage may augment silt removal and other repairs in Alhambra Creek. A total of \$50,000 in NPDES funding is budgeted each year.

### **Annual Water Line Replacement**

Water Funds are used to replace old deteriorated water lines. The program prioritizes lines to be replaced by size, age, and condition of line. The City expects each new line that is replaced to require significantly less operating expense, including the cost of overtime for after-hours callouts. The 2017 Water Main Replacement Project utilizes the past two years of funding and borrows ahead the funds that normally would have been set aside for FYs 2017-20. Starting in Fiscal 2020-21, Water funds will start to be accumulated for another water main replacement program.

Expected operational impacts will include additional staff time working with the project designer and engineering division to establish priority lists and field surveys. Upon start of project, staff will work with contractors during the shutdown and startup phases. Any necessary overtime expense due to shut-down requirements at night or after hours will be charged directly to the project.

### **Annual Curb Ramp Project**

The City budgets Gas Tax Funds in the amount of \$25,000 each fiscal year to ensure the continuation of this annual program, also known as the “Handicap Access Program.”

### **Annual Sidewalk Repair Project**

The City budgets Gas Tax Funds each fiscal year to ensure the continuation of this annual program for City maintained sidewalks. Implementing this project annually is expected to help mitigate sidewalk trip and fall liability claims (which impact the City’s operating budgets). Non-gas tax revenue was previously set aside to assist property owners repair their sidewalks. In addition, the City offers the option of City crews removing and disposing of the damaged sidewalks. As this program matures, the City expects to focus the assistance program on offering the removal option, which has proven far more popular and is of greater value to the property owners.

## **NON-RECURRING PROJECTS**

### **Reliez Valley Road Trail**

This project will construct a six to eight foot wide asphalt trail spur, separated from the roadway, along the western side of Reliez Valley Road from Blue Ridge Drive to Corte Poquita off Tavan Estates Drive. The project would remove a small portion of the existing trail that branches towards Tavan Estates Drive. Lastly, the project will include the installation of flashing radar speed signs at the

northbound curve warning sign and southbound near Sage Drive along with replacing existing warning signs with high visibility signs. The project is fully funded with \$192,000 in grant funding and \$35,000 in Traffic Impact Fees.

### **Ward Street Undergrounding**

This project would underground overhead utilities on Ward Street from Court Street to Estudillo Street and the side streets between Main Street and Green Street. This process normally takes five years to bring to construction and is being designed in anticipation of a future Transportation for Livable Communities Grant Project consistent with the Downtown Specific Plan. This project is fully funded with \$100,000 of traffic mitigation funds and \$1,500,000 of Rule 20A funds.

### **Pacheco Boulevard Improvements**

The first phase of this project is an alignment study of Pacheco Boulevard from Blum Road to Morello Avenue. The City is the lead agency on this joint project with Contra Costa County. The Study was substantially completed in FY 2016-17. A traffic signal will be designed, right of way obtained, and signal constructed over FYs 2017-19. This project is fully funded with \$1,500,000 of Measure C/J Major Road grant funds.

### **Major Street Project Development**

This project will conduct a Preliminary Study Report on various major street improvement projects in anticipation of submitting future grant applications. These projects include Ward Street Transportation for Livable Communities project; Alhambra Avenue (west side) widening from John Muir Road; Phyllis Terrace Road Safe Route to School; and Alhambra Avenue widening from Walnut Avenue to Franklin Canyon Road. This project is fully funded in FY 2018-19 with \$200,000 in Traffic mitigation funds.

### **Bus Stop Improvements**

This project will improve access and provide amenities at existing bus stops. Design and construction are scheduled for completion in FY 2018-19. This project is fully funded with \$50,000 of advertising revenues at existing bus shelters.

### **City Hall Improvements**

This project includes replacing the HVAC system and inefficient single-pane second floor windows, which would provide an immediate utility savings opportunity for the City. This project is currently unfunded but estimated to be in the range of \$500,000 - \$750,000.

### **Cultural Facility Improvements**

The City owns, lease or envisions various facilities for cultural services. They include the John Muir Amphitheater, Historic Train Depot, Campbell Theater and Community/Cultural Center. Improvement have been identified at these sites. This project would identify and

scope improvements or purchase based on Council priority in FY 2017-18. Based on Council direction design, construction or purchase would be scheduled in FY 2018-19. A total of \$300,000 in Cultural Facilities mitigation funds is budgeted, with \$100,000 allocated for FY 2017-18, and \$200,000 allocated for FY 2018-19.

### **Sports Field Utilization Study**

With the construction and renovation of citywide sports fields use has increased. This project will help develop strategies for meeting the increased demand. The Study is fully funded with \$35,000 in Park and Recreation Impact funds and is expected to be completed in FY 2017-18.

### **Downtown Priority Development Area (PDA) Pavement Restoration**

This grant funded project will rehabilitate pavement on Green and Brown Streets. This project was delayed by Caltrans but has been rescheduled for completion in FY 2017-18 and is fully funded from prior years.

### **Downtown Pavement Preservation Project**

This grant funded project will rehabilitate pavement on Escobar, Ward, Las Juntas, Alhambra and Court Streets. This project is scheduled for design FY 2018-19 with construction projected for completion in FY 2019-20. This project is fully funded with \$250,000 in Gas Tax and \$846,000 in grant funding.

### **Intermodal – Phase III Improvements**

This project includes the Alhambra Creek Bridge, Ferry Street realignment, pedestrian bridge to Amtrak station and plaza improvements. This project is fully funded with Measure J funds programmed through Contra Costa Transportation Authority (CCTA). Once the new infrastructure is in place, the City will need to budget annual maintenance operating expenses to account for proper upkeep of the new infrastructure. The Alhambra Creek Bridge Project was completed in FY 2016-17. Construction of the remaining work will begin in FY 2017-18. This project is fully funded with \$4,826,300 in Measure J grant funding.

Expected operational impacts include establishing service contracts for two elevators (cost estimate of \$12,000/year), as well as increased work load for Public Works Maintenance staff during garbage pickup days due to the additional parking that will be available at the site.

### **Street Sign Inventory and Replacement**

Recently adopted federal law requires local agencies to inventory and develop a sign replacement program. This project will provide the necessary compliance. Projected for completion in FY 2017-18.

### **2017 Storm Damage Repair**

This project will remove storm debris and mitigate storm damage from the 2017 floods. Design is scheduled for completion in FY 2017-18, with construction complete in FY 2018-19. This project is fully funded with \$100,000 of NPDES funds. Additional grant funding of \$500,000 is projected to come from the Federal Emergency Management Agency FEMA and the California Office of Emergency Services (CA OES).

### **Linton Terrace Culvert Replacement**

This project will replace a failed road culvert. A portion of the work is eligible for reimbursement from FEMA and CA OES. Design is scheduled for completion in FY 2017-18, with construction complete in FY 2018-19. This project is fully funded with \$300,000 of NPDES funds. Additional funding will come from the FEMA and CA OES.

## **MEASURE H PARK BOND PROJECTS**

### **Waterfront Park**

This project will renovate the existing park. Improvements include additional parking, ball field lights, new picnic areas and field renovations. Projected for completion in FY 2017-18. This project is fully funded with previous allocations of \$545,539 of Park in-lieu mitigation funds and \$5,448,354 in Measure H funds, and \$1,739,461 in FY 2017-18 from grant (Measure WW) funding.

With the renovation of the ballfields, there will be the need for additional trained seasonal staff to maintain the fields facilities. There will also be a need for field maintenance equipment such as a field groomer, with attachments, chalk machine, and other equipment and supplies.

### **2017-18 Park Improvements**

This project will renovate Golden Hills and Highland Parks along with upgrading pathways and picnic areas in John Muir Park and Alhambra Park. Design will begin in FY 2017-18 with construction completed in early FY 2018-19. This project is fully funded with \$1,200,000 of Measure H funds.

### **Ballfield Renovation**

Renovation of Morello Park and/or Hidden Lakes ballfields will conclude the park work funded through Measure H. Design will begin in FY 2018-19 with construction concluding in FY 2019-20. This project is fully funded with \$750,000 in Measure H funds.

## CAPITAL IMPROVEMENT PROGRAM - REVENUE SOURCES

**FISCAL YEAR 2017-18**

| PROJECT DESCRIPTION                | TOTAL PROJECT        | NPDES             | Local Measure J   | Gas Tax           | Grants              | Traffic<br>Impact Fees | Cultural<br>Facilities<br>Impact Fees | Park and Rec<br>Impact Fees | Measure H           | Rule 20A            |
|------------------------------------|----------------------|-------------------|-------------------|-------------------|---------------------|------------------------|---------------------------------------|-----------------------------|---------------------|---------------------|
| Annual Storm Drain Maintenance     | 50,000               | 50,000            |                   |                   |                     |                        |                                       |                             |                     |                     |
| Annual Curb Ramp Project           | 25,000               |                   |                   | 25,000            |                     |                        |                                       |                             |                     |                     |
| Annual Pavement Management         | 900,000              |                   | 700,000           | 200,000           |                     |                        |                                       |                             |                     |                     |
| Reliez Valley Road Trail           | 227,000              |                   |                   |                   | 192,000             | 35,000                 |                                       |                             |                     |                     |
| Ward Street Undergrounding         | 1,600,000            |                   |                   |                   |                     | 100,000                |                                       |                             |                     | 1,500,000           |
| Intermodal Ped Bridge/Ferry St.    | 4,826,300            |                   |                   |                   | 4,826,300           |                        |                                       |                             |                     |                     |
| Pacheco Blvd @ Arnold Improvements | 1,500,000            |                   |                   |                   | 1,500,000           |                        |                                       |                             |                     |                     |
| 2017 Storm Damage Repairs          | 600,000              | 100,000           |                   |                   | 500,000             |                        |                                       |                             |                     |                     |
| Linton Terrace Culvert Replacement | 300,000              | 300,000           |                   |                   |                     |                        |                                       |                             |                     |                     |
| Cultural Facilities Improvements   | 100,000              |                   |                   |                   |                     |                        | 100,000                               |                             |                     |                     |
| Waterfront Park                    | 1,739,500            |                   |                   |                   | 1,739,500           |                        |                                       |                             |                     |                     |
| 2017-18 Park Improvements          | 1,200,000            |                   |                   |                   |                     |                        |                                       |                             | 1,200,000           |                     |
| Sport Field Utilization Study      | 35,000               |                   |                   |                   |                     |                        |                                       | 35,000                      |                     |                     |
| Marina Vista Streetscape           | 152,670              |                   |                   |                   |                     | 152,670                |                                       |                             |                     |                     |
| <b>TOTAL CIP REVENUE</b>           | <b>\$ 13,255,470</b> | <b>\$ 450,000</b> | <b>\$ 700,000</b> | <b>\$ 225,000</b> | <b>\$ 8,757,800</b> | <b>\$ 287,670</b>      | <b>\$ 100,000</b>                     | <b>\$ 35,000</b>            | <b>\$ 1,200,000</b> | <b>\$ 1,500,000</b> |

## CAPITAL IMPROVEMENT PROGRAM - REVENUE SOURCES

**FISCAL YEAR 2018-19**

| PROJECT DESCRIPTION              | TOTAL PROJECT       | NPDES             | Local Measure J   | Gas Tax           | Grants           | Measure D           | Measure H         | Traffic<br>Impact Fees | Cultural<br>Facilities<br>Impact Fees |
|----------------------------------|---------------------|-------------------|-------------------|-------------------|------------------|---------------------|-------------------|------------------------|---------------------------------------|
| Annual Creek Channel Maintenance | 50,000              | 50,000            |                   |                   |                  |                     |                   |                        |                                       |
| Annual Storm Drain Maintenance   | 50,000              | 50,000            |                   |                   |                  |                     |                   |                        |                                       |
| Annual Curb Ramp Project         | 25,000              |                   |                   | 25,000            |                  |                     |                   |                        |                                       |
| Annual Pavement Management       | 2,300,000           |                   | 100,000           | 500,000           |                  | 1,700,000           |                   |                        |                                       |
| Cultural Facilities Improvements | 200,000             |                   |                   |                   |                  |                     |                   |                        | 200,000                               |
| Downtown Pavement                | 250,000             |                   | 250,000           |                   |                  |                     |                   |                        |                                       |
| Major Street Project Development | 200,000             |                   |                   |                   |                  |                     |                   | 200,000                |                                       |
| Ball Field Renovations           | 750,000             |                   |                   |                   |                  |                     | 750,000           |                        |                                       |
| Bus Stop Improvements            | 50,000              |                   |                   |                   | 50,000           |                     |                   |                        |                                       |
| <b>TOTAL CIP REVENUE</b>         | <b>\$ 3,875,000</b> | <b>\$ 100,000</b> | <b>\$ 350,000</b> | <b>\$ 525,000</b> | <b>\$ 50,000</b> | <b>\$ 1,700,000</b> | <b>\$ 750,000</b> | <b>\$ 200,000</b>      | <b>\$ 200,000</b>                     |

## CAPITAL IMPROVEMENT PROGRAM - SUMMARY

|  | Estimated<br>Fund Balance<br>06-30-17 | 2017-18                       |                                     |                                 | Estimated<br>Fund Balance<br>06-30-18 | 2018-19                       |                                     |                                 | Estimated<br>Fund Balance<br>06-30-19 |
|--|---------------------------------------|-------------------------------|-------------------------------------|---------------------------------|---------------------------------------|-------------------------------|-------------------------------------|---------------------------------|---------------------------------------|
|  |                                       | Budget<br>Revenues<br>2017-18 | Budget<br>Appropriations<br>2017-18 | Transfers<br>In(Out)<br>2017-18 |                                       | Budget<br>Revenues<br>2018-19 | Budget<br>Appropriations<br>2018-19 | Transfers<br>In(Out)<br>2018-19 |                                       |
| Drainage                                 | \$ 128,553                            | \$ 500,000                    | \$ 950,000                          | \$ 450,000                      | \$ 128,553                            | \$ -                          | \$ 100,000                          | \$ 100,000                      | \$ 128,553                            |
| Public Buildings                         | 563,576                               | 0                             | 100,000                             | 100,000                         | 563,576                               | 0                             | 200,000                             | 200,000                         | 563,576                               |
| Parks and Trails                         | 2,081,656                             | 1,739,500                     | 1,774,500                           | 187,670                         | 2,234,326                             | 0                             | 0                                   | 0                               | 2,234,326                             |
| Streets                                  | 1,384,398                             | 6,518,300                     | 9,230,970                           | 1,060,000                       | (268,272)                             | 0                             | 2,825,000                           | 2,225,000                       | (868,272)                             |
| Traffic Signals                          | 154,251                               | 0                             | 0                                   | 0                               | 154,251                               | 0                             | 0                                   | 0                               | 154,251                               |
| Community Programs                       | 120,249                               | 0                             | 0                                   | 0                               | 120,249                               | 0                             | 0                                   | 0                               | 120,249                               |
| Measure H Projects                       | 4,504,028                             | 5,000,000                     | 1,200,000                           |                                 | 8,304,028                             | 0                             | 750,000                             | 0                               | 7,554,028                             |
| <b>Total Capital Improvement Program</b> | <b>\$ 8,936,711</b>                   | <b>\$13,757,800</b>           | <b>\$13,255,470</b>                 | <b>\$ 1,797,670</b>             | <b>\$11,236,711</b>                   | <b>\$ 0</b>                   | <b>\$3,875,000</b>                  | <b>\$ 2,525,000</b>             | <b>\$ 9,886,711</b>                   |

## CAPITAL IMPROVEMENT PROGRAM - REVENUE

|   | 2015-16<br>Actual | 2016-17<br>Revised | 2017-18<br>Budget | 2018-19<br>Budget |
|---|-------------------|--------------------|-------------------|-------------------|
| <b><u>Drainage</u></b>                          |                   |                    |                   |                   |
| <b>Annual Storm Drain (C3008)</b>               |                   |                    |                   |                   |
| Transfers In-Gas Tax                            |                   | 50,000             |                   |                   |
| Transfers In-NPDES                              | 50,000            | 50,000             | 50,000            | 50,000            |
| <b>Total</b>                                    | 50,000            | 100,000            | 50,000            | 50,000            |
| <br><b>2017 Storm Damage Repair</b>             |                   |                    |                   |                   |
| Grant   |                   |                    | 500,000           |                   |
| Transfers In-NPDES                              |                   |                    | 100,000           |                   |
| <b>Total</b>                                    | 0                 | 0                  | 600,000           | 0                 |
| <br><b>Linton Terrace Culvert Replacement</b>   |                   |                    |                   |                   |
| Grant   |                   |                    |                   |                   |
| Transfers In-NPDES                              |                   |                    | 300,000           |                   |
| <b>Total</b>                                    | 0                 | 0                  | 300,000           | 0                 |
| <br><b>Creek Channel Maint. (C3002)</b>         |                   |                    |                   |                   |
| Transfers In-NPDES                              | 50,000            | 50,000             |                   | 50,000            |
| <b>Total</b>                                    | 50,000            | 50,000             | 0                 | 50,000            |
| <b>Sub-total Drainage</b>                       | <b>100,000</b>    | <b>150,000</b>     | <b>950,000</b>    | <b>100,000</b>    |
| <br><b><u>Public Buildings</u></b>              |                   |                    |                   |                   |
| <br><b>Morello Daycare Improvements (C4015)</b> |                   |                    |                   |                   |
| Transfer In-Mitigation Child Care Fees          |                   | 50,000             |                   |                   |
| <b>Total</b>                                    | 0                 | 50,000             | 0                 | 0                 |
| <br><b>Amtrak Station Improvements (M3145)</b>  |                   |                    |                   |                   |
| Transfer In-Local J                             | 150,000           |                    |                   |                   |
| <b>Total</b>                                    | 150,000           | 0                  | 0                 | 0                 |
| <br><b>Cultural Facilities Improvements</b>     |                   |                    |                   |                   |
| Transfer In-Mitigation Cultural Facilities      |                   |                    | 100,000           | 200,000           |
| <b>Total</b>                                    | 0                 | 0                  | 100,000           | 200,000           |
| <br><b>City Hall (C4014)</b>                    |                   |                    |                   |                   |
| Transfer In-City Hall                           | 100,000           |                    |                   |                   |
| <b>Total</b>                                    | 100,000           | 0                  | 0                 | 0                 |
| <b>Sub-total Public Buildings</b>               | <b>250,000</b>    | <b>50,000</b>      | <b>100,000</b>    | <b>200,000</b>    |

|  | 2015-16<br>Actual | 2016-17<br>Revised | 2017-18<br>Budget | 2018-19<br>Budget |
|--|-------------------|--------------------|-------------------|-------------------|
| <b><u>Parks and Trails</u></b>                     |                   |                    |                   |                   |
| <b>Marina Vista Pedestrian/Bicycle (C2009)</b>     |                   |                    |                   |                   |
| Transfers In-Traffic Mitigation                    |                   |                    | 152,670           |                   |
| Grant - State Toll Bridge Funds                    |                   | 71,973             |                   |                   |
| <b>Total</b>                                       | 0                 | 71,973             | 152,670           | 0                 |
| <b>Sport Field Utilization Study</b>               |                   |                    |                   |                   |
| Grant  |                   |                    |                   |                   |
| Transfers In-Park & Rec Mitigation                 |                   |                    | 35,000            |                   |
| <b>Total</b>                                       |                   | 0                  | 35,000            | 0                 |
| <b>Waterfront Park (C5017)</b>                     |                   |                    |                   |                   |
| Transfer In-Park Dedication Fees                   | 545,539           |                    |                   |                   |
| Measure WW   |                   | 1,389,461          | 1,739,500         |                   |
| CCC Grant  |                   |                    |                   |                   |
| <b>Total</b>                                       | 545,539           | 1,389,461          | 1,739,500         | 0                 |
| <b>Sub-total Parks and Trails</b>                  | <b>545,539</b>    | <b>1,461,434</b>   | <b>1,927,170</b>  | <b>0</b>          |
| <b><u>Streets</u></b>                              |                   |                    |                   |                   |
| <b>Annual Pavement Mgt Project</b>                 |                   |                    |                   |                   |
| Transfer In-Local Measure J                        |                   | 300,000            | 700,000           | 100,000           |
| Transfers In-Gas Tax                               | 500,000           | 200,000            | 200,000           | 400,000           |
| Transfer In-Measure D                              |                   |                    |                   | 1,700,000         |
| <b>Total</b>                                       | 500,000           | 500,000            | 900,000           | 2,200,000         |
| <b>Center Avenue Pedestrian Improvement(C2010)</b> |                   |                    |                   |                   |
| State Grant-TDA                                    |                   | 70,000             |                   |                   |
| Federal Grant                                      |                   | 542,700            |                   |                   |
| Transfers In-Traffic Mitigation                    |                   |                    |                   |                   |
| Transfer In-Local Measure J                        |                   |                    |                   |                   |
| <b>Total</b>                                       | 0                 | 612,700            | 0                 | 0                 |

|  | 2015-16<br>Actual | 2016-17<br>Revised | 2017-18<br>Budget | 2018-19<br>Budget |
|--|-------------------|--------------------|-------------------|-------------------|
| <b>Center Avenue Pedestrian Improvement(C2010)</b> |                   |                    |                   |                   |
| State Grant-TDA                                    |                   | 70,000             |                   |                   |
| Federal Grant                                      |                   | 542,700            |                   |                   |
| Transfers In-Traffic Mitigation                    |                   |                    |                   |                   |
| Transfer In-Local Measure J                        |                   |                    |                   |                   |
| <b>Total</b>                                       | 0                 | 612,700            | 0                 | 0                 |
| <b>Court Street Overcrossing (C1045)</b>           |                   |                    |                   |                   |
| Measure J Grant                                    |                   | 72,505             |                   |                   |
| <b>Total</b>                                       | 0                 | 72,505             | 0                 | 0                 |
| <b>Handicap Curb Access (C1010)</b>                |                   |                    |                   |                   |
| Transfer In-Gas Tax                                | 25,000            | 25,000             | 25,000            | 25,000            |
| <b>Total</b>                                       | 25,000            | 25,000             | 25,000            | 25,000            |
| <b>Ward Street Undergrounding</b>                  |                   |                    |                   |                   |
| Rule 20A   |                   |                    | 1,500,000         |                   |
| Grant  |                   |                    |                   |                   |
| Transfers In-Traffic Mitigation                    |                   |                    | 100,000           |                   |
| Miscellaneous                                      |                   |                    |                   |                   |
| <b>Total</b>                                       | 0                 | 0                  | 1,600,000         | 0                 |
| <b>Sidewalk Repair Project (C1040)</b>             |                   |                    |                   |                   |
| Transfer In-General Fund                           |                   |                    |                   |                   |
| Transfer In-Gas Tax                                | 25,000            | 25,000             | 0                 | 0                 |
| <b>Total</b>                                       | 25,000            | 25,000             | 0                 | 0                 |
| <b>Downtown PDA Pavement Restortaion (C1047)</b>   |                   |                    |                   |                   |
| Grant  |                   | 1,021,000          |                   |                   |
| Transfer In-Local Measure J                        | 500,000           |                    |                   |                   |
| <b>Total</b>                                       | 500,000           | 1,021,000          | 0                 | 0                 |

|   | 2015-16<br>Actual   | 2016-17<br>Revised  | 2017-18<br>Budget    | 2018-19<br>Budget   |
|---|---------------------|---------------------|----------------------|---------------------|
| <b>Reliez Valley Road Trail</b>                     |                     |                     |                      |                     |
| Grant   |                     |                     | 192,000              |                     |
| Transfers In-Traffic Mitigation                     |                     | 136,288             | 35,000               |                     |
| <b>Total</b>  | 0                   | 136,288             | 227,000              | 0                   |
| <b>Pacheco Blvd Improvements (C1048)</b>            |                     |                     |                      |                     |
| Measure J Grant                                     |                     | 136,288             |                      |                     |
| <b>Total</b>  | 0                   | 136,288             | 0                    | 0                   |
| <b>Storm Drain &amp; Streets GIS System (C1053)</b> |                     |                     |                      |                     |
| Transfer In-Water                                   |                     | 34,850              |                      |                     |
| Transfer In-NPDES                                   | 50,000              | 30,850              |                      |                     |
| Transfer In-Gas Tax                                 | 25,000              |                     |                      |                     |
| Transfer In-Mitigation Zone 5                       | 50,000              |                     |                      |                     |
| <b>Total</b>  | 125,000             | 65,700              | 0                    | 0                   |
| <b>Sign Inventory (C1054)</b>                       |                     |                     |                      |                     |
| Transfer In-Gas Tax                                 | 50,000              | 50,000              |                      |                     |
| <b>Total</b>  | 50,000              | 50,000              | 0                    | 0                   |
| <b>Intermodal Phase III (C6006)</b>                 |                     |                     |                      |                     |
| Measure J - Grant                                   |                     |                     | 4,826,300            |                     |
| <b>Total</b>  | 0                   | 0                   | 4,826,300            | 0                   |
| <b>Sub-total Streets</b>                            | <b>1,225,000</b>    | <b>2,644,481</b>    | <b>7,578,300</b>     | <b>2,225,000</b>    |
| <b><u>Measure H</u></b>                             |                     |                     |                      |                     |
| Interest Income                                     | 10,000              | 2,000               |                      |                     |
| Measure H funds-Bond Issue                          |                     |                     | 5,000,000            |                     |
| <b>Total</b>  | 10,000              | 2,000               | 5,000,000            | 0                   |
| <b>Sub-total Measure H Projects</b>                 | <b>10,000</b>       | <b>2,000</b>        | <b>5,000,000</b>     | <b>0</b>            |
| <b>TOTAL CAPITAL IMPROVEMENT</b>                    | <b>\$ 2,130,539</b> | <b>\$ 4,307,915</b> | <b>\$ 15,555,470</b> | <b>\$ 2,525,000</b> |

## CAPITAL IMPROVEMENT PROGRAM - EXPENDITURES

|  | 2015-16<br>Actual | 2016-17<br>Projected | 2017-18<br>Budget | 2018-19<br>Budget |
|--|-------------------|----------------------|-------------------|-------------------|
| <b><u>Drainage</u></b>                       |                   |                      |                   |                   |
| Annual Storm Drain Project (C3008)           |                   | 50,000               | 50,000            | 50,000            |
| 2017 Storm Damage                            |                   |                      | 600,000           |                   |
| Linton Terrace Culvert Replacement           |                   |                      | 300,000           |                   |
| Creek Channel Maintenance (3002)             |                   | 50,000               |                   | 50,000            |
| <b>Sub-total Drainage</b>                    | <b>0</b>          | <b>100,000</b>       | <b>950,000</b>    | <b>100,000</b>    |
| <br><b><u>Public Buildings</u></b>           |                   |                      |                   |                   |
| City Hall (4014)                             | 17,608            |                      |                   |                   |
| Amtrak Station Improvements (3145)           | 128,050           |                      |                   |                   |
| Morello Daycare Improvements (C4015)         |                   | 50,000               |                   |                   |
| Sr. Center Improvements (4008)               | 17,779            |                      |                   |                   |
| Cultural Facilities Improvements             |                   |                      | 100,000           | 200,000           |
| <b>Sub-total Public Buildings</b>            | <b>163,437</b>    | <b>50,000</b>        | <b>100,000</b>    | <b>200,000</b>    |
| <br><b><u>Parks and Trails</u></b>           |                   |                      |                   |                   |
| Beautification (C1003)                       | 3,172             | 1,922                |                   |                   |
| Susana & Mt. View Park (5025)                | (32,048)          |                      |                   |                   |
| Marina Vista Bicycle Project (C2009)         | 112,615           |                      |                   |                   |
| Waterfront Park                              |                   |                      | 1,739,500         |                   |
| Dog Park                                     |                   | 35,000               |                   |                   |
| Sports Field Utilization Study               |                   |                      | 35,000            |                   |
| Shell Ave Pedestrian/Bicycle Project (C2008) | 25                |                      |                   |                   |
| Alhambra Creek Plaza Improvements (C4006)    | 11,171            |                      |                   |                   |
| <b>Sub-total Parks and Trails</b>            | <b>94,935</b>     | <b>36,922</b>        | <b>1,774,500</b>  | <b>0</b>          |

|  | <b>2015-16</b>   | <b>2016-17</b>   | <b>2017-18</b>   | <b>2018-19</b>   |
|--|------------------|------------------|------------------|------------------|
|  | <b>Actual</b>    | <b>Revised</b>   | <b>Budget</b>    | <b>Budget</b>    |
| <b><u>Streets</u></b>                          |                  |                  |                  |                  |
| Annual Pavement Mgt. (C1056/C1052)             | 1,434,480        | 1,915,520        | 900,000          | 2,100,000        |
| Paving (1044)                                  | 148,431          |                  |                  |                  |
| Alhambra Valley Road Sidewalk (C2007)          | 25               |                  |                  |                  |
| Storm Drain & Streets GIS System (C1053/C1054) | 775              | 190,700          |                  |                  |
| Sign Inventory (C1054)                         |                  | 100,000          |                  |                  |
| Handicap Access Program (C1010)                |                  | 128,615          | 25,000           | 25,000           |
| Sidewalk Repair Project (C1040)                | 4,000            | 121,350          |                  |                  |
| Main Street Improvements (C1034)               | 4,960            |                  |                  |                  |
| Downtown PDA Pavement Restoration (C1047)      | 6,650            | 1,708,104        |                  |                  |
| Downtown Tree Lighting                         | 10,075           |                  |                  |                  |
| Pacheco Blvd Improvements (C1048)              | 273,192          |                  |                  |                  |
| Intermodal Phase III (C6006)                   | 894,999          | 1,992,693        | 4,826,300        |                  |
| Marina Vista Streetscape (C1025)               |                  |                  | 152,670          |                  |
| Pacheco Blvd at Arnold                         |                  |                  | 1,500,000        |                  |
| Reliez Valley Paving (C1046)                   |                  |                  | 227,000          |                  |
| Ward Street Undergrounding                     |                  |                  | 1,600,000        |                  |
| Pavement Management Design                     |                  |                  |                  | 200,000          |
| Downtown Pavement Restoration OBAG2            |                  |                  |                  | 250,000          |
| Major Street Project Development               |                  |                  |                  | 200,000          |
| Bus Stop Improvements (6010)                   |                  |                  |                  | 50,000           |
| <b>Sub-total Streets</b>                       | <b>2,777,587</b> | <b>6,156,982</b> | <b>9,230,970</b> | <b>2,825,000</b> |

|  | <b>2015-16<br/>Actual</b>  | <b>2016-17<br/>Revised</b> | <b>2017-18<br/>Budget</b>  | <b>2018-19<br/>Budget</b>  |
|--|----------------------------|----------------------------|----------------------------|----------------------------|
| <b><u>Community Programs</u></b>         |                            |                            |                            |                            |
| General Plan (C4000)                     | 15,576                     |                            |                            |                            |
| <b>Sub-total Community Programs</b>      | <b>15,576</b>              | <b>0</b>                   | <b>0</b>                   | <b>0</b>                   |
| <b><u>Measure H</u></b>                  |                            |                            |                            |                            |
| Waterfront Park (C5017)                  |                            |                            |                            |                            |
| Susana & Mt. View Parks (C5025)          | 138,413                    |                            |                            |                            |
| 2017-18 Park Improvement Projects        |                            |                            | 1,200,000                  |                            |
| Ball Field Renovation                    |                            |                            |                            | 750,000                    |
| <b>Sub-total Measure H</b>               | <b>138,413</b>             | <b>0</b>                   | <b>1,200,000</b>           | <b>750,000</b>             |
| Transfers Out                            |                            |                            |                            |                            |
| <b>Total Capital Improvement Program</b> | <b><u>\$ 3,189,949</u></b> | <b><u>\$ 6,343,904</u></b> | <b><u>\$13,255,470</u></b> | <b><u>\$ 3,875,000</u></b> |



## **Section 15: Financial Policies**

## SUMMARY OF KEY FISCAL POLICY STATEMENTS

### General Financial Goals

- To fund current operations expenditures with current year revenues.
- To maintain an adequate fund balance to protect the City from unforeseen circumstances.
- To allocate resources to the highest priority services.

### BUDGET POLICIES

#### Operating Budget

- The City's operating budget will be developed on a biennial basis and adopted by the City Council. The City Council will approve appropriations from fund balance and any adjustments to the adopted biennial budget in excess of 5%.
- The City will avoid budgetary and accounting procedures that balance the current budget at the expense of future budgets. Each adopted two-year budget will be balanced. Except in exceptional circumstances, recurring General Fund revenues will be equal to or greater than recurring General Fund operating expenditures for each year of the two-year budget.
- The City will exercise prudent fiscal management by maintaining an adequate fund balance to protect the City in times of economic uncertainty or unforeseen circumstances.
- Budget adjustment reports will be presented to Council every six months.

#### Revenue

- The City will endeavor to maintain a diversified and stable revenue base to minimize the effects of economic fluctuations.
- Revenue will be estimated using an objective, analytical process. In the case of assumption uncertainty, conservative projections will be utilized.
- The City will fund current expenditures from current revenues, avoiding procedures that balance budgets by postponing needed expenditures, accruing future revenues, or rolling over short-term debt.
- Revised revenue projections will be budgeted every six months.

#### Capital Financing and Debt Management Policy

- The City will use debt financing only for one-time capital improvements and unusual equipment purchases.

### **User Fees Policy**

- The City will review and periodically adjust its user fees to ensure they are fair, equitable, and justifiable.

### **Capital Improvement Program Policy**

- The City will annually update and present its 5-year plan to the City Council to identify capital improvement projects based on need and availability of funding.
- The City's budget will be adjusted annually to reflect actual program revenues and expenditures.
- A Capital Improvement Project shall be established for all projects greater than \$30,000 that meet the definition of a public project per Section 22002 of the State Public Contract Code.
- The City will actively pursue grant and other outside funding sources for all capital improvement projects.

### **Fixed Assets Capitalization and Inventory Control Policy**

- The Fixed Asset Capitalization and Inventory Control Policy have two major objectives. First, to accurately account for and report fixed assets in financial reports issued to external reporting agencies, granting agencies and the public. Second, to meet the City's fiduciary responsibility to establish systems and procedures to protect its fixed assets from loss or theft.

### **Investment Policy**

- The City Treasurer will annually submit an investment policy to the City Council for review and adoption.
- The City Treasurer will invest the City's monies in accordance with applicable law and adopted investment policies.

### **Accounting, Auditing, and Financial Reporting**

- The City's accounting and financial reporting systems will be maintained in conformance with the generally accepted accounting principles and standards of the Government Accounting Standards Board.
- Full and continuing disclosure will be provided in the general financial statements and the bond representations.

### **Reserve Policy**

- At the end of each fiscal year, the Administrative Services Department reports the audited year-end fiscal results to the City Council. Should actual General Fund revenues exceed expenditures, encumbrances, and transfers to other funds, a year-end positive net change in fund balance is reported.

- Any year-end increase to fund balance, which results in the General Fund unassigned fund balance exceeding the level required by the reserve policy of 20%, shall be available for allocation for the following, subject to Council approval:
  - 25% - Transfer to assigned fund balance for Pension/OPEB Obligation Reserve
  - 25% - Transfer to Capital Improvement Program Fund for Infrastructure
  - 50% - Unassigned Fund Balance

## BUDGET POLICY

### PURPOSE

The purpose of this policy is to set forth the basic revenue and operating financial policies upon which the development of the City's budget will be based. Except as otherwise noted, the following policies will be reviewed every two years during the preparation of the City's biennial budget. Recommended changes will be presented to the City Council for consideration with the adoption of the City's biennial budget.

### POLICY

#### 1. Revenue

- A. The City will endeavor to maintain a diversified and stable revenue base to minimize the effects of economic fluctuations on revenue generation.
- B. The City will estimate revenue using an objective, analytical process; in the case of assumption uncertainty, conservative projections will be utilized.
- C. The City will fund current expenditures from current revenues, avoiding procedures that balance budgets by postponing needed expenditures, accruing future revenues, or rolling over short-term debt.
- D. The City will review and periodically adjust its user fees to ensure they are fair and equitable.
- E. Revised revenue projections will be budgeted every six months.

#### 2. Operating Budget

- A. The City's Operating Budget will be developed on a biennial basis and adopted by the City Council. The City Council will approve additional appropriations from fund balance and any adjustments to the adopted biennial budget in excess of 5%.
- B. The City's two-year Operating Budget will be presented by fund, function, and department. The purpose of this format is to clearly outline the relationship between the City's organizational structure and its major service areas, and provide detail on the associated expenditures.
- C. The City will avoid budgetary and accounting procedures that balance the current budget at the expense of future budgets. Each adopted two-year budget will be balanced. Except in exceptional circumstances, recurring General Fund revenues will be equal to or greater than recurring General Fund operating expenditures

for each year of the two-year budget. It shall also be a goal to fund the required transfers to the City's two Internal Service funds from recurring revenues.

- D. The City will exercise prudent fiscal management by maintaining an adequate fund balance to protect the City in times of economic uncertainty or unforeseen circumstances.
- E. All budgetary procedures will conform to State regulations and Generally Accepted Accounting Principles (GAAP).
- F. The legal level of budgetary control is the department level.
- G. Three levels of budgetary authority to amend appropriations will be maintained. The City's department heads may make transfers of appropriations within their respective departments. The City Manager is authorized to revise the budget so long as the total revisions in any single budget year do not exceed 5% of the budget, and if sufficient revenues, including new revenue sources, are available to offset such revisions. The City Council approves additional appropriations from fund balances, and adjustments in excess of 5% of the budget.
- H. Budget adjustment reports will be presented to Council every six months.

## CAPITAL FINANCING AND DEBT MANAGEMENT POLICY

The Capital Financing and Debt Management Policy sets the parameters for issuing debt and provides guidance in the timing and structuring of long-term debt commitments. The City will consider the issuance of long-term obligations under the following conditions:

### A. CAPITAL FINANCING

1. The City will use debt financing only for one-time capital improvement projects and unusual equipment purchases, and only under the following circumstances:
  - a) When the project is included in the City's five-year capital improvement program.
  - b) When the project is not included in the City's five-year capital improvement program, but it is an emerging critical need whose timing was not anticipated in the five-year capital improvement program, or it is a project mandated immediately by State or Federal requirements.
  - c) When the project's useful life, or the projected service life of the equipment, will be equal to or exceed the term of the financing.
  - d) When there are designated revenues or specific resources sufficient to service the debt, whether from project revenues, other specified and reserved resources, or infrastructure cost-sharing revenues.
2. Debt financing (other than tax and revenue anticipation notes) is not considered appropriate for any recurring purpose such as current operating and maintenance expenditures. The issuance of short-term instruments such as revenue, tax or bond anticipation notes is excluded from this limitation. (See Investment Policy)
3. Capital improvements will be financed primarily through user fees, service charges, assessments, special taxes or developer agreements when benefits can be specifically attributed to users of the facility. Accordingly, development impact fees should be created and implemented to ensure new development pays its fair share of the cost of constructing necessary community facilities.
4. Transportation impact fees are a major funding source in financing transportation system improvements. However, revenues from these fees are subject to significant fluctuation based on the rate of new development. Accordingly, the following guidelines will be followed in designing and building projects funded with transportation impact fees:

- a) The availability of transportation impact fees in funding a specific project will be analyzed on a case-by-case basis as plans and specifications or contract awards are submitted for Council approval.
  - b) If adequate funds are not available at that time, the Council will make one of two determinations:
    - 1) Defer the project until funds are available.
    - 2) If the project is determined to be a priority, advance funds from the General Fund, which will be reimbursed as soon as funds become available. Repayment of General Fund advances will be the first use of transportation impact fee funds when they become available.
5. The City Council will establish the priority of projects in developing the City's five-year capital improvement program. The following criteria will be used to evaluate pay-as-you-go versus long-term debt financing in funding capital improvements:
- a) Factors that favor pay-as-you-go:
    - 1) Current revenues and adequate fund balances are available.
    - 2) Project phasing is feasible.
    - 3) Debt levels would adversely affect the City's credit rating.
    - 4) Market conditions are unstable or present difficulties in marketing.
  - b) Factors that favor long-term financing:
    - 1) Revenues available for debt service are considered sufficient and reliable so that long-term financing can be marketed with an appropriate credit rating.
    - 2) The project that is being considered will not adversely affect the City's credit rating,
    - 3) Market conditions present favorable interest rates and demand for municipal financing.
    - 4) A project is mandated by state or federal requirements, and current revenue and fund balances are insufficient to pay project costs.
    - 5) A project is immediately required to meet or relieve capacity needs and current resources are insufficient or unavailable.

6) The life of the project or asset financed is five years or longer.

**B. Debt Management**

1. The City will not obligate the General Fund to secure long-term financings except when marketability can be significantly enhanced.
2. An internal feasibility analysis will be prepared for each long-term financing which analyzes the impact on current and future budgets for debt service and operations. This analysis will also address the reliability of revenues to support debt service.
3. The City will generally conduct financings on a competitive basis. However, negotiated financings may be used due to market volatility or the use of an unusual or complex financing or security structure.
4. The City will seek an investment grade rating (Baa/BBB or greater) on any direct debt and will seek credit enhancements such as letters of credit or insurance when necessary for marketing purposes, availability and cost-effectiveness.
5. The City will monitor all forms of debt annually coincident with the City's Financial Plan preparation and review process and report concerns and remedies, if needed, to the Council.
6. The City will diligently monitor its compliance with bond covenants and ensure its adherence to federal arbitrage regulations and secondary market continuing disclosure requirements.
7. The City will maintain good, ongoing communications with bond rating agencies about its financial condition. The City will follow a policy of full disclosure on every financial report and bond prospectus (Official Statement).
8. The City will follow all State and Federal regulations and requirements regarding bond provisions, issuance, taxation and disclosure.
9. The adoption of resolutions of intent will be considered whenever bond issuance is contemplated to increase the flexibility related to funding costs of the project (e.g., project development costs, architectural costs, studies, etc.)
10. The City will seek to maintain its current bond rating and will ordinarily not consider long-term debt that, through its issuance, would cause the City's bond rating to be lowered.
11. Interfund borrowing will be considered to finance high priority needs on a case-by-case basis, only when planned expenditures in the fund making the loan would not be affected. Interfund borrowing may be used when it would reduce costs of interest, debt issuance, and/or administration.
12. The term of the debt will not exceed the legal life of the asset or thirty years, whichever is less.

13. Bond proceeds will be invested in accordance with the provisions of the bond indenture. Funds set aside for debt service will only be used for that purpose.
14. In choosing the appropriate long-term debt instrument, cost, economic equity, political acceptability, and flexibility will be considered. Refunding will be considered to reduce interest costs or principal outstanding, or to eliminate restrictive debt covenants. Pooled financings with other government agencies will be considered, as appropriate.
15. Costs incurred by the City, such as bond counsel and financial advisor fees, printing, underwriters' discount, and project design and construction costs, will be charged to the bond issue to the extent allowable by law. Financial, counsel, and other professional services will be contracted through competitive processes.

C. **Debt Capacity**

1. General Purpose Debt Capacity. The City will carefully monitor its levels of general-purpose debt. Because our general purpose debt capacity is limited, it is important that we only use general purpose debt financing for high-priority projects where we cannot reasonably use other financing methods for two key reasons:
  - a) Funds borrowed for a project today are not available to fund other projects tomorrow.
  - b) Funds committed for debt repayment today are not available to fund operations in the future.
2. The following will be considered in evaluating appropriate debt levels:
  - a) General Fund supported annual debt service payments will not exceed 7% of total budgeted expenditures and transfers out.
  - b) The General Fund may be used to provide back-up liquidity to improve the viability of a self-supported debt issue (i.e., not land-based financings), but only if the General Fund is not exposed to significant risk of loss of assets or impairment of liquidity. This evaluation of risk will consider such things as the following:
    - 1) Volatility of the revenue source identified for repayment of the debt.
    - 2) The likelihood the General Fund would be reimbursed within one year for any payments it might potentially need to make in its role as back-up guarantor.

If the City Council determines the risk of loss of assets or impairment of liquidity to the General Fund to be minimal, self-supported debt service for debt that relies on the General Fund as a back-up guarantor will not exceed 7% of general fund budgeted expenditures and transfers out. Further, direct debt will not exceed 2% of assessed valuation; and no more than 60% of capital improvement outlays will be funded from long-term financings.

3. Enterprise Fund Debt Capacity. The City will set enterprise fund rates at levels needed to fully cover debt service requirements as well as operations, maintenance, administration and capital improvement costs. The ability to afford new debt for enterprise operations will be evaluated as an integral part of the City's rate review and rate setting process.

**D. Independent Disclosure Counsel**

1. The following criteria will be used on a case-by-case basis in determining whether the City should retain the services of an independent disclosure counsel in conjunction with specific project financings:
  - a) The City will generally not retain the services of an independent disclosure counsel when all of the following circumstances are present:
  - b) The revenue source for repayment is under the management or control of the City, such as general obligation bonds, revenue bonds, lease-revenue bonds or certificates of participation.
2. The bonds will be rated or insured.
  - a) The City will consider retaining the services of an independent disclosure counsel when one or more of following circumstances are present:
  - b) The financing will be negotiated, and the underwriter has not separately engaged an underwriter's counsel for disclosure purposes.
  - c) The revenue source for repayment is not under the management or control of the City, such as land-based assessment districts, tax allocation bonds or conduit financings.
  - d) The bonds will not be rated or insured.
    - 1) The City's financial advisor, bond counsel or underwriter recommends that the City retain an independent disclosure counsel based on the circumstances of the financing.

## E. Land-Based Financings

1. **Public Purpose.** There will be a clearly articulated public purpose in forming an assessment or special tax district in financing public infrastructure improvements. This should include a finding by the Council as to why this form of financing is preferred over other funding options such as impact fees, reimbursement agreements or direct developer responsibility for the improvements.
2. **Active Role.** Although land-based financings may be a limited obligation of the City, the City will play an active role in managing the district. This means that the City will select and retain the financing team, including the financial advisor, bond counsel, trustee, appraiser, disclosure counsel, assessment engineer and underwriter. Any costs incurred by the City in retaining these services will generally be the responsibility of the property owners or developer, and will be advanced via a deposit when an application is filed; or will be paid on a contingency fee basis from the proceeds of the bonds.
3. **Credit Quality.** When a developer requests a district, the City will carefully evaluate the applicant's financial plan and ability to carry the project, including the payment of assessments and special taxes during build out. This may include detailed background, credit and lender checks, and the preparation of independent appraisal reports and market absorption studies. For districts where one property owner accounts for more than 25% of the annual debt service obligation, a letter of credit further securing the financing may be required.
4. **Reserve Fund.** A reserve fund should be established in the lesser amount of; the maximum annual debt service; 125% of the annual average debt service; or 10% of the bond proceeds.
5. **Value-to-Debt Ratios.** The minimum value-to-debt ratio should generally be 4:1. This means the value of the property in the district, with the public improvements, should be at least four times the amount of the assessment or special tax debt. In special circumstances, after conferring and receiving the concurrence of the City's financial advisor and bond counsel that a lower value-to-debt ratio is financially prudent under the circumstances, the City may consider allowing a value-to-debt ratio of 3:1. The Council should make special findings in this case.
6. **Capitalized Interest During Construction.** Decisions to capitalize interest will be made on case-by-case basis, with the intent that if allowed, it should improve the credit quality of the bonds and reduce borrowing costs, benefiting both current and future property owners.
7. **Maximum Burden.** Annual assessments (or special taxes in the case of Mello-Roos or similar districts) should generally not exceed 1% of the sales price of the property; and total property taxes, special assessments and special tax payments collected on the tax roll should generally not exceed 2%.

8. Benefit Apportionment. Assessments and special taxes will be apportioned according to a formula that is clear, understandable, equitable and reasonably related to the benefit received by – or burden attributed to – each parcel with respect to its financed improvement. Any annual escalation factor should generally not exceed 2%.
9. Special Tax District Administration. In the case of Mello-Roos or similar special tax districts, the total maximum annual tax should not exceed 110% of annual debt service. The Rate and method of apportionment should include a back-up tax in the event of significant changes from the initial development plan, and should include procedures for prepayments.
10. Foreclosure Covenants. In managing administrative costs, the City will establish minimum delinquency amounts per owner, and for the district as a whole, on a case-by-case basis before initiating foreclosure proceedings.
11. Disclosure to Bondholders. In general, each property owner who accounts for more than 15% of the annual debt service or bonded indebtedness must provide ongoing disclosure information annually as described under SEC Rule 15 C(2) 12.
12. Disclosure to Prospective Purchasers. Full disclosure regarding outstanding balances and annual payments should be made by the seller to prospective buyers at the time that the buyer bids on the property. It should not be deferred to after the buyer has made the decision to purchase. When appropriate, applicants or property owners may be required to provide the City with a disclosure plan.

F. **Conduit Financings**

1. The City will consider requests for conduit financing on a case-by-case basis using the following criteria:
  - a) The City's financial advisor will review the terms of the financing, and render an opinion that there will be no liability to the City in issuing the bonds on behalf of the applicant.
  - b) There is clearly articulated public purpose in providing the conduit financing.
  - c) The applicant is capable of achieving this public purpose.
2. This means that the review of requests for conduit financing will generally be a two-step process:
  - a) First asking the Council if they are interested in considering the request, and establishing the ground rules for evaluating it.
  - b) And then returning with the results of this evaluation, and recommending approval of appropriate financing documents if warranted.

This two-step approach ensures that the issues are clear for both the City and applicant, and that key policy questions are answered.

3. The work scope necessary to address these issues will vary from request to request, and will have to be determined on a case-by-case basis. Additionally, the City should generally be fully reimbursed for its costs in evaluating the request; however, this should also be determined on a case-by-case basis.

#### G. **Glossary**

There are many different types of long-term debt instruments available. Depending on the specific circumstances, the City will consider using the following types of financing instruments:

1. **Assessment Bonds/Special Tax Bonds** - Bonds are issued to develop facilities and basic infrastructure for the benefit of properties within the assessment district. Assessments are levied on properties benefited by the project. Voter approval is not required. Instead, a majority vote of the property owners with a majority of assessments is needed to authorize the issue. The issuer's recourse for non-payment is foreclosure. This type of bond is normally not rated. The bonds may be issued under the provisions of the 1911, 1915 or Mello-Roos Bond Act, whichever is most appropriate.
2. **Bond Anticipation Notes** - Notes are issued to provide temporary financing, to be repaid by long-term financing. The bridge financing has a maximum maturity of three years.
3. **Certificates of Participation** - The City enters into a lease or installment agreement with another party (a lessor, such as a joint powers authority) to lease an asset over a defined period of time at a prearranged annual payment. Voter approval is generally not required. Lease payments are made primarily from general fund revenues. Current law requires the lessee to make lease payments only if the facility has beneficial use. The legislative body has to appropriate annual debt service payments. For the security of the bondholders, a reserve fund is normally established and held by a trustee until all bonds are paid. Interest during project construction must be capitalized. An "asset transfer" structure, whereby an existing facility is used as security to finance construction or acquisition of another project, may be used for flexibility.
4. **Conduit Financing** – A financing in which the proceeds of the issue are loaned to a non-governmental borrower who can then applies the proceeds for Project Financing or (if permitted by federal law for qualified 501 ©(3) Bond) for working capital purposes. The issuance of the securities are by a governmental unit to finance a project to be used primarily by a third party, usually a corporation engaged in private enterprise. The security of this type of issue is the credit of the private user rather than the governmental issuer.

Usually such securities do not constitute a general obligations of the issuer because the corporate obligor is liable for the generating pledge revenues. Industrial development bonds are a common type of conduit financings.

5. General Obligation Bonds - Bonds backed by the full faith and credit of the City. The taxing power may be an unlimited ad valorem tax or a limited tax, usually on real estate and personal property. A special rate is incorporated in the property tax bill annually to pay for debt service. A two-thirds voter approval is required for authorization. Because it is secured by an unlimited tax levy, this structure has strong marketability and lower interest costs.
6. Marks-Roos Bonds - Bonds are issued by a joint powers authority to buy other bond issues. By pooling bond issues, marketability can be improved and administration costs are reduced.
7. Master Lease Agreements - The City enters into a lease agreement with a provider to lease equipment or facilities whose useful life is too short to finance with long-term debt. Various pieces and types of real and personal property from different vendors over a period of time can be acquired under one master lease agreement. Interest can be fixed or tied to an index. Financing costs are normally minimal, but the interest cost may be higher than with other instruments.
8. Revenue Bonds - Bonds are secured by revenues generated by the facility that is financed, or by dedicated user fees. Voter approval may or may not be required. Planning is more complex because costs and revenues affect each other. Credit enhancement (e.g., insurance or letter of credit) may be needed because of the limited source of debt service payment.
9. Vendor-Financed Leases - A vendor of equipment acts as the lessor and investor, and holds the lease for its full term or may assign the lease. The motivating factor to the vendor is usually to encourage future sales of its product.

**RESOLUTION NO. 066-15**

**AMENDING THE SCHEDULE OF FEES FOR CITY SERVICES,  
RESCINDING RESOLUTION NO. 015-09, AND MAKING FINDINGS THAT THE ACTION IS STATUTORILY EXEMPT FROM THE  
CALIFORNIA ENVIRONMENTAL QUALITY ACT PURSUANT TO CEQA GUIDELINES SECTION 15273(A)**

**WHEREAS**, it is the policy of the City Council of the City of Martinez to establish fees in regard to governmental services specifically authorized by statute or ordinance as well as certain services and functions performed by the City in a proprietary capacity; and

**WHEREAS**, it has been the policy of the City Council of the City of Martinez to review and adjust the fees periodically to ensure they are equitable and justifiable; and

**WHEREAS**, the City last conducted a Comprehensive Fee Study in 2004-05, which identified the actual costs of providing City fees; and

**WHEREAS**, the City increased its fees over a 3 year period based on the costs identified at the time; and

**WHEREAS**, the City's fee consultant recommended interim year fee adjustments based on increases to CPI, labor, and/or overall department budgets to avoid further gaps between the cost to the City of providing a service and the fees to be charged; and

**WHEREAS**, the City Council adopted interim year fee adjustments based on annual increases to CPI and labor in 2008 and 2009 via fee resolutions 019-08 and 015-09, respectively; and

**WHEREAS**, the aforementioned fee resolutions indicated the intent of the City Council to continue to adjust the fees annually by a combination of CPI and labor increases until the next Comprehensive Fee Study is conducted; and

**WHEREAS**, the economy fell into a major recession following the 2009 adjustments; and

**WHEREAS**, the City Council subsequently adopted an "Economic Stimulus Program" in September 2010 which was in effect until July 2014; and

**WHEREAS**, the Economic Stimulus Program provided discounted rates on certain fees and essentially froze other development-related service fees as a means of trying to incentivize development activity; and

**WHEREAS**, the City needs to adjust the majority of its service fees to account for changes in its costs since the last blended rate adjustment was made in 2009; and

**WHEREAS**, the recommended blended rate adjustments reflect a combination of the annualized CPI change from 2008 to 2014 of 13.1% for All Urban Consumers for the San Francisco – Oakland – San Jose area and the estimated change in labor costs within each fee program area; and

**WHEREAS**, the City also wishes to modify certain existing fees and introduce certain other fees at this time; and

**WHEREAS**, the City wishes to adopt the recommended and proposed user fees or service charges in the amounts set forth in the attached Schedule of Fees for City Services (“Master Fee Schedule”); and

**WHEREAS**, the fees incorporated herein shall be adjusted annually for inflation thereafter commencing on July 1, 2016, utilizing any increase from the prior calendar year in the U.S. Bureau of Labor Statistics, San Francisco area, as measured by the Consumer Price Index for All Urban Consumers (CPI-U); and

**WHEREAS**, notice of a public hearing announcing the date, time and location of the hearing on the proposed fees was published in the Martinez News-Gazette two times fourteen days in advance of the hearing, posted outside City Hall, and mailed to any interested persons at least 14 days in advance of the hearing date, and supporting data made available to the public at least 10 days in advance of the hearing date, all in compliance with Government Code Sections 66016, 66017 and 66018, and the required Public Hearing was held on May 20, 2015, at which time oral and written presentations were made and received; and

**WHEREAS**, the project is exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15273(a) in that the fees being established are for the purposes of meeting the operating expenses of the City in providing the services performed specifically at the request of the applicant at the same levels of service as are currently being provided; and

**WHEREAS**, the fees being proposed by this resolution will be imposed for any one or more of the following purposes: 1) to confer a specific benefit or grant a privilege that is not provided to those who are not charged; 2) to provide a specific government service that is not provided to any person not charged; 3) to defray the reasonable regulatory costs associated with issuing licenses and permits, performing investigations and inspections; and such fees will not exceed the reasonable costs to the City of conferring the benefit, granting the privilege or providing the service, as is applicable; and, accordingly, such fees do not constitute a “tax” under Article XIII C section 1 of the California Constitution.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Martinez adopts the proposed fees set forth in the attached City Master Fee Schedule.

**BE IT FURTHER RESOLVED**, the project is exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15273(a) in that the fees being established are for the purposes of meeting the operating expenses of the City in providing the services performed specifically at the request of the applicant or user at the same levels of service as are currently being provided; and

**BE IT FURTHER RESOLVED**, this Resolution shall become effective on July 20, 2015, pursuant to Government Code Section 66017, with the exception of the General Administration, Police, Amphitheater Rental Reservation, and Senior/Community Center Rental fees, which shall become effective upon adoption, and that Resolution 015-09 and any previous resolutions in conflict with this Resolution are rescinded upon the effective date(s) of the new fees.

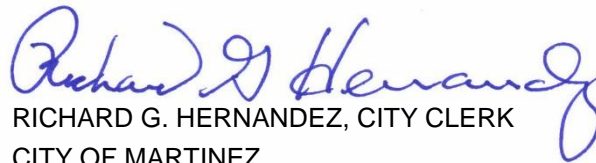
**I HEREBY CERTIFY** the foregoing is a true and correct copy of a resolution duly adopted by the City Council of the City of Martinez at a Regular Meeting of said Council held on the 20th day of May, 2015, by the following vote:

**AYES:** Councilmembers AnaMarie Avila Farias, Lara DeLaney, Debbie McKillop and Mayor Rob Schroder

**NOES:** None

**ABSENT:** Vice Mayor Mark Ross



  
RICHARD G. HERNANDEZ, CITY CLERK  
CITY OF MARTINEZ

## CAPITAL IMPROVEMENT PROGRAM POLICY

### Purpose

The purpose of the Capital Improvement Program (CIP) is to systematically plan, schedule, and finance capital projects as determined by the City Council. The Capital Improvement Program will include major rehabilitation costs to existing infrastructure and facilities, as well as the cost of new facilities or capital improvements.

### Policy

- A. The City's 5-year plan will be updated and presented annually to the City Council to identify capital improvement projects based on need and availability of funding.
- B. In accordance with Section 65401 of the Government Code, the 5-year plan is reviewed annually by the City Planning Commission for conformity with the adopted General Plan.
- C. The City's budget will be adjusted annually to reflect actual program revenues and expenditures.
- D. A Capital Improvement Project shall be established for all projects greater than \$30,000 that meet the definition of a public project per Section 22002 of the State Public Contract Code. These include projects involving construction, reconstruction, alteration, renovation, improvement, demolition, repair work, and painting (other than minor repainting) of any City-owned, leased or operated facility. This definition excludes maintenance work as defined in Section 22002 of the State Public Contract Code; for example, routine, recurring and usual work for the preservation of any publicly owned or operated facility; landscape maintenance; or minor repainting.
- E. As part of the budget process, departments will submit CIP requests providing a detailed description of the proposed project or purchase. All requests will be reviewed by the City Manager. The City Council will approve projects based on need and availability of funding.
- F. The City Manager will have the authority to revise the budget among projects with similar revenue sources so long as sufficient revenues are available to offset such revisions.
- G. With Council approval, unexpended project appropriations will be carried forward as continuing appropriations to future fiscal years, as required to complete the intent of the original budget.
- H. The City will actively pursue grant and other outside funding sources for all capital improvement projects.

- I. In order to receive "local share" or "return to source" Measure C funds each year, the City will submit an updated 5-year CIP to the Contra Costa Transportation Authority demonstrating compliance with the Growth Management Program established by Measure C when it was adopted by voters in 1998. Measure C will be succeeded by Measure J, which has similar requirements.

## FIXED ASSETS CAPITALIZATION AND INVENTORY CONTROL POLICY

The Fixed Asset Capitalization and Inventory Control Policy has two major objectives:

1. Accounting and Financial Reporting: to accurately account for and report fixed assets in financial reports issued to external reporting agencies, granting agencies and the public.
2. Safeguarding of City Assets: to meet the City's fiduciary responsibility to establish systems and procedures to protect its fixed assets from loss or theft.

This policy provides specific guidelines to determine which fixed assets are subject to separate accounting, reporting and safeguarding.

The Finance Division of the Administrative Services Department is responsible for, and has established, systems and procedures through which both objectives are met. These systems and procedures are used to identify, process, control, track and report City fixed assets.

### Capitalization Policy (Accounting and Financial Reporting)

In general, all fixed assets, including land, buildings, machinery and equipment, with an original cost of \$5,000 or more, is subject to accounting and reporting (capitalization). All costs associated with the purchase or construction should be considered, including ancillary costs such as freight and transportation charges, site preparation, professional fees, and legal claims directly attributable to asset acquisition. Specific capitalization requirements are described below.

- The capitalization threshold is applied to individual units of fixed assets. For example, ten desks purchased through a single purchase order, each costing \$1,000, will not qualify for capitalization even though the total (\$10,000) exceeds the threshold of \$5,000.
- For purposes of capitalization, the threshold will generally not be applied to components of fixed assets. For example, a keyboard, monitor and central processing unit, purchased as components of a computer system, will not be evaluated individually against the capitalization threshold. The entire computer system will be treated as a single fixed asset.
- Repairs to existing fixed assets will generally not be subject to capitalization unless it extends the useful life of the asset. In this case, it represents an improvement and is subject to the requirements described below.

- Improvements to existing fixed assets will be presumed (by definition) to extend the useful life of the related fixed asset and, therefore, will be subject to capitalization only if the cost of the improvement meets the \$5,000 threshold. In theory, an improvement to a fixed asset that had an original cost of less than \$5,000, but now exceeds the threshold as a result of the improvement, should be combined as a single asset at the total cost (original cost plus the cost of the improvement) and capitalized.
- Capital projects will be capitalized as “construction in progress” until completed. Costs to be capitalized include direct costs, such as labor and materials, as well as ancillary costs and any construction period interest costs as required by authoritative pronouncements from GASB.

### **Inventory Control (Safeguarding of City Assets)**

Department heads are ultimately responsible for safeguarding their department’s fixed assets from theft or loss. The Finance Division is responsible for establishing and maintaining systems and procedures that enable departments and program managers to properly safeguard their assets.

In general, inventory control is applied only to movable fixed assets, such as machinery and equipment, and not to land, buildings, or other immovable fixed assets. Fixed assets subject to inventory control will be accounted for and controlled through the same systems and procedures used to account and control fixed assets subject to capitalization.

### **Fixed assets will be subject to inventory control if they meet at least one of the following criteria:**

- Original cost of the fixed asset is equal to or greater than \$5,000.
- Any asset less than \$5,000 as requested by a department. This may include certain machinery and equipment that, due to their portability, value outside of the office, or character, are susceptible to theft or loss. It may also include any asset that has been requested by a department to be controlled in order to satisfy an internal (operational) or external requirement. For example, MIS may wish to track all computer hardware in order to establish replacement and upgrade schedules.
- Any asset that is required to be controlled and separately reported pursuant to grant conditions or other externally imposed requirements. For example, a grant program that has funded the acquisition of a fixed asset may impose requirements that the fixed asset be tracked and identified as a grant-funded asset.

## INVESTMENT POLICY

### I. **PURPOSE**

The purpose of this Investment Policy for the City of Martinez (the City) is to provide guidance and direction for the prudent investment of City funds and to foster the creation of a systematic and controlled investment process. The ultimate goal is to maximize the efficiency of the City's cash management system and to enhance the economic status of the City while protecting its pooled investment cash.

### II. **POLICY**

It is the policy of the City of Martinez to invest public funds in a manner which will provide maximum security, meet the daily cash flow demands of the City and provide highest investment return while conforming to all California laws and local statutes governing the investment of public funds. It is also the policy of the City that all funds not required for immediate budgeted expenditures be invested in compliance with this Investment Policy

### III. **SCOPE**

This Investment Policy applies to all short-term operating funds and investment activities under the direct authority of the City. These funds are described in the most current annual financial report and include: General Fund, Capital Projects Fund, Special Revenue Funds, Enterprise Funds, Internal Service Funds and Fiduciary Funds. This investment policy applies to all transactions involving the financial assets and related activities of the foregoing funds.

### IV. **PRUDENCE**

The standard of prudence to be used for managing the City's investment program is California Government Code Section 53600.3, the prudent investor standard which states, "When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency."

The City Treasurer and other individuals assigned to manage the investment portfolio, acting in accordance with written procedures and this Investment Policy and exercising due diligence, shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

V. **OBJECTIVES**

The City's funds shall be invested in accordance with all applicable City policies and codes, state and local statutes and federal regulations, and in a manner designed to accomplish the following objectives, which are listed in priority order:

- A. **Safety:** Safety of principal is the foremost objective of the investment program. Investments of the City shall be undertaken in a manner that seeks to ensure that capital losses are avoided, whether from securities default, broker-dealer default, or erosion of market value. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio. The City may elect to sell a security prior to its maturity and record a capital gain or loss in order to improve the quality, liquidity or yield of the portfolio in response to market conditions or the City's risk preferences.
- B. **Liquidity:** The City's investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements which might be reasonably anticipated.
- C. **Return on Investment:** The City's investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the City's investment risk constraints and the cash flow characteristics of the portfolio.

VI. **DELEGATION OF AUTHORITY**

Section 53636 of the Government Code of the State of California provides that money on deposit is deemed to be in the treasury of the City. Although the responsibility for conducting the City's investment program resides with the Treasurer, the day-to-day investment function is hereby delegated to the Assistant City Manager for Administrative Services.

VII. **PUBLIC TRUST**

All participants in the investment process shall act reasonably as custodians of the public trust. Investment officials shall recognize that the investment portfolio is subject to public scrutiny and evaluation. The overall program shall be designed and managed with a degree of professionalism that is worthy of the public trust. Nevertheless, in a diversified portfolio, it must be recognized that occasional measured losses are inevitable, and must be considered within the context of the overall portfolio investment return, provided that adequate diversification has been implemented.

Investments are to be made that will bear in mind the responsibility of city government to its citizens. Investments that encourage the betterment of the human condition will be sought. Alternative investments that enhance the quality of life will be given full consideration. Investments that serve to only enrich a few to the detriment of the people will be strictly avoided.

VIII. **ETHICS AND CONFLICT OF INTEREST**

All personnel responsible for authorizing the purchase of investments shall refrain from personal business activities that could conflict with proper execution of the investment program and/or which could impair their ability to make impartial investment decisions. The City Treasurer, Assistant City Manager for Administrative Services and other key Finance personnel shall file a Statement of Economic Interests each year as required by California Government Code Section 87203 and regulations of the Fair Political Practices Commission.

IX. **QUALIFIED MONEY MANAGERS, FINANCIAL DEALERS AND INSTITUTIONS**

The City may contract with professional money managers to assist in the management of all or part of its investment portfolio in compliance with the guidelines outlined in this Investment Policy. If the City Treasurer directly invests in individual securities, then the City will maintain a list of financial institutions and primary dealers authorized to provide investment services. Professional money managers working with the City may maintain their own list. Primary dealers include those that regularly report to the Federal Reserve Bank and should qualify under Securities and Exchange Commission Rule 15C3-1 (uniform net capital rule).

All financial institutions, dealers and cash managers who desire to become qualified bidders for investment transactions must supply the City with the following: audited financial statements, proof of National Association of Security Dealers certification when applicable, trading resolution, proof of State of California registration when applicable, completed questionnaire and certification of having read the City of Martinez's investment policy and depository contracts. A current audited financial statement is required to be on file for each financial institution and dealer.

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

X. **AUTHORIZED INVESTMENTS**

All investments and deposits of City funds shall be made in accordance with California Government Code Sections 16429.1, 53600-53609 and 53630-53686. Within the context of code limitations, the following investments and their respective additional limitations are authorized:

Limitations identified in the following sections shall be adhered to and the percentage limits and credit criteria shall be measured against portfolio value on the date the investment is purchased. In the event of a credit downgrade below the minimum

acceptable credit rating, the City shall require investment advisors, engaged in the investing of City funds, to notify City staff of the downgrade, and provide a plan of action to address the downgrade:

- A. United States Treasury bills, bonds and notes or those for which the full faith and credit of the United States are pledged for the payment of principal and interest. There is no limit on the percentage of U.S. Treasury obligations that may be held in the City's portfolio.
- B. Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises with maturities not exceeding five years from the date of trade settlement.
- C. Shares of beneficial interest issued by diversified management companies, that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1, et seq.). To be eligible for investment pursuant to this subdivision these companies shall either: (1) attain the highest ranking or the highest letter and numerical rating provided by not less than two of the three largest nationally recognized rating services or (2) retain an investment advisor registered or exempt from registration with the Securities and Exchange Commission with not less than five years experience managing money market mutual funds with assets under management in excess of \$500 million. The purchase price of shares shall not exceed 20 percent of the investment portfolio of the City.
- D. State of California Local Agency Investment Fund. State of California's Local Agency Investment Fund (LAIF), pursuant to California Government Code Section 16429.1. There is no limit on the percentage of LAIF that may be held in the City's portfolio. LAIF investments are subject to statutory limits. The LAIF portfolio should be reviewed periodically.
- E. Shares of Beneficial Interest issued by a Joint Powers Authority, including the California Asset Management Program (CAMP) and CalTrust. The City can invest in this category, provided the City is a member of the Joint Powers Authority and therefore a voting member. There is no limit on the percentage that may be held in the City's portfolio.
- F. Commercial Paper of "prime" quality of the highest ranking or the highest letter and numerical rating as provided for by a nationally recognized statistical rating organization (NRSRO). Purchases must be limited to corporations organized and operating within the United States, having assets in excess of \$500 million and having an "A" or higher rating for the issuer's debentures, other commercial paper (as provided by Moody's or Standard and Poor's rating services). No more than 5% of the City's total portfolio may be invested in the commercial paper of any one issuer, and the aggregate

investment in commercial paper shall not exceed 25% of the City's total portfolio. The maximum maturity of commercial paper cannot exceed 270 days from the date of trade settlement.

- G. Banker's Acceptances with a maturity not exceeding 180 days from the date of trade settlement, drawn on or accepted by a FDIC insured commercial bank with combined capital and surplus of at least \$250 million, rated at least A-1 or the equivalent by a nationally recognized statistical rating organization (NRSRO) at the time of purchase and whose senior long-term debt is rated at least A or the equivalent by a NRSRO at the time of purchase. No more than 5% of the City's total portfolio shall be invested in banker's acceptances of any one issuer, and the aggregate investment in banker's acceptances shall not exceed 30% of the City's total portfolio.
- H. Medium Term Notes issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States with a final maturity not exceeding five years from the date of trade settlement. These notes must have a rating of at least "A" or the equivalent by a NRSRO. No more than 5% of the City's total portfolio shall be invested in medium term notes of any one issuer, and the aggregate investment in medium term notes shall not exceed 30% of the City's total portfolio.
- I. Negotiable Certificates of Deposit with a final maturity not exceeding five years issued by a nationally or state-chartered bank, savings association or federal association (as defined by Section 5102 of the Financial Code), a state or federal credit union, or by a federally- or state-licensed branch of a foreign bank. Negotiable CD issuers must be rated at least A or the equivalent by two NRSROs. No more than 5% of the portfolio shall be held in any one deposit or allocated to any one issuer, and the aggregate investment in non-negotiable certificates of deposit and negotiable certificates of deposit shall not exceed 30% of the City's total portfolio.

#### XI. **PROHIBITED INVESTMENTS**

Ineligible investments, those that are not described herein, including but not limited to, common stocks or long term (over five years in maturity) notes and bonds, are prohibited from use in this portfolio.

The City discourages investments in companies that receive revenues from the production, manufacturer or sale of tobacco products including investment pools that receive more than 15% of gross revenues from the production, manufacture or sale of tobacco products.

XII. **SAFEKEEPING AND CUSTODY**

All security transactions entered into by the City shall be conducted on a delivery versus payment (DVP) basis as evidenced by safekeeping receipts in the City's name and shall be delivered to the City or the City's designated custodian upon receipt of payment by the City.

XIII. **DIVERSIFICATION**

The City's investment portfolio shall be diversified to avoid incurring unreasonable risks inherent in over investing in specific instruments, individual financial institutions or maturities.

XIV. **INTERNAL CONTROLS**

The Finance Department will establish a system of internal controls, which shall be documented in writing. The controls shall be designed to prevent loss of public funds arising from fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets or imprudent actions by employees and officers of the City. Controls deemed most important include: control of collusion, segregation of duties, separating transaction authority from accounting and record keeping, custodial safekeeping, clear delegation of authority, written confirmation of telephone transactions, documentation of transactions and strategies and code of ethical standards. The Assistant City Manager for Administrative Services shall establish an annual process for review of these controls by an external auditor. This review will help to ensure compliance with the City's Investment Policy.

XV. **PERFORMANCE STANDARDS**

The investment portfolio shall be designed to attain a market rate of return throughout budgetary and economic cycles, taking into account prevailing market conditions, risk constraints for eligible securities, and cash flow requirements. The performance of the City's investments shall be compared to the average yield on the U.S. Treasury security that most closely corresponds to the portfolio's weighted average effective maturity. When comparing the performance of the City's portfolio, its rate of return will be computed net of all fees and expenses.

XVI. **XVI. REPORTING**

The Treasurer shall render to the City Manager and City Council a quarterly report which provides a clear picture of the status of the current investment portfolio. The report shall include the following information on investments:

- A. Listing of individual securities held at the end of the reporting period by authorized investment category

- B. Average life and final maturity of all investments
- C. Coupon, discount or earnings rate
- D. Par value, amortized book value and market value

The quarterly report shall also include a statement of compliance with this Investment Policy or an explanation for non-compliance and a statement of the City's ability to meet expenditure requirements for six months, and an explanation of why money will not be available if that is the case.

XVII. **XVII. REVIEW, ADOPTION & AMENDMENTS**

The City's Investment Policy shall be adopted by resolution of the City Council. This Investment Policy shall be reviewed at least annually to ensure its consistency with the overall objectives of preservation of principal, liquidity and yield, and its compliance with current law. Any amendments to the Investment Policy must be approved by the City Council.

## GENERAL FUND RESERVE POLICY

*Adopted 12/2/2015*

### Policy Purpose

The purpose of this policy is to establish a target minimum level of designated reserves in the General Fund to:

- Demonstrate continued prudent fiscal management and creditworthiness
- Mitigate financial impacts resulting from a natural disaster or other catastrophic events
- Alleviate loss of major revenue sources
- Respond to challenges of a changing economic environment, including prolonged downturns in the local, state, or national economy
- Moderate unanticipated operating or capital expenditures

### Policy

The City will maintain a minimum 20% unassigned fund balance based on operating expenditures. The City will maintain two assigned reserves and two unassigned-contingency reserves to address unforeseen emergencies or disasters, significant changes in the economic environment, escalating employee benefit costs, and key infrastructure improvements. These include:

- **Pension/OPEB Obligation Assigned Fund Balance Reserve:** Funds designated to mitigate pension, insurance and retiree health benefits due to an extreme fluctuation in rates due to a specific cause
- **Infrastructure Assigned Fund Balance Reserve:** Funds designated for infrastructure and deferred maintenance
- **Catastrophic Unassigned-contingency Fund Balance Reserve:** Funds reserved under this category shall be used to mitigate costs associated with unforeseen emergencies, including natural disasters
- **Economic Uncertainty Unassigned-contingency Fund Balance Reserve:** Funds designated to mitigate revenue shortfalls due to downturn in economic cycles, as well as reductions in revenues caused by actions from State/Federal governments, thereby avoiding the need for service-level reductions within the fiscal year. Should any unanticipated reductions in revenues be deemed to be recurring, adjustments will be made in the next budget cycle to reflect the revised revenue projections

### **Reserve Levels**

The City commits to maintaining the unassigned fund balance at the stated 20% minimum based on the General Fund's annual operating expenditures (minus one-time expenditures).

The City commits to maintaining the combined assigned and unassigned-contingency reserve fund balance at a minimum of \$5,000,000.

The General Fund Reserve Policy is reviewed by the City Council as part of the biannual operating budget review and adoption process. Appropriations of General Fund reserves require formal Council authorization.

### **Replenishment of Unassigned Fund Balance**

In keeping with the principles discussed in this policy, when either assigned or unassigned reserve funds are used, the City Council shall develop a 1 to 5-year reserve replenishment plan to meet the minimum threshold of General Fund ongoing, operating expenditures, excluding one-time expenditures.

### **Excess Fund Balance**

At the end of each fiscal year, the Administrative Services Department reports the audited yearend fiscal results to the City Council. Should actual General Fund revenues exceed expenditures, encumbrances, and transfers to other funds, a year-end positive net change in fund balance is reported. Any year-end increase to fund balance, which results in the General Fund unassigned fund balance exceeding the level required by the reserve policy of 20%, shall be available for allocation for the following, subject to Council approval:

- 25% - Transfer to assigned fund balance for Pension/OPEB Obligation Reserve
- 25% - Transfer to Capital Improvement Program Fund for Infrastructure
- 50% - Assigned Fund Balance

### **Definition of Unassigned and Unassigned Per GASB 54 Statement**

Assigned fund balance—an amount a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.

Unassigned fund balance—amounts available for any purpose; these amounts are reported only in the General Fund.



## Section 16: Appendices

## **RESOLUTION NO. 079-17**

### **RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARTINEZ APPROVING A BUDGET AND AUTHORIZING EXPENDITURES FOR FISCAL YEARS 2017-18 AND 2018-2019**

**WHEREAS**, the City Council has conducted a public session concerning the Proposed Budget for July 1, 2017 through June 30, 2019, at which time any and all members of the public had an opportunity to comment on said budget; and

**WHEREAS**, the City Council has reviewed the City Manager's Proposed Budget for the 2017-2018 and 2018-2019 fiscal years; and

**WHEREAS**, the City Council desires to adopt said budget for the 2017-2018 and 2018-2019 fiscal years;

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Martinez as follows:

1. The Budget, which is on file at the office of the Assistant City Manager and incorporated herein by this reference, is hereby adopted. The budget is attached to this resolution.
2. Recognizing that actual revenues and appropriations may vary from the estimates set forth in the budget, the Council wishes to authorize the budget with the understanding that it may require revisions as set forth in paragraph 3 below.
3. The City Manager is authorized in this biennial budget to revise the budget so long as the total revisions in any single budget year do not exceed 5% of the budget as set forth in the attached budget, and provided that sufficient revenues are available to offset such revisions.
4. All revenues subsequently received by City funds in excess of amounts appropriated by this resolution for fiscal years 2017-2018 and 2018-2019 are hereby appropriated to their respective reserve fund balances.
5. The City Manager is authorized to act on behalf of the City and to make expenditures and incur liabilities against all funds of the City as provided for in contracts that have been authorized by the City Council. The Council's authorization of such contracts shall automatically constitute an appropriation of the necessary amount.

6. The City Manager or his/her designee is authorized to make appropriation transfers from one account to another within a department and is also authorized to make appropriation transfers between funds, provided that total appropriations do not exceed the limitations set forth by this resolution.

\* \* \* \* \*

**I HEREBY CERTIFY** that the foregoing is a true and correct copy of a resolution duly adopted by the City Council of the City of Martinez at a Regular Meeting of said Council held on the 21st day of June, 2017, by the following vote:

AYES: Councilmembers Noralea Gipner, Mark Ross, Vice Mayor Debbie McKillop, and Mayor Rob Schroder

NOES: None

ABSENT: Councilmember Lara DeLaney



  
RICHARD G. HERNANDEZ, CITY CLERK  
CITY OF MARTINEZ

## APPROPRIATION LIMIT

Proposition 4, commonly known as the Gann Limit, was approved by the California electorate in November, 1979, and modified by Proposition 111 which passed in 1990, to limit the amount of tax proceeds state and local governments can spend each year. The Gann Limit now appears in Article XIII B of the California Constitution. Fundamentally, the purpose of the constitutional provisions and the implementing legislation is to restrict the growth of tax-funded programs and services by limiting the appropriations of proceeds of taxes to the 1978-79 base year. Each year's limit is based on the amount of tax proceeds that were authorized to be spent in Fiscal Year 1978/79 in each city and is adjusted for changes in inflation and population in each subsequent year. By law, inflationary adjustments are based on the California Department of Finance's official report on changes in the state's per capita income or in non-residential assessed valuation due to new construction. Population adjustments are based on changes in either city or county population levels.

Article XIII B of the California Constitution provides that the City's annual appropriations be subject to certain State limitations. This appropriations limit is calculated each year and is established by a resolution of the City Council. The Appropriation Limit for 2017-18 was calculated at \$193,120,435 for the City of Martinez. This amount was calculated by taking last year's limitation and adjusting it by the total change in California per capita personal income change and the percent increase in the County population. The City of Martinez's budgeted tax revenues subject to the Limit are \$18,114,215 or 9.38% of the Appropriations Limit. Therefore, the City's tax revenues fall substantially below the appropriation limit.

### Article XIII (B) Appropriations Limit for Fiscal Year 2017/18

|  |                   |
|--|-------------------|
| Appropriations Limit for Fiscal Year 2017/18 | \$ <u>184,094</u> |
| Percentage Increase in Population - City     | 1.17%             |
| California Per Capita Personal Income        | 3.69              |
| Calculation Factor for 2017/18               | <u>1.049</u>      |
| Appropriations Limit for Fiscal Year 2017/18 | 193,120,435       |

**RESOLUTION NO. 066-17**

**RESOLUTION ADOPTING THE 2017-18  
PROPOSITION 4 APPROPRIATIONS LIMITATION**

**WHEREAS**, there has been submitted to this meeting of the City Council of the City of Martinez the Fiscal Year 2017-18 Appropriations Limitation pursuant to Government Code Section 7910, et.seq.; and

**WHEREAS**, the computations necessary to determine said limit have also been submitted along with the recommended amount of \$193,120,435 utilizing the adjustment factors of city population growth and the growth in personal income; and

**WHEREAS**, proceeds of taxes subject to the limit do not exceed the calculated Appropriations Limit for 2017-18.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Martinez that Fiscal Year 2017-18 Appropriations Limitation is set at the amount of \$193,120,435.

\* \* \* \* \*

**I HEREBY CERTIFY** that the foregoing is a true and correct copy of a resolution duly adopted by the City Council of the City of Martinez at a Regular Meeting of said Council held on the 21st day of June, 2017 by the following vote:

AYES: Councilmembers Noralea Gipner, Mark Ross, Vice Mayor Debbie McKillop, and Mayor Rob Schroder

NOES: None

ABSENT: Councilmember Lara DeLaney



  
RICHARD G. HERNANDEZ, CITY CLERK  
CITY OF MARTINEZ

| Rep Unit   | Medical Insurance   | Dental Insurance  | LT Disability   | Life Insurance  | PERS Retirement  | Retirement Medical   | Deferred Comp  |
|--|---|---|---|---|--|--|--|
| Laborer's Local 324 <i>(note: the Management Compensation Plan, or MCP, mirrors the L324 Benefits, with the exception of a City contribution of 1.6% to Deferred Comp)</i> | City pays 100% of Premium for Kaiser for employee and dependents. For employees hired after 1/1/07, the City will pay 80% of each increase in Kaiser premium and the employee will pay 20% of the increase. Employees must pay difference in costs if they choose a plan other than Kaiser. | City pays 100% of premium which provides basic benefit of \$2,500 annually. This is an 80/20 co-payment plan with no annual deductible.   | City pays premium for the plan that pays at a rate of 66.7% of employee's salary up to maximum benefit of \$3750/month. This insurance has a 30-day elimination period. | City pays the monthly premium costs for a policy which provides 2 times the employee's annual gross salary up to maximum of \$200,000.  | City contributes: 3% January 1, 2017 toward employee's portion of the PERS contribution for "Classic" members.                   | Medical Premium Reimbursement Benefits shall be paid on a percentage basis against the cost of the Kaiser health coverage based upon the number of years of service with the City.   | City makes the ICMA Deferred Compensation Plan available to all employees.                 |
| Police Officers' Association   | Employees may select from plans offered through PERS Health. After 1/1/05, employees agreed to cost sharing of the increases to the medical premium based on the rates for Kaiser Bay Area. Any increases are split 75% employer/25% employee.  | City pays 100% of premium which provides basic benefit of \$2,500 annually. This is an 80/20 co-payment plan with a \$50 per person/\$150 per family deductible. The deductible is waived for diagnostic and preventive care. | Officers are covered through an plan with PORAC, paid by employee contribution.   | City pays the monthly premium costs for a policy which provides 2 times the employee's annual gross salary up to maximum of \$125,000 and 100% of premiums for health and dental benefits to widow or widower and minor dependents of officers killed in the line of duty.                  | Effective 7/1/17, City shall no longer pay any portion toward employee's portion of the PERS contribution for "Classic Members". | For employees that retire after 1/1/04, City pays benefits at the rate paid for active employees. For employees hired after 1/27/16, City contributes the PEMHCA minimum toward the retiree medical premium for member only when participating in PERS Health with the City of Martinez. | City makes the ICMA Deferred Compensation Plan available to all employees.                 |
| Police Non-Sworn Employees' Association  | City pays 100% of Premium for Kaiser for employee and dependents. For employees hired after 1/1/07, the City will pay 80% of each increase in Kaiser premium and the employee will pay 20% of the increase. Employees must pay difference in costs if they choose a plan other than Kaiser. | City pays 100% of premium which provides basic benefit of \$2,500 annually. This is an 80/20 co-payment plan with no annual deductible.   | City pays premium for the plan that pays at a rate of 66.7% of employee's salary up to maximum benefit of \$3750/month. This insurance has a 30-day elimination period. | City pays the monthly premium costs for a policy which provides 2 times the employee's annual gross salary to a maximum of \$125,000 and 100% of premiums for health and dental benefits to widow or widower and minor dependents of members of the association killed in the line of duty. | City contributes: 3% January 1, 2017 toward employee's portion of the PERS contribution for "Classic" members.                   | Medical Premium Reimbursement Benefits shall be paid on a percentage basis against the cost of the Kaiser health coverage based upon the number of years of service with the City.   | City will contribute \$65 per month per employee into the ICMA Deferred Compensation Plan. |

## GUIDE TO FUNDS BY NUMBER

- 01    General Fund** - The General Fund is the City's primary reporting entity for current general government operations of the City of Martinez. It accounts for all financial resources not required by law or administrative action to be accounted for in another fund.
  
- 20    Public Safety Grants** - These are Federal and State grants received by the Police Department for improvements in public safety technology and other special projects.
  
- 21    National Pollution Discharge Elimination System (NPDES)** - The City participates in the Contra Costa County Flood Control and Water Conservation District for the collection, administration, distribution, and expenditure of funds derived from stormwater utility assessments. The assessment is collected with property taxes received by the County Tax Collector and is used for pollution control improvements and drainage system maintenance.
  
- 22    Measure C/J** - This fund accounts for the local jurisdictions portion of the Local Street Maintenance Fund allocation. These monies can only be spent on local streets and roads, transit operations, growth management planning and compliance, bicycle and pedestrian trails, and parking facilities.
  
- 23    Gasoline Tax** - This fund accounts for monies received from the State of California under Street and Highway Code Section 2103, 2105, 2106, 2107 and 2107.5. The allocations must be spent for street maintenance, construction and a limited amount of engineering.
  
- 27    Housing In-Lieu Fund** - This fund accounts for developer fees which are paid in-lieu of affordable housing. The funds are to be used at the City's discretion for the provision of affordable housing to low and moderate income households.
  
- 29    Recycle Fund** - This fund accounts for the grants the City receives for the disposal of used oil and recycling. This fund also accounts for funds received from the solid waste hauler to cover costs to implement Assembly Bill 939 programs and Climate Action Plan initiatives.
  
- 31    Capital Improvement Program** - The Capital Improvement Program (CIP) budget is for expenditures on capital projects such as major street or park improvements, building construction, and major facility maintenance

- 33     Lighting and Landscaping** - This fund accounts for the installation, maintenance and improvements of subdivision lighting and landscaping within the various special assessment districts. Monies are collected through an annual levy on the property owners within each district.
- 34     Mitigation/Impact Fees** - This fund accounts for fees collected from developers to mitigate the impact of new development. The City established the following impact fees: traffic, park in-lieu, child care, drainage, cultural facilities, police facilities, and park and recreation.
- 36     PEG Access** - This fund accounts for the payments received by the City's cable provider to be used for public, educational and governmental capital support as provided by the City's franchise agreement.
- 38     Measure D** – This fund accounts for Measure D funds, which are from a 2016 voter-approved, half-cent citywide sales tax to be used exclusively to fund Martinez roadway rehabilitation and maintenance projects for 15 years.
- 41     City Hall Certificate of Participation** – This fund accounts for the accumulation of resources for, and the payment of long-term debt principal, interest and related costs for the 2003 Certificate of Participation for City Hall.
- 44     General Obligation Bond, Election of 2008** – Accounts for the payment of debt service on the General Obligation Bonds issued in May 2009.
- 45     General Obligation Bond, Election of 2008** – Accounts for the payment of debt service on the General Obligation Bonds issued in March 2012.
- 71     Water System Fund** – This enterprise accounts for the operation, maintenance and treatment of the water system.
- 72     Water System Capital Improvement Fund** - The Water System Fund accounts for the funds received from customers receiving water service provided by the City and the related expenditures for administration, system improvements, maintenance and repair, and debt service issue related to the provision of water service to the customers.
- 73     Marina Fund** - The Marina Fund revenues include lease payments, sales and property taxes.
- 74     Marina Capital Improvement Fund** - The Marina Fund revenues include lease payments, sales and property taxes.

- 75     Parking Services Fund** - The Parking Services Fund accounts for the activities related to the various parking lots and parking meters in the City. Revenue is generated from parking meters and parking permits.
- 76     Parking Capital Improvement Fund** - The Parking Services Fund accounts for the activities related to the various parking lots and parking meters in the City. Revenue is generated from parking meters and parking permits.
- 81     Equipment Replacement** - The Equipment Replacement Fund accounts for the accumulation of funds for the maintenance and subsequent replacement of the equipment under City control. Costs are charged to departments by way of “rental charges” of City vehicles and equipment.
- 82     Information Systems** - The Information System Fund accounts for the services rendered to all City departments for management of the City’s hardware and software needs. Costs are charged to departments by percent based on the number of computer work stations and overall use of technology.

## BUDGET GLOSSARY

The City's budget document contains specialized and technical terminology that is unique to public finance and budgeting. To assist the reader of the budget document in understanding the terms, this glossary has been included in the document.

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| Account                     | A subdivision within a fund for the purpose of classifying transactions.   |
| Account Number              | Numeric identification of the account.   |
| Accounting System           | The total set of records and procedures that are used to record, classify, and report information on an entity's financial status and operations.  |
| Accrual Basis of Accounting | The method of accounting that recognizes transactions on the basis of when they are incurred or committed, rather than when they are made or received.   |
| Accrued                     | Term to describe balances that have increased or accumulated over a period of time, as with a budget, fund, or benefit.  |
| Activity                    | A function or a group of related functions for which the budgetary unit is responsible; for Martinez's budgeting purposes, an activity is the same as a program.                                     |
| Ad Valorem                  | Latin for according to value. An ad valorem tax is assessed on the value of goods or property; not on the quantity, weight, extent, etc.   |
| Adjusting Entry             | A journal entry posted to the accounting records at the end of an accounting period to record a transaction or event which was not properly posted during the accounting period for various reasons. |
| Adopted Budget              | Revenues and appropriations approved by the City Council in June for the next fiscal year.   |
| Agency                      | The term for the highest organizational level, in most cases a City, department, or independent board.   |
| Agency Funds                | Funds that are used to account for assets held by the City on behalf of individuals, private organizations, other governments, and/or other funds.   |

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| Allocation                      | A distribution of funds or an expenditure limit established for an organizational unit.  |
| Americans With Disabilities Act | Federal legislation that requires the accessibility of public facilities for disabled persons.   |
| Appropriation                   | An authorization made by the City Council that permits the City to incur obligations and to expend resources. An appropriation is limited in the amount and the period of time in which it may be expended.  |
| Appropriation Limit             | As defined by Section 8 of Article XIII B of the California Constitution, enacted by the passage of Proposition 4 at the November 6, 1979 General Election, the growth in the level of certain appropriations from tax proceeds are generally limited to the level of the prior year's appropriation limit as adjusted for changes in cost of living and population. Other adjustments may be made for such reasons as the transfer of services from one government entity to another. |
| Appropriation Resolution        | The official enactment by the City Council to establish legal authority for City officials to obligate and expend resources.   |
| Arbitrage                       | The simultaneous purchase and sale of the same or an equivalent security in order to profit from price discrepancies. In government finance, the most common occurrence of arbitrage involves the investment of the proceeds from the sale of tax-exempt securities in a taxable money market instrument that yields a higher rate, resulting in interest revenue in excess of interest costs.   |
| Assessed Valuation              | An official value established for real estate or other property as a basis for levying property taxes.   |
| Assessments                     | Charges made to parties for actual services or benefits received.  |
| Assets                          | Government-owned property that has monetary value.   |
| Assigned Fund Balance           | Fund balance that has a limitation for a specific and intended use.  |
| Audit                           | A financial audit is a review of the accounting system and financial information to determine how government funds were spent and whether expenditures were in compliance with the legislative body's (City Council's) appropriations.   |

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| Audit Trail          | Documentation which permits the sequence of financial transactions to be followed.   |
| Authorized Positions | Those ongoing positions approved in the final budget of the preceding year.  |
| Average Cost         | Total of all costs for all units bought (or produced) divided by the number of units acquired (or purchased).  |
| Balance Available    | The amount of money available for appropriation or encumbrance. It is the excess of cash and near-cash assets of a fund over its liabilities and reserves, commonly called surplus available for appropriation. It is also the unobligated balance of an appropriation that may be encumbered for the purposes of the specific appropriation.  |
| Balanced Budget      | When there is neither a budget deficit nor a budget surplus; when revenues equal expenditures.   |
| Balance Sheet        | A financial statement listing a fund or organization's total assets, liabilities, and equity on a specific date.   |
| Bond                 | A written promise from a local government to repay a sum of money on a specific date at a specified interest rate. Bonds are most frequently used to finance capital improvement projects such as buildings, streets, and bridges.   |
| Budget               | A financial plan for a specific period of time (fiscal year) that matches all planned revenue and expenditures with various municipal services.  |
| Budget Amendment     | A legal procedure utilized to revise a budget appropriation. City Staff has the prerogative to adjust expenditures within or between departmental budgets. The City Manager is authorized to revise the budget so long as the total revisions in any single budget year do not exceed 5% of the budget, and provided that sufficient revenues are available to offset such revisions. Council approval is required for additional appropriation from fund balances or new revenue sources. |
| Budget Calendar      | The schedule of key dates which City departments follow in the preparation, revision, adoption, and administration of the budget.  |
| Budget Detail        | A support document to the published budget that details the line item expenditures.  |

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| Budget Document                                  | The financial plan report reviewed and adopted by the City Council.   |
| Budget Message                                   | The opening section of the budget which provides the City Council and the public with a general summary of the most important aspects of the budget, changes from previous fiscal years, and presents recommendations made by the City Manager.   |
| Budget Surplus                                   | The Difference between operating revenues and operating expenditures. The Budget Surplus may be used for ongoing expenses (as opposed to year-end balance, which may be used only for one-time expenses).   |
| Budget Year                                      | Is the fiscal year for which the budget is being considered; i.e. the fiscal year following the current year.   |
| Budgetary Unit                                   | An organizational component budgeted separately, usually a department or division.  |
| California Employers' Retiree Benefit Trust      | An irrevocable trust established to fund OPEB.  |
| California Society of Municipal Finance Officers | The purpose of this organization is to promote professional administration of municipal finance and to strive for the attainment of professional status of all those responsible for the conduct of the activities of the field.  |
| Capital Improvement                              | Any project or physical public improvement that results in a permanent addition to the City's fixed assets, or a revitalization/improvement that extends a fixed asset's useful life or increases its usefulness or capacity. A capital improvement has an estimated service life of at least eight years and a value of at least \$25,000. |
| Capital Improvement Program                      | A plan for capital expenditures to provide for the acquisition, expansion, or rehabilitation of an element of the City's physical property to be incurred over a fixed period of several future years.  |
| Capital Outlay                                   | Expenditures relating to the purchase of equipment, land, or other fixed assets.  |

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| Carryover or Carry Forward            | The process of carrying a budgeted and encumbered item from the current fiscal year to the next fiscal year.  |
| Cash Basis or Cash Method             | An accounting method that recognizes income and deductions when money is received or paid. The modified-accrual method is the preferred method for government organizations.  |
| Certificate of Participation          | Obligations of a public entity based on a lease or installment sale agreement.  |
| Citizen Option for Public Safety      | State law enforcement grant program which provides funding for front line law enforcement.  |
| Committed Fund Balance                | Fund balance that has limitations imposed at the highest level of decision making that requires formal action at the same level to remove.  |
| Community Development Block Grant     | CDBG – provides eligible metropolitan cities and urban counties with annual direct grants toBlock Grant revitalize neighborhoods; expand affordable housing and economic opportunities; and/or improve community facilities and services, principally to benefit low- and moderate-income persons. Funded by the Department of Housing and Urban Development of the Federal Government. |
| Compensation                          | Direct and indirect monetary and non-monetary rewards given to employees on the basis of the value of the job, their personal contributions and their performance. These rewards meet both the organization’s ability to pay and any governing legal regulations.   |
| Comprehensive Annual Financial Report | An official annual financial report of a government.  |
| Consumer Price Index                  | Also known as the Cost-of-Living Index, it is a measure of change as determined by a monthly survey of the U.S. Bureau of Labor Statistics. Many pension and employment contracts are tied to changes in consumer prices as protection against inflation and reduced purchasing power. Among the CPI components are the costs of housing, food, transportation, and electricity.        |

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| Contingency              | An appropriation of funds to cover unforeseen events that occur during the fiscal year, such as flood emergencies, Federal mandates, shortfalls in revenue, and similar events.                            |
| Contingency Fund         | Amount reserved for a possible loss.   |
| Controllable Costs       | Costs that can be influenced by the department involved, unlike other fixed costs such as rent, which is contracted by lease in advance.   |
| Cost                     | Amount of money that must be paid to acquire something; purchase price or expense.   |
| Cost Accounting          | The continuous process of analyzing, classifying, recording, and summarizing cost data within the confines and controls of a formal cost accounting system and reporting them to users on a regular basis. |
| Cost Allocation Plan     | The documentation identifying, accumulating, and distributing allowable costs under grants and contracts together with the allocation method used.   |
| Cost Approach            | Method of appraising property based on adding the reproduction cost of improvements, less depreciation, to the market value of the site.   |
| Cost Basis               | Original price of an asset, used in determining depreciation and capital gains or losses.  |
| Cost of Living Allowance | Adjustment of wages designed to offset changes in the cost of living, usually as measured by the consumer price index.   |
| Cost Recovery            | The establishment of user fees which are intended to cover the cost of providing services.   |
| Current Fiscal Year      | The fiscal year in progress.   |
| Debt Margin              | The difference between the debt limit and the total outstanding debt.  |
| Debt Service             | The City's obligation to pay the principal and interest of all bonds and other debt instruments according to a predetermined payment schedule.   |

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| Debt Service Fund                     | A governmental fund used to account for the accumulation of resources for, and payment of, general obligation bond principal and interest from governmental resources, and special assessment bond principal and interest from special assessment levies when the government is obligated in some manner for the payment. |
| Deficit                               | A result of: (1) Insufficiency in the account or number, whether as the result of defaults and misappropriations, mistakes, or shrinkage in value. (2) Excess of the government's spending over its revenues.   |
| Department                            | A major administrative segment of the City, which indicates overall management responsibility for an operation or a group of related operations within a functional area. An example is the Community Development Department within the General Fund.   |
| Depreciation                          | The process of allocating the cost of a capital asset to the periods during which the asset is used.  |
| Designated Fund Balance               | A portion of unreserved fund balance designed by City policy for a specific future use.   |
| Direct Cost                           | Costs changed easily by management decisions such as advertising, repairs and maintenance, and research and development; also called managed costs.   |
| Direct Labor                          | Cost of personnel that can be identified in the product or service, such as the salary of the person who provides the direct service.   |
| Discretionary Costs                   | Costs changed easily by management decisions such as advertising, repairs and maintenance and research and development. Also called managed costs.  |
| Division                              | A unit of organization that reports to a department.  |
| Downtown Specific Plan                | The City's set of guidelines and policies to shape the future of downtown Martinez. This Plan will directly affect future initiatives associated with revitalizing the downtown area.   |
| Educational Revenue Augmentation Fund | A state mandated property tax shift to schools.   |

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| Environmental Impact Report      | EIR – a public document used by governmental agencies to analyze the significant environmental effects of a proposed project, to identify alternatives and disclose possible ways to reduce or avoid potential environmental damage. The California Environmental Quality Act requires an EIR whenever the initial study or other evidence in the record has produced significant environmental effects.   |
| Encumbrance                      | Obligations in the form of purchase orders, contracts, or salary commitments which are chargeable to an appropriation and for which part of the appropriation is reserved. They cease to be encumbrances when the obligations are paid or otherwise terminated.  |
| Enterprise Fund                  | A proprietary fund used to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the legislative body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The rate schedules for these services are established to ensure that revenues are adequate to meet all necessary expenditures. |
| Equipment Replacement Fund       | The Equipment Replacement Fund is an Internal Service Fund which accounts for the accumulation of funds for the maintenance and subsequent replacement of the equipment under City control. Costs are charged to departments by way of “rental charges” of City vehicles and equipment.  |
| Equity                           | The difference between fund assets and fund liabilities.   |
| Estimate                         | To approximate.  |
| Estimated Economic (Useful) Life | The period over which a property is expected to be usable, by one or more users, with normal repairs and maintenance, for the purpose(s) for which it is intended.   |
| Expenditure                      | Utilization of fund resources. Expenditures include operating expenses, debt service, and capital outlays. Expenditures reduce the remaining budget authorization (appropriation) available.   |

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| Expenditure Category                | A basis of distinguishing types of expenditures. The major expenditure categories used by the City of Martinez are Labor, Operating, Capital, and Direct and Indirect Costs.   |
| Expenditure Object Code             | Unique identification number and title for a minor expenditure category. Represents the most detailed level of budgeting and recording of expenditures, referred to as a “line item”.  |
| Fee                                 | The amount charged by the City to provide a specific service, tied directly to the cost to the City of providing that service.   |
| Federal Emergency Management Agency | FEMA - The Governing agency for emergency services nationwide.   |
| Fiduciary Funds                     | Also referred to as Trust and Agency Funds. These funds account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds.                                   |
| Fiscal Year                         | A twelve-month time period signifying the beginning and ending period for recording financial transactions. The City of Martinez has specified July 1 through June 30 as its fiscal year.  |
| Fixed Assets                        | Assets of significant value that have a useful life of several years such as land, buildings, machinery, equipment, and furniture.   |
| Fixed Asset Management              | Tagging and preparing asset ledgers for plant, facilities, and equipment; recording changes in asset status; and conducting periodic inventories of assets.  |
| Fixed Cost                          | A cost that remains constant regardless of volume or demand. Fixed includes salaries, interest expense, rent, depreciation and insurance expenses.   |
| Forecasts                           | Estimates of the future impact of current revenue and expenditure policies, based on specific assumptions about future conditions such as inflation or population growth. Forecasts are neither predictions about the future nor a statement of policy intentions. |
| Franchise Fees                      | Charges the City imposes on cable television, electricity, gas, refuse collection, refuse disposal, recycling and oil distributor for “rental” of the City streets and rights-of-way.  |

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| Fringe Benefit       | Compensation that an employer contributes to its employees such as retirement, life/health insurance, or training supplements. Fringe benefits can be either mandatory, such as PERS contributions, or voluntary, such as health insurance benefits.   |
| Full-time Equivalent | Positions or fractions thereof based on full-time definition of forty hours of work per week.  |
| Function             | An activity or a group of related activities for which the budgetary unit is responsible; in Martinez, a function is the same as the program.  |
| Fund                 | A separate accounting entity with a self-balancing set of accounts to record all financial transactions (revenues and expenditures) for specific activities or government functions. Funds are classified into three categories: governmental, proprietary, and fiduciary. Commonly used funds in governmental accounting are: General Fund, Special Revenue Funds, Debt Service Funds, Capital Project Funds, Enterprise Funds, Internal Service Funds, Agency Funds, and Special Assessment Funds. |
| Fund Accounting      | System used by nonprofit organizations, particularly governments. Since there is no profit motive, accountability is measured instead of profitability. The main purpose is stewardship of financial resources received and expended in compliance with legal requirements. Financial reporting is directed at the public rather than investors.   |
| Fund Balance         | The excess of assets over liabilities; this term applies to governmental funds only.   |
| Gas Tax Fund         | A fund to account for receipts and expenditures of money apportioned under Streets and Highway Code section 2103, 2105, 2106, 2107 and 2107.5 of the State of California.  |
| GDP                  | Gross domestic Product   |
| General Fund         | A fund used to account for the major operating revenues and expenditures of the City, excluding those financial resources that are required to be accounted for in another fund category. General Fund revenues are derived primarily from property and other taxes.   |

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| General Long Term Debt                  | All debt that has not matured except that of proprietary funds. Provides a way for governments to list all the long-term general obligation debt they have in an “off balance sheet” manner such that the debt has no negative effect on the fund balances of the governmental funds. If sufficient assets are not available to cover the debt, it is covered by the full faith and credit of the government in the form of the amount provided. |
| General Obligation (GO) Bond            | Bonds that are usually limited by state law as to the amount as well as the length of indebtedness that a government can have. These “Full Faith Credit” bonds are secured by all of the financial assets of the local government, including property tax.   |
| General Plan                            | The master plan for the City which guides its physical, economic, and social development. It contains key elements such as land use, traffic/circulation, noise concerns, and recreational considerations.   |
| Geographic Information System           | A computer based Geographic Information System for the tracking and monitoring of development projects.  |
| Goals                                   | Broad mission statements which serve as guiding principles of the City Council.  |
| Governmental Accounting                 | Principles and procedures in accounting for federal, state and local government units.   |
| Governmental Accounting Standards Board | GASB – organized in 1984 by the Financial Accounting Foundation to establish standards of financial accounting and reporting for state and local governmental entities ( <a href="http://www.gasb.org">www.gasb.org</a> ).   |
| Governmental Funds                      | These include general, special revenue, capital project, and debt service. They measure how government is doing in the short term and often in comparison to the budget.   |
| Government Finance Officers Association | A non-profit professional association serving 9,500 government finance professionals throughout North America. Over 11,000 governments participate actively in the associations’ activities.   |

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| Grant   | Contributions or gifts of cash or other assets from another governmental entity to be used or expended for a specific purpose, activity, or facility. An example is the Community Development Block Grant awarded by the Federal Government.  |
| Historical Cost                                     | Actual expenses incurred during the previous fiscal years. The basis for how trends are determined. Accounting principle requiring that all financial statement items be based on original cost or acquisition cost.  |
| Indirect Cost                                       | A cost not directly associated with a specific item or service that is allocated across a number of budget areas. Electricity and building insurance are examples of indirect costs. Also referred to as Overhead.  |
| Inflation   | Rise in the prices of goods and services, as happens when spending increases relative to the Supply of goods on the market.   |
| Infrastructure                                      | Refers to the major physical components of a jurisdiction including the streets, bridges, reservoirs, and sewers, all of which are generally immovable. Infrastructure is differentiated from fixed assets which include property and equipment such as buildings, vehicles, and machinery. |
| Inter-Fund Transfers                                | Payments from one fund to another fund, primarily for work or services provided.  |
| Intergovernmental Fund                              | Used to account for activities primarily supported by taxes, grants, and similar revenue sources.   |
| Intermodal Surface<br>Transportation Efficiency Act | This fund was created to administer those monies the City has secured for various street and traffic signal projects from the federal government.   |
| Internal Service Fund                               | A fund used to account for services provided by one department to other departments on a cost-reimbursement basis.  |
| Jurisdiction  | Geographic or political entity governed by a particular legal system or body of laws.   |

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| Levy                              | To impose taxes, special assessments or service charges for the support or governmental activities.  |
| Liability                         | Debt or other legal obligations arising out of past transactions which much be liquidated, renewed, or refunded at some future date. Encumbrances are not considered to be liabilities.  |
| Lighting and Landscaping Funds    | Funds to account for the installation, maintenance, and improvement of subdivision landscape and lighting within the special districts. Monies are collected through an annual levy on the property owners within each district.   |
| Local Agency Formation Commission | LAFCO – reviews proposals for the formation of new local governmental agencies and changes of organization in existing agencies.   |
| Local Agency Investment Fund      | LAIF – a voluntary program created by statute in 1977 in which participating agencies (local governments and special districts) invest public funds.   |
| Long Term Debt                    | Debt with a maturity of more than one year after issuance.   |
| Maintenance of Effort             | A criterion that must be met in a street improvement as mandated by the State.   |
| Major Fund                        | A fund that comprises more than 10% of total citywide budgeted revenues and transfers-in and/or 10% of total budgeted appropriations and transfers-out.  |
| Measure D                         | Measure D funds are from a 2016 voter-approved, half-cent citywide sales tax to be used exclusively to fund Martinez roadway rehabilitation and maintenance projects for 15 years and projected to provide over \$2,000,000 per year to these efforts.   |
| Measure H                         | Accounts for the \$25,000,000 of General Obligation Bonds issued May 2009 and March 2012. These funds are to finance the costs of acquiring and constructing park improvements.  |
| Measure WW                        | East Bay Regional Park District issued a bond measure to fund Regional Park acquisition and capital projects with a portion of the proceeds to go to cities, special park and recreation districts, county service areas and the Oakland Zoo for much needed local Park and recreation projects. |

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| Memorandum of Understanding                     | MOU – an agreement outlining the terms of employment entered into between the City and Employees of various bargaining units.   |
| Millions of Gallons Per Day                     | Rating used in infrastructure water projects.   |
| Mobile Data Terminal Modeling                   | A program set up for direct communication between the police officer and the dispatcher. Designing or manipulating a mathematical representation that simulates an economic system or corporate financial application so that the effect of changes can be studied and forecast.  |
| Modified Accrual Basis or Method                | Bases of accounting in which expenditures are accrued but revenues are accounted for on a cash basis. This accounting technique is a combination of accrual and cash accounting since expenditures are immediately incurred as a liability when they are committed, while revenues are not recorded until they are actually received or are “measurable” and available for expenditure. |
| National Pollutant Discharge Elimination System | NPDES – a permit program authorized by the Clean Water Act that controls water pollution by regulating point sources that discharge pollutants into waters of the United States.  |
| Nondepartmental                                 | The department designation assigned to budgets that provide for performance of work or purchase of goods that cross or transcend departmental lines.  |
| Nonspendable Fund Balance                       | Portion of net resources that cannot be spent because of their form or must remain intact.  |
| Objectives                                      | Specific plans, programs, or activities that departments and their divisions intend to accomplish in the upcoming fiscal years.   |
| Operating Budget                                | A financial plan for the provision of direct service and support functions that provide basic governmental services. The operating budget contains appropriations for such expenditures as salaries and benefits, services, supplies, capital outlays, and debt service/other. It does not include Capital Improvement Program expenditures.  |
| Ordinance                                       | A law passed by the legislative authority (City Council) of a local jurisdiction.   |

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| Organization          | Organized structure of roles and responsibilities functioning to accomplish predetermined objectives.   |
| Organization Chart    | A chart showing the interrelationships of positions within an organization in terms of authority and responsibilities.  |
| Overhead              | Indirect expenses of running an organization not directly associated with a particular item or service. Also referred to as Indirect Cost.  |
| Overtime              | Time worked in excess of an agreed upon time for normal working hours by an employee at the rate of one and one-half their normal hourly rate. Working on holidays or weekends may constitute overtime work, especially if not part of the normal work schedule.                      |
| Per Capita            | By or for each individual. Anything figured per capita is calculated by the number of individuals involved and is divided equally among all.  |
| PG&E Rule 20A Funding | Projects performed under Rule 20A are nominated by a city, county or municipal agency and discussed with Pacific Gas & Electric Company, as well as other utilities. The costs for undergrounding under Rule 20A are recovered through electric rates after the project is completed. |
| Prepaid               | Expense paid in advance, such as a one-year insurance policy paid when purchased or rent paid in advance of the period covered.   |
| Prior Year            | The fiscal year proceeding the current year.  |
| Program               | An organized, self-contained set of related work activities within a department or division which are directed toward common objectives and represent a well-defined expenditure of City resources.   |
| Program Budget        | A budget which allocates money to the functions or activities of a government rather than to specific items of cost or to specific departments.   |

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| Projection                          | Estimate of future performance made by economists, corporate planners and credit and securities analysts, typically using historic trends and other assumed input.   |
| Project Labor Agreement             | A pre-hire collective bargaining agreement with one or more labor organizations that establishes the terms and conditions of employment for a specific construction project.   |
| Property Tax                        | A tax levied on the assessed value of real property also known as ad valorem tax. In California, this tax is limited to 1% with the exception of pre-Proposition 13 approved bond debt service.  |
| Proposition 13                      | On June 6, 1978, the California electorate approved Proposition 13, the “People’s Initiative to Limit Property Taxation,” which limited the tax rate for real estate as follows: the maximum amount of any tax on real property shall not exceed 1% of the full cash value of such property.   |
| Proposition 218                     | On November 5, 1996, the California electorate approved Proposition 218, the self-titled “Right to Vote on Taxes Act.” Proposition 218 added articles XIII C and XIII D to the California Constitution and made numerous changes to local government finance law. Public officials are required to conduct the public’s business in compliance with Proposition 218. |
| Proprietary Fund                    | A fund used to account for operations that are financed and operated in a manner similar to business enterprises. Such a fund is established as a self-supporting operation with revenues derived primarily from fees, charges, or contracts for services.   |
| Public Employees’ Retirement System | PERS – provides retirement and health benefit services to members from the state, school districts and local public agencies ( <a href="http://www.calpers.ca.gov">www.calpers.ca.gov</a> ).   |
| Purchase Order                      | An order issued by the Purchasing Department which authorizes the delivery of specific goods or services and incurrence of a debt for them.  |
| Recognized                          | The time at which an item is officially recorded and measurable, as with a financial transaction.  |
| Reserve                             | An account used to designate a portion of the fund balance for a specific future use and is therefore not available for general appropriation.   |

|                         |  |
|-------------------------|--|
| Resolution              | A legal order by a government entity.  |
| Restricted Fund Balance | Fund balance that has limitations imposed by creditors, grantors, contributors, or laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.   |
| Retained Earnings       | The accumulated earnings of an Enterprise or Internal Service Fund which have been retained in the fund and are not reserved for any specific purpose.   |
| Revenues                | Funds received from various sources and treated as income to the City to be used to finance expenditures. Revenues include such items as taxes, fees, user charges, grants, fines, forfeits, and interest income.  |
| Right of Way            | ROW – a strip of land occupied or intended to be occupied by a street, crosswalk, railroad, Electric transmission line, oil or gas pipeline, water main, sanitary or storm sewer main, shade trees, or special use.  |
| Section                 | A unit or organization which reports to a division.  |
| Special Assessment      | A tax or levy customarily imposed against only those specific parcels of real estate that will benefit from a proposed public improvement, as opposed to a general tax on the entire community. Because the proposed improvement will enhance the value of the affected homes, only those affected owners must pay this special lien. Common examples of special assessments are water, lighting and landscaping, sidewalk and sewer assessments, or other special improvements such as parks and recreational facilities. |
| Special District        | A designated geographic area established to provide a specialized service (e.g. Landscape Maintenance District).   |
| Specials Funds          | The City's accounts are broken into distinct funds, each earmarked for a different purpose, with the principle and interest of the funds tracked separately. The City's main operating fund is its General Fund, while all other City funds are designated as Special Funds.   |

|                             |   |
|-----------------------------|---|
| Statement of Net Activities | Reports net (expense) revenue of functions.   |
| Statement of Net Assets     | Includes all assets and liabilities.  |
| Transfers-In/Out            | A transfer of resources between different City funds. A transfer of cash from the City's General Fund to a City Special Fund, for example, would be designated as a transfer-out in the General Fund, and then a transfer-in in the receiving Special Fund. |
| Transient Occupancy Tax     | TOT – a 10% tax added to the cost of renting a hotel room within the City. Also known as the Hotel Tax  |
| Trust Funds                 | Also known as Fiduciary Fund Types, these funds are used to account for assets held by the City in a trustee capacity or as an agent for private individuals, organizations or other governmental agencies.   |
| Unassigned Fund Balance     | In the General Fund, the balance of net financial resources that are available for appropriation for any purpose.   |
| Unreserved Fund Balance     | In a governmental or expendable trust fund, the balance of net financial resources that are available for appropriation.  |
| User Fees                   | Fees charged to users of a particular service provided by the City.   |

## LIST OF ACRONYMS

|          |   |       |  |
|----------|---|-------|--|
| AB       | Assembly Bill   | CCFPD | Contra Costa Fire Protection District            |
| ABAG     | Association of Bay Area Governments                     | CCTA  | Contra Costa Transportation Authority            |
| AD       | Assessment District                                     | CCWD  | Contra Costa Water District                      |
| ADA      | Americans with Disabilities Act                         | CDBG  | Community Development Block Grant                |
| AQMD     | Air Quality Management District                         | CARBT | California Employers' Retiree Benefit Trust      |
| ARC      | Annual Required Contribution                            | CEQA  | California Environmental Quality Act             |
| BAAQMD   | Bay Area Air Quality Management District                | CERBT | California Employers' Retirees Benefit Trust.    |
| BART     | Bay Area Rapid Transit                                  | CERT  | Community Emergency Response Team                |
| BOE      | Board of Equalization                                   | CIP   | Capital Improvements Program                     |
| CAFR     | Comprehensive Annual Financial Report                   | COLA  | Cost of Living Allowance                         |
| CALBO    | California Building Officials                           | COP   | Certificate of Participation                     |
| CALPELRA | California Public Employers Labor Relations Association | COPS  | Citizens Option for Public Safety                |
| CALTRANS | Transportation Department for the State of California   | CRM   | Customer Relationship Management                 |
| CCC      | Contra Costa County                                     | CPI   | Consumer Price Index                             |
| CCCFC    | Contra Costa County Flood Control                       | CSMFO | California Society of Municipal Finance Officers |
| CCCSD    | Central Contra Costa Sanitary District                  | CTC   | California Transportation Commission             |
|          |   | DBAW  | Department of Boating and Waterways              |
|          |   | DOF   | California Department of Finance                 |

|         |  |       |  |
|---------|--|-------|--|
| DOJ     | U.S. Department of Justice               | GP    | General Plan                                     |
| EBRPD   | East Bay Regional Park District          | HES   | Hazard Elimination System                        |
| EIR     | Environmental Impact Report              | HUD   | U.S. Department of Housing and Urban Development |
| EOC     | Emergency Operations Center              | ICMA  | International City Managers' Association         |
| EPA     | Environmental Protection Agency          | ISTEA | Intermodal Surface Transportation Efficiency Act |
| ERAF    | Educational Revenue Augmentation Fund    | LAFCO | Local Agency Formation Commission                |
| ERU     | Equivalent Runoff Unit                   | LAIF  | Local Agency Investment Fund                     |
| FASB    | Financial Accounting Standards Board     | LLD   | Landscape and Lighting District                  |
| FEMA    | Federal Emergency Management Association | MOE   | Maintenance of Effort                            |
| FTE     | Full Time Equivalent                     | MOU   | Memorandum of Understanding                      |
| GAAP    | Generally Accepted Accounting Principles | MPA   | Municipal Pooling Authority                      |
| GASB    | Governmental Accounting Standards Board  | MTC   | Metropolitan Transportation Commission           |
| GDP     | Gross Domestic Product                   | MUSD  | Martinez Unified School District                 |
| GFOA    | Government Finance Officers Association  | NPDES | National Pollutant Discharge Elimination System  |
| GIS     | Geographical Information System          | O & M | Operation & Maintenance                          |
| GLTD    | General Long Term Debt                   | OPEB  | Other Post Employment Benefits                   |
| GNP     | Gross National Product                   | PCE   | Personal Consumption Expenditure                 |
| GO BOND | General Obligation Bond                  |       |  |

|        |   |        |  |
|--------|---|--------|--|
| PEG    | Public Access, Educational, and Government Cable Access | SCADA  | Supervisory Control and Data Acquisition       |
| PEMHCA | Public Employees Medical and Hospital Care Act          | STIP   | State Transportation Improvement Program       |
| PEPRA  | California Public Employees' Pension Reform Act         | SWAT   | Special Weapons and Tactics                    |
| PERS   | Public Employees Retirement System                      | TDA    | Transportation Development Act                 |
| PLA    | Project Labor Agreement                                 | TEA    | Transportation Equity Act                      |
| PMP    | Pavement Management Program                             | TEA 21 | Transportation Equity Act for the 21st Century |
| POST   | Peace Officer Standards and Training                    | TFCA   | Transportation Funds for Clean Air             |
| PT     | Part-Time   | TI     | Tax Increment                                  |
| RFP    | Request for Proposal                                    | TOPO   | Topography                                     |
| ROW    | Right of Way  | TOT    | Transient Occupancy Tax                        |
| RTIP   | Regional Transportation Improvement Program             | ULL    | Urban Limit Line                               |
| RWQCB  | Regional Water Quality Control Board                    | UP     | Union Pacific                                  |
| SAS    | Statement of Auditing Standards                         | VLF    | Vehicle License Fee                            |
| SB     | Senate Bill   | WTP    | Water Treatment Plant                          |

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