

CITY OF BRENTWOOD

FY 2021/22 BUDGET-IN-BRIEF



The Budget-in-Brief provides an overview of the City's Operating Budget and Capital Improvement Program. To view all of the City's financial documents visit the following web site:

www.brentwoodca.gov/financialdocuments

FY 2021/22 BUDGET-IN-BRIEF

Budget Development This Budget-in-Brief is a condensed version of the City of Brentwood's Operating Budget for the 2021/22 Fiscal Year (FY), which runs from July 1, 2021 to June 30, 2022. The City Council develops a two-year Strategic Plan and then adopts an Operating Budget for those two years that includes Strategic Plan initiative costs and other operating costs for City services. The City Council then conducts public budget reviews every six months during the two-year budget period. During these reviews, the City Council may approve adjustments to the City's revenues or expenditures, based on operational changes or current economic conditions. The FY 2020/21 and FY 2021/22 Strategic Plan can be found on the City's website at [www/brentwoodca.gov/StrategicInitiatives](http://www.brentwoodca.gov/StrategicInitiatives).

Budget Factors The onset of the COVID-19 pandemic initially cast a tremendous amount of uncertainty over the City's short and intermediate-term financial outlook. The City took quick action to reduce spending at the onset of the pandemic. Projects were delayed, positions left vacant and non-essential purchases were curtailed.

Long-term financial harm was averted, however, as record amounts of government stimulus kept dollars flowing and consumers spending. Historic low interest rates and the onset of work from home capabilities helped spur demand for housing, pushing values to record highs. Since that initial outlook in March/April 2020, the City's fiscal condition has continued to improve, with General Fund revenues now exceeding pre-pandemic levels. As the fiscal outlook improved the City gradually restored the majority of spending reductions and is now looking towards enhancing services in the upcoming fiscal years.

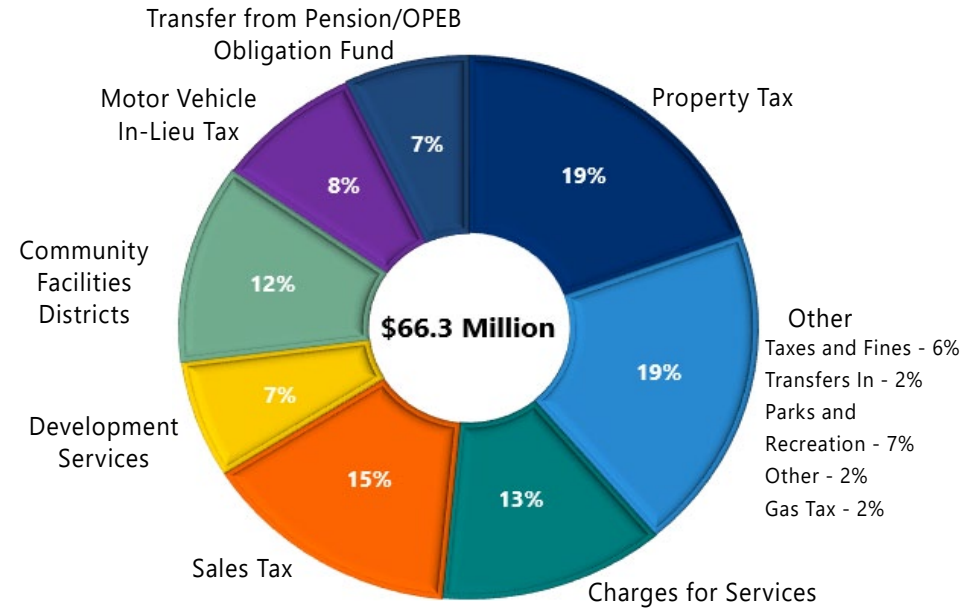
The budget continues to reflect City Council priorities in the funding of Strategic Plan initiatives. These initiatives center around six quality of life focus areas and the costs of initiatives are included in the budget. While the economic impacts of the pandemic have not been as severe as anticipated, the City continues to exercise fiscal prudence resulting in a conservative budget that will allow the City to be prepared for changes in fiscal conditions.

Budget Outlook Fiscal strength and long-term financial stability are key components of the City's Budget and Fiscal Policy. The FY 2021/22 Operating Budget underscores the City Council's commitment to continue making expenditure control a high priority while adhering to the policy's budget development guidelines. These guidelines and principles have resulted in a General Fund reserve of \$19 million as of June 30, 2021. The budget has been developed so that the City maintains its 30% reserve of budgeted operating expenditures while fully funding critical services.

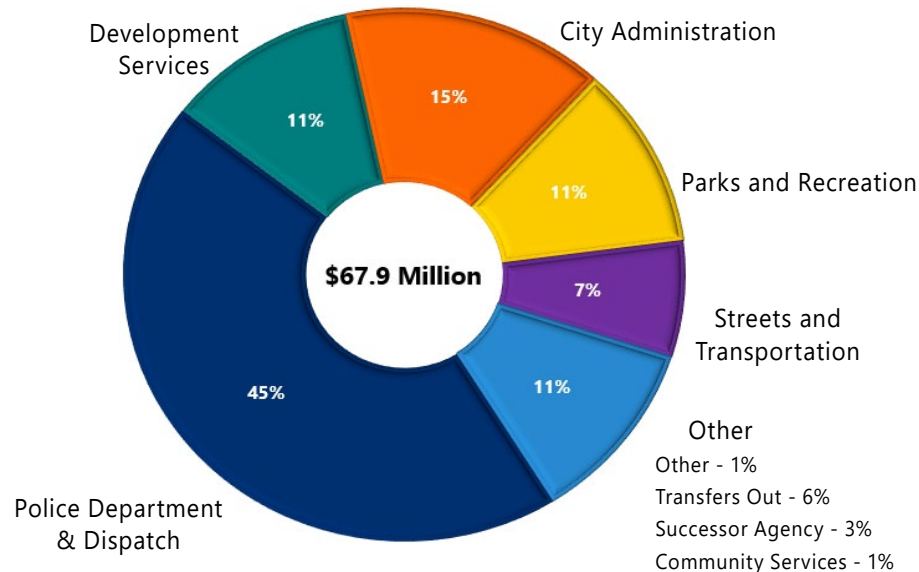
The City utilizes a ten-year General Fund Fiscal Model to ensure it is on a financially sustainable path. The Fiscal Model provides detailed analysis of the next ten years of revenues, expenses and fund balance. This analysis provides the City the ability to identify potential future economic challenges and allows sufficient time to develop solutions to minimize impacts to the residents of the City. The Fiscal Model is update on an annual basis, or more frequently as economic conditions change. The City remains diligent in identifying and assessing long-term challenges, and developing strategies, to ensure a successful and vibrant future.



General Fund Revenues



General Fund Expenditures



City Funds Overview

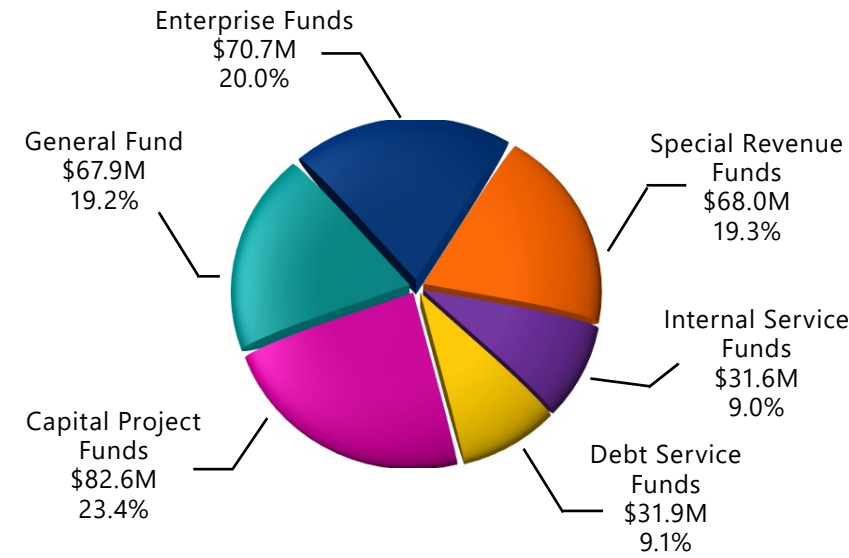
The City budgets and accounts for revenues and expenditures in several different funds. The General Fund is comprised of all financial resources, except those required by law or mandated to be in a restricted fund, and provides for basic governmental services such as public safety, planning and building services, street maintenance, code enforcement, park maintenance and recreation services.

The primary revenue sources for the General Fund in FY 2021/22 are: Property Tax, Sales Tax, Community Facilities District Assessments, Motor Vehicle In-Lieu Tax, Development Fees, Parks and Recreation Property Tax, Gas Tax, Franchise Fees, Parks and Recreation Program Fees and Measure J - Contra Costa County Sales Tax.

Enterprise Overview

The City provides residents and businesses with Solid Waste, Water and Wastewater services. The charges for these services (user fees), along with the costs for providing the services, are accounted for in individual Enterprise Funds. These funds do not receive any General Fund support and must be self-supporting. The City's user fees are set in accordance with Proposition 218, which requires customers be given the opportunity to provide feedback on the proposed rates. Rate studies are conducted periodically to ensure the Enterprise rates are sufficient to cover: operating expenses; capital improvements; upgrades and costs associated with meeting both State and Federal guidelines and regulations. A five-year rate study was completed in FY 2017/18 and the resulting projected revenues, which were structured to provide the Enterprise Funds with sufficient revenues to cover operating costs, have been included in the FY 2021/22 budget.

FY 2021/22 Budgeted Expenditures \$352.7 Million

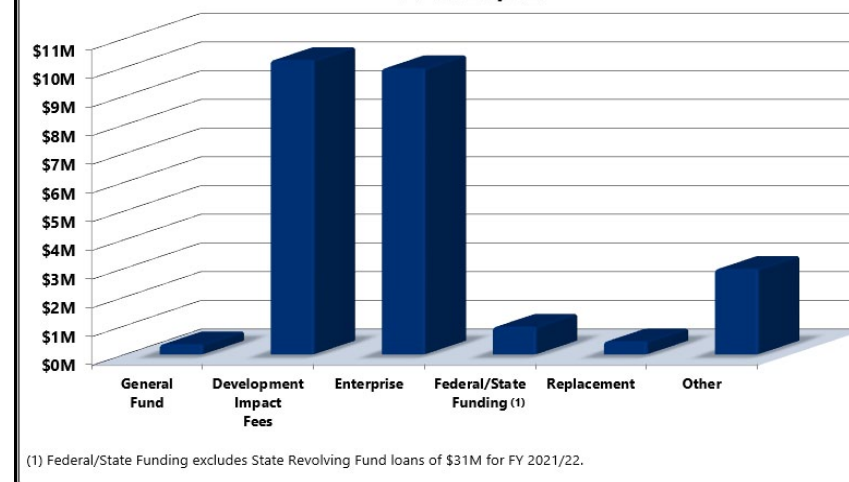


CIP Overview

The Capital Improvement Program (CIP) Funding Sources chart displays the budgeted CIP funding sources for FY 2021/22. Major components of Other funding include Vineyards Projects, Capital Infrastructure and Road Maintenance and Rehabilitation Account funds.

The FY 2021/22 CIP consists of 55 City projects. These include Roadway, Parks and Trails, Water, Wastewater and Community Facilities Improvements. All CIP projects have been carefully evaluated to ensure: 1) the City's capital improvement needs are met, both now and in the future and 2) they support the City's Mission Statement, General Plan and two-year Strategic Plan.

CIP Funding Sources FY 2021/22



Significant CIP Projects

Citywide Non-Potable Water Distribution System - This project will install a non-potable water distribution system throughout the City to provide reclaimed water for irrigation of golf courses, parks, parkways, medians and other applicable uses. By converting to non-potable water usage, the City can reduce the cost of landscape irrigation and save on potable water usage.



Downtown Alley Rehabilitation - Mid Way - This project, located on Mid Way from Pine Street to Birch Street, includes the installation of new water, sewer and storm drain facilities and either the removal or replacement of existing infrastructure to bring aging facilities up to current standards.

Parks Master Plan Projects - This consists of three Parks and Recreation Master Plan Strategic Initiative projects including: constructing up to six pickleball courts at Creekside Park near the existing tennis courts; constructing fully operational restrooms at Garin and Creekside Parks; and trail enhancement and expansion to include rest areas, maps, signage, water and exercise stations.

Priority Area 1 (Innovation Center @ Brentwood) Infrastructure Improvements - This project, located within the boundaries of Heidorn Ranch Road, Lone Tree Way, Shady Willow Lane and Sand Creek Road, will construct infrastructure improvements within Priority Area 1 including, but not limited to, roadway extensions, replacement, or widening; extension of wet utilities; and land acquisition. The City envisions this area emerging as one of the primary future employment centers, offering individuals and businesses access and opportunities to create high-quality jobs across a diverse array of industries.

Vineyards at Marsh Creek - Event Center/Amphitheater - This project will include construction of an outdoor amphitheater and event center within the Vineyards at Marsh Creek development.

Wastewater Treatment Plant Expansion - Phase II - This project will expand the existing 5 Millions of Gallons per Day (MGD) tertiary treatment facility to treat 6.4 MGD, which will service the final buildout population of the City per the current General Plan.

Mission Statement

Bringing Brentwood's Vision to Reality

City Council

Joel Bryant..... Mayor
Johnny Rodriguez..... Vice Mayor
Jovita Mendoza..... Council Member
Susannah Meyer Council Member
Karen Rarey..... Council Member

Executive Team

Tim Ogden City Manager
Damien Brower City Attorney
Sukari Beshears Director of Human Resources/Risk Manager
Kerry Breen City Treasurer/Director of Finance
and Information Systems
Tom Hansen Interim Assistant City Manager/
Chief of Police
Alexis Morris Director of Community Development
Bruce Mulder Director of Parks and Recreation
Miki Tsubota Director of Public Works/City Engineer



CITY OF BRENTWOOD

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