



2016/17 - 2017/18 Operating Budget



City of Brentwood
150 City Park Way
Brentwood, CA 94513



HERITAGE ■ VISION ■ OPPORTUNITY



June 2016

The Honorable Mayor, Members of the City Council and Citizens of Brentwood
Brentwood, California 94513

Dear Mayor Taylor, Members of the City Council and Citizens of Brentwood:

I am pleased to submit to you a balanced and progressive budget for the City of Brentwood for fiscal years 2016/17 and 2017/18. This budget acknowledges our citizen's quality of life as the guiding principle and continues to support the delivery of quality services to our community while at the same time maintaining appropriate levels of reserves. With the City Council's financial management leadership, and guidance in developing the City's Strategic Plan for FY 2016/17 and FY 2017/18 ("Strategic Plan"), the resources identified in our financial plan provide for long-term fiscal sustainability and demonstrate responsible management of taxpayer dollars.

The City primarily relies on property tax and sales tax revenues to provide services and amenities to the community. Brentwood continues to be one of the fastest growing cities in Contra Costa County which, while it presents some challenges in the planning and management of that growth, is significant in providing property tax revenues. Economic development is a primary focus and is reflected as such in the City Council's Strategic Plan, as this effort will enhance our sales tax revenues. As the economy continues to improve, it will be a top priority to continue the stewardship of increasing revenues in order to maintain and improve on the first rate services provided to our citizens.

Looking ahead, the next couple of years will see significant accomplishments of important projects. The Police Department will launch a dispatch center to handle our community's 9-1-1 calls. The overpass at State Route 4 and Balfour Road will be completed, improving the movement of traffic in that corridor. A new library downtown will open in our civic center and will serve many residents and offer a café and community room. Planning for expansion of the City's wastewater treatment plant continues, assuring service capacity for today and future populations. The "Better in Brentwood" marketing campaign began this year and will continue throughout the coming years as we all work together to showcase Brentwood as the great destination that it is.

The City's Strategic Plan will continue to focus on our infrastructure, public safety, parks and recreation opportunities, economic development, through strong business growth, and thoughtful land use planning which will ensure the quality of life we enjoy today will also be enjoyed by future generations.

I would like to thank the City Council for their leadership, financial management policies and support of City staff. I would also like to express my appreciation to all of the employees of the City whose hard work is not taken for granted and whose dedication is reflected in our daily delivery of services to this community. Finally, I'd like to thank the Administrative Services Department for their work in preparing this budget which will serve as the City's fiscal blueprint for the next two years.

It is my pleasure and honor to serve the City Council, staff and this community.

Sincerely,



Gustavo "Gus" Vina
City Manager

Elected Officials

Robert Taylor Mayor
Joel Bryant Vice Mayor
Steve Barr Council Member
Gene Clare Council Member
Erick Stonebarger Council Member

Executive Team

Gustavo “Gus” Vina City Manager
Damien Brower City Attorney
Kerry Breen City Treasurer/Director of Administrative Services
Mark Evenson Chief of Police
Casey McCann Director of Community Development
Bruce Mulder Director of Parks and Recreation
Miki Tsubota Director of Public Works/City Engineer

CITY ORGANIZATION CHART

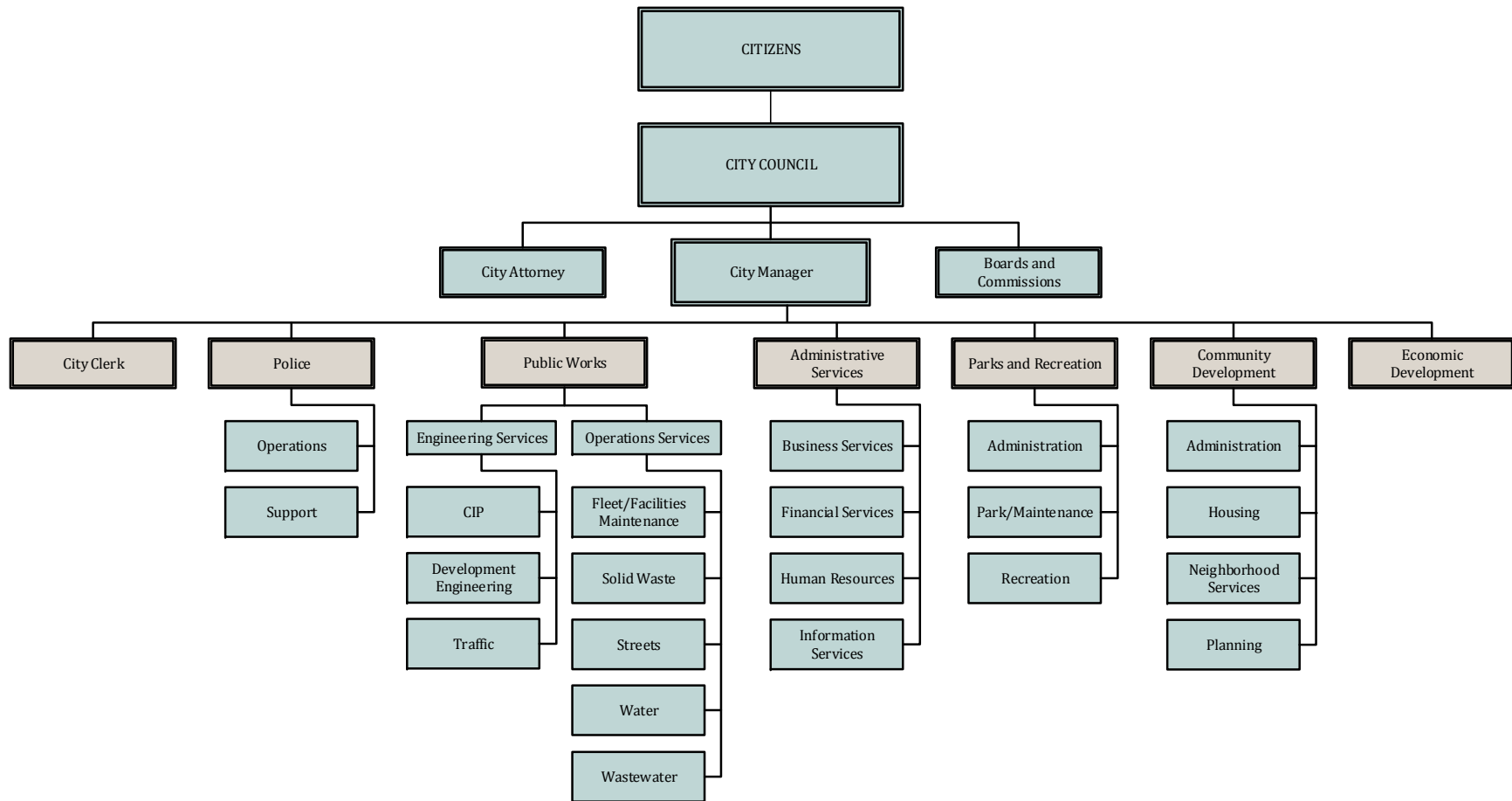


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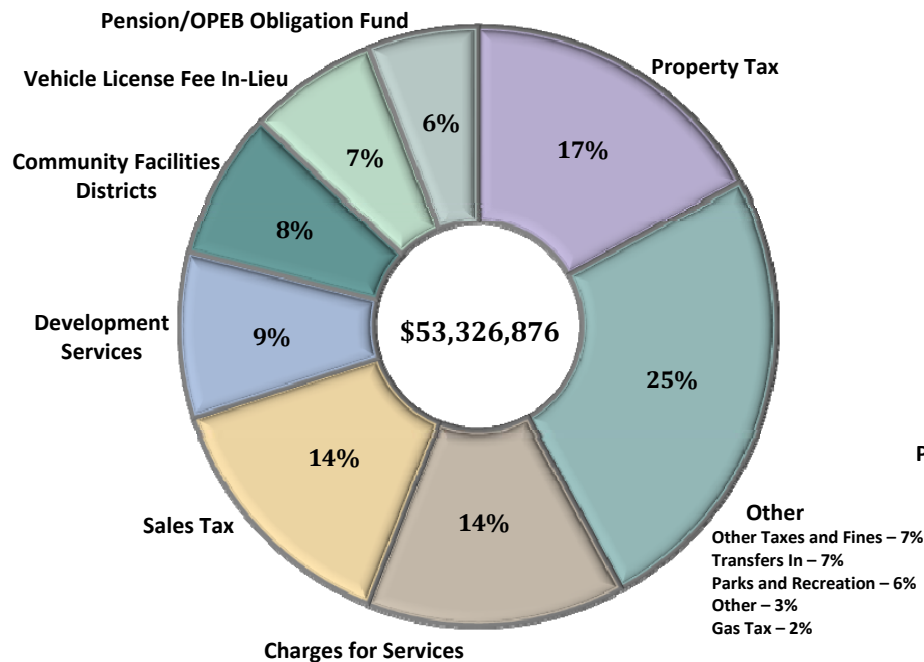
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EXECUTIVE SUMMARY

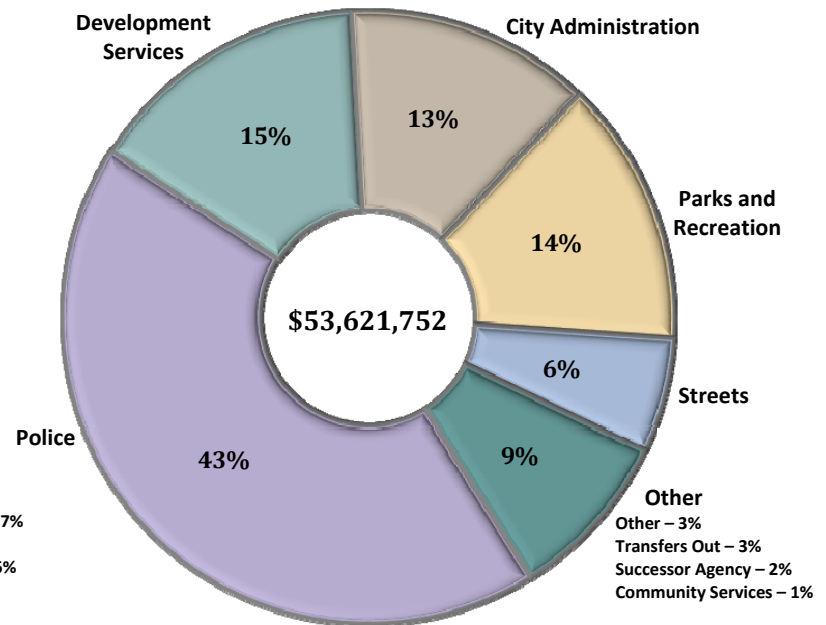
The City’s Operating Budget is a flexible spending plan which serves as the legal authority for departments to commit financial resources. The total Operating Budget for fiscal year (FY) 2016/17 is \$273.0 million. The City of Brentwood provides a full range of services, including police; parks and recreation; public works; economic development; planning; building; code enforcement; engineering and inspection; housing and general administrative services. Brentwood operates public water and wastewater utilities and also provides refuse collection and disposal. The City receives fire protection services from the East Contra Costa Fire Protection District (ECCFPD).

The General Fund is the primary operating fund for the City. The General Fund pays for many of the critical services offered to the City’s residents including police, street maintenance and parks and recreation. Development services are funded through permit fees, while parks and recreation user fees help offset the operational costs of the Parks and Recreation Department. The majority of the remainder of services included in the General Fund are funded through tax revenues. General Fund revenues are generally considered unrestricted and are allocated by the City Council through this budget.

FY 2016/17 General Fund Revenue Budget



FY 2016/17 General Fund Expenditure Budget



Enterprise Overview

The City provides residents 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 the 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 challenge 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.

Key Budget Factors

In addition to the Budget Guidelines, found on page 30, the following budget items were key factors in the development of this budget.

- **Police Dispatch Center**

The City has historically contracted for dispatch services with the City of Antioch. In 2014, due to increasing concerns regarding service levels, the City Council approved the construction of a Brentwood Police Dispatch Center. The dispatch center, which is also included in the Strategic Plan, will become operational near the end of FY 2016/17 and is expected to require an annual General Fund appropriation of approximately \$2.7 million.

- **New Library**

The existing library in Brentwood is inadequate to service the needs of a growing population. Following the completion of the Civic Center in 2012, the City began moving forward on plans to construct a new library in the downtown area. Although library services are provided by Contra Costa County, the City is responsible for providing the library facility. The new library will be financed through Community Facilities District (CFD) bond proceeds and a private placement debt issuance and is expected to open in FY 2018/19. The debt service for this project is included in this two-year budget.

- **Fire Service**

The City is provided fire protection from the ECCFPD. Currently, the ECCFPD does not have revenues to provide adequate services levels to the communities within the area it provides service. The Cities of Brentwood and Oakley, along with Contra Costa County, entered into an agreement whereby each agency would contribute funds to ECCFPD in order to maintain adequate service through FY 2016/17. The City of Brentwood’s funding commitment is \$666,000 over the two-year period ending June 30, 2017. ECCFPD will pursue long-term financial sustainability measures during these next two years.

FY 2016/17 Enterprise Funds Budget Summary⁽¹⁾	
REVENUES	
Solid Waste	\$11,063,782
Water	\$21,718,849
Wastewater	\$12,469,180
EXPENDITURES	
Solid Waste	\$12,089,007
Water	\$23,485,377
Wastewater	\$11,014,152

(1) Excluding Housing and City Rental Enterprise Funds

- **Drought Impact**

The State of California has suffered through a multi-year drought resulting in mandatory water conservation requirements. In order to achieve the mandatory water reduction mandate, the City offered rebates to customers who exceeded conservation targets. The City also implemented a number of water saving programs, including providing free recycled water to its residents. While the residents of the City did a superb job in reducing their potable water consumption, the reduced usage resulted in significant revenue loss for the Water Enterprise Fund. A significant portion of the costs of the Water Enterprise Fund, such as plant and infrastructure maintenance, are fixed and do not decline with reduced water usage. As such, the Water Enterprise Fund has been significantly impacted by reduced water usage.

In order to meet debt covenants, and to ensure the fiscal sustainability of the Water Enterprise Fund, a water rate study was completed in April 2016 and enacted via the Proposition 218 process prior to the close of FY 2015/16. The fiscal impacts of the adjusted water rates have been incorporated in the FY 2016/17 and FY 2017/18 revenue budgets.

- **Personnel Costs**

With personnel costs comprising approximately 2/3 of the General Fund budget, the status of the City’s labor contracts and the costs of providing negotiated benefits such as health care, retiree medical and pension benefits, will always play a significant role in the development of the budget.

Labor Contracts

The City’s labor contracts with its bargaining groups expire at the end of FY 2016/17. This budget includes negotiated 3% and 2.5% salary increases for the City’s non-sworn and sworn labor groups, respectively. The second year of the budget, FY 2017/18, includes 2% salary increases for each group, although the actual salary adjustments must be negotiated through the bargaining process. Applicable pension costs have also been included in the budget. Any budget adjustments resulting from a deviation in these assumptions will be managed at either the mid-term budget review, in June 2017, or the mid-year budget review in January 2018.

Other Post-Employment Benefits (OPEB)

Also impacting the budget is the culmination of the City’s plan to increase funding for retiree medical benefits, switching from a pay-as-you-go plan to a prefunding plan, where 85% of the annual Actuarial Required Contribution (ARC) is made on an annual basis. Whereas the City contributed less than a half million dollars when the prefunding plan started in 2008, contributions totaled \$2.9 million in FY 2015/16 and are budgeted to increase to \$4.5 million in FY 2017/18. While this increase represents the cost of adopting a fiscally responsible prefunding strategy, the funding commitments reduce the availability of funds for other purposes. As of June 30, 2015, the OPEB unfunded actuarial accrued liability for the City was \$41.8 million.

Pensions

The City contracts with the California Public Employees’ Retirement System (CalPERS) for pension benefits. Pension costs continue to require a significant commitment of resources from the City. During the recession, CalPERS suffered significant

investment losses, the impacts of which continue to be felt as pension contribution rates were increased in order to increase the funded ratio of the plans. Although the City’s pension plans are currently funded above 80%, contribution rates will continue to escalate to bring the plans closer to 100% funding. In FY 2014/15 the City paid \$4.6 million towards pension costs, and projects paying \$5.2 million for pension costs in FY 2015/16. Pension costs are budgeted to increase to \$6.3 million by FY 2017/18. As of June 30, 2014, the pension unfunded actuarial accrued liability for the City was \$19.5 million for the non-sworn plan and \$8.9 million for the sworn plan. The City’s Ten-Year General Fund Fiscal Model (“Fiscal Model”) projects pension costs to escalate by another 15% by FY 2024/25. Following is a summary of the retirement benefits offered by the City:

	Sworn			Non-Sworn		
	Tier 1	Tier 2	Tier 3	Tier 1	Tier 2	Tier 3
	Prior to September 1, 2012	On or After September 1, 2012	On or After January 1, 2013	Prior to October 1, 2010	On or After October 1, 2010	On or After January 1, 2013
Hire Date						
Benefit Formula	3% @ 50	3% @ 55	2.7% @ 57	2.7% @ 55	2% @ 60	2% @ 62
Required Employee Contribution Rates	8%	7%	6.25%	8%	7%	6.25%
FY 2016/17 Required Employer Contribution Rates ⁽¹⁾	21.6%	16.6%	12.1%	18.2%	18.2%	18.2%
FY 2016/17 Lump Sum Payment	\$ 506,877	\$ 795	\$ -	\$ -	\$ -	\$ -
Annual Cost of Living Adjustments (up to)	5%	2%	2%	5%	2%	2%
Final Compensation Based On	Highest One Year Salary	Highest Average Three Year Salary	Highest Average Three Year Salary	Highest One Year Salary	Highest Average Three Year Salary	Highest Average Three Year Salary

(1) The City’s Non-Sworn plans are pooled together by CalPERS

- **Pension/OPEB Obligation Fund**

The Pension/OPEB Obligation Fund is a funding source to be used to help offset the rising cost pensions and OPEB in the General Fund. A total of approximately \$16 million has been set aside in the fund to help mitigate budgetary challenges in the General Fund. Approximately \$4 million is budgeted to be transferred to the General Fund in each of the two budget years; however, historical budgetary savings have significantly reduced or eliminated the need for such a transfer in past fiscal years.

- **Redevelopment Dissolution – Successor Agency Payment Plan**

Following the dissolution of California redevelopment agencies, via legislative order, the State of California Department of Finance (DOF) informed Brentwood it had determined certain transfers of funds, from the former Brentwood Redevelopment Agency (RDA) to the City, were invalid. This was in spite of the fact the transfers were made were in support of approved redevelopment projects which were under contract, and under construction, at the time the dissolution law was passed. In total, the DOF ordered the City to remit \$15 million to Contra Costa County, who would then redistribute the funds to the affected taxing entities of the former redevelopment agency. As an affected taxing entity, the City of Brentwood will receive approximately 16.6% of the \$15 million back from Contra Costa County.

Following an unsuccessful legal challenge by Brentwood, the City and DOF agreed upon a ten-year payment plan, with zero percent interest accruing on the balance. Payments from the General Fund of approximately \$1.2 million per year have been included in each of

the two years of this operating budget. While the payment plan places a significant burden on the General Fund, through the use of reserves and/or transfers from the Pension/OPEB Obligation Fund, the impact on service levels provided to residents will be minimized.

- **Legislative Issues**

In November 2012, California voters approved Proposition 30, the Sales and Income Tax Initiative. This measure provides the State of California with significant temporary revenues derived from a ¼ cent increase in California’s sales tax and from four new high-income tax brackets. The additional sales tax will be collected through calendar year 2016, while the income tax increase will sunset at the end of 2018. As a result of the passage of Proposition 30, along with the general improvement in the economy, the State’s fiscal position has vastly improved over the past several years, although the expiration of these temporary taxes may result in newfound fiscal pressure. As such, continued monitoring of the State’s fiscal condition is imperative.

Long-Range Planning

The Fiscal Model, which provides detailed analysis and projections of the next ten years of revenues, expenses and fund balance of the General Fund, offers the City Council a tool to help determine the financial feasibility of any priorities or goals they may choose to adopt. The Fiscal Model also alerts management and the City Council to potential shortfalls and affords them the time to develop practical solutions with minimal impacts to the City’s residents. Balancing the needs of the community and the vision of the City Council against the City’s capacity to fund specific programs must be carefully weighed.

The current draft of the Fiscal Model has been built using the following assumptions and impacts:

- Continued moderate growth in single family housing development
- An estimated 4% annual increase in property tax values
- An estimated 5% annual increase in sales tax revenues
- Personnel, pension and OPEB cost increases
- Costs of fully funded Strategic Plan initiatives
- Successor Agency Payment Plan
- Dispatch center service level increases

The Fiscal Model is also used as a tool to address state, national and global economic factors which may impact the City’s financial outlook. In 2015, the State of California experienced job gains at a rate faster than the nation as a whole and residential building increased by 12% compared to 2014. However, despite current positive economic data, the State has had a recent history of mitigating budget shortfalls with solutions that impact local governments. Any change in the State’s economic outlook, or proposed solutions to potential budget shortfalls, will be included in the Fiscal Model to assess impacts to the City and afford time to develop strategies to minimize impacts.

The global economy continues to impact the economic recovery underway in the United States due to the effects of the European Union debt crisis, instability in the Middle East and historically low oil prices. These impacts are monitored by the City and addressed in the Fiscal Model by using conservative growth rates for revenues and low interest rate assumptions for investments.

In addition to the published General Fund Fiscal Model, the City utilizes ten-year Enterprise fiscal models to provide detailed analysis of revenues, expenditures and fund balance for the Water, Wastewater and Solid Waste Enterprise Funds. These models also include personnel, pension and OPEB cost increases. In addition, increases in user fees are projected using Proposition 218 approved rates along with increases in population are projected from moderate growth in single family housing development. These models are used to assess the impacts of higher or lower population growth trends, impacts of drought water conservation and other factors which may impact the financial future of the Enterprise operations.

Long-Term Concerns and Issues

The City is continually identifying and assessing long-term challenges, and developing strategies, to ensure a successful and vibrant future. Following are some of the more significant of these challenges.

- **Jobs/Housing Ratio**

Job creation within the City has not kept pace with the rapid growth of the population. The City is currently at 69.8% of its build-out plan for residential population, yet the job population is only at 35.5%, resulting in a current jobs/housing ratio of .66. The City is actively developing strategies and programs designed to generate economic development and achieve the balanced jobs/housing ratio of 1.5 as dictated in the City's General Plan.

- **Ensuring Adequate Fire Protection Services**

As discussed previously, a Fire Task Force, consisting of representatives from Contra Costa County, Oakley and Brentwood, agreed to a two-year funding plan whereby each entity would contribute additional funds to the ECCFPD to ensure adequate fire protection services through FY 2016/17. Long-term funding solution are currently being developed.

- **Securing Alternative Infrastructure Funding**

The dissolution of redevelopment left the City without the estimated \$156 million future redevelopment tax increment and bond issuances which would have provided funding for several capital improvements in the former redevelopment area. Most significant of these is the Brentwood Boulevard project. Although the State appears to be in the process of creating and refining a replacement funding mechanism, based on tax increment financing, at this time a viable alternative for Brentwood has yet to be developed.

- **Securing Reinstatement of General Fund Loans**

In addition to the Successor Agency Payment Plan discussed previously, the City is pursuing the reinstatement of General Fund loans, made to the RDA, as expressly permitted by Senate Bill 107. At the same time, if the loans are not approved for reinstatement, contingency plans for managing the impact are being developed and modeled in the Fiscal Model. This will help ensure sufficient

options are available to the City to continue to remain fiscally strong, while minimizing the impacts of any necessary budgetary adjustments. The operating budget does not assume the reinstatement of these loans.

- **Regional Transportation Improvements**

Regional transportation remains a top priority for the City. Over the past decade the construction of a new segment of State Route 4 (SR 4) has greatly improved traffic circulation in the region. The last major portion of the local SR 4 changes is the Balfour Road Interchange project. It is currently under design and is estimated to begin construction in the summer of 2016. This project will construct a four-lane bridge over Balfour Road, eliminating the at-grade signalized intersection, and provide four-lane widening of SR 4 from Sand Creed Road to Balfour Road.

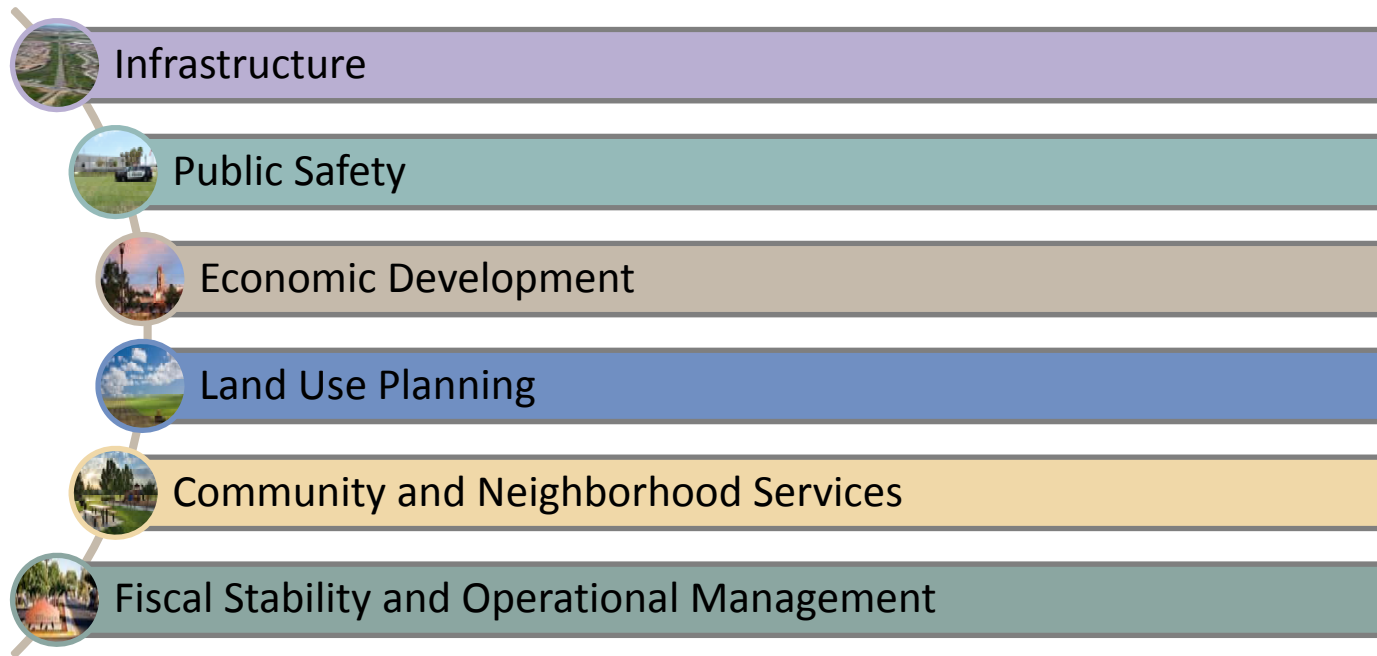
State Route 239 (SR 239) is a legislatively approved, but unconstructed route, in the California state highway system which is a potential multimodal link between SR 4, near Brentwood, and I-205, west of Tracy. The route has not been adopted by the California Transportation Commission; however, Contra Costa County was awarded \$14 million in 2005 for initial study and planning. Administration of the study, now called TriLink, was transferred to the Contra Costa Transit Authority in January 2012. In August of 2015, approval was given for the project to proceed to the Project Approval and Environmental Document Phase.



STRATEGIC PLAN

Overview

Throughout the history of Brentwood, investments in infrastructure and strong fiscal management have helped to establish a quality of life which sets Brentwood apart from other cities in the region. Maintaining this quality of life is a high priority for the City Council and requires significant planning and strategic allocation of resources. In addition to the two-year Operating Budget, five-year Capital Improvement Program (CIP), the Fiscal Model and numerous master plans, the City’s Strategic Plan strengthens both the City’s planning efforts and the identification of high priorities for the City Council. These priorities are reflected in the Strategic Plan’s six focus areas shown below.



Strategic Plan Process

Beginning in the spring of 2015, the City Manager led the development of the draft Strategic Plan, focusing on the elements set by the City’s General Plan, which was adopted by the City Council in July of 2014.

On September 1st and 2nd, 2015, the City Council participated in a public planning workshop to discuss the draft Strategic Plan developed by staff. City Council direction was given on various initiatives and the City’s financial capacity to fund the Strategic Plan was considered. In addition to

the Strategic Plan initiatives, several “transitional” projects were presented to the City Council at the workshop for their consideration. These transitional projects, and the associated direction by City Council, are listed below.

- **Dispatch Center** – City Council directed staff to continue with the implementation of this project; this project was included in the Strategic Plan as an initiative
- **Brentwood Library** – City Council directed staff to return with a staff report identifying the budget (not to exceed \$12.2 million) and a timeline for construction; the project was subsequently approved for construction by City Council on October 27, 2015
- **Municipal Service Center** – City Council directed staff to continue with the construction of this project
- **Sand Creek Park** – City Council directed staff to include consideration of this park with the update of the Parks, Trails and Recreation Master Plan strategic initiative
- **Fire Services** – City Council agreed to a set-aside from CFD funds for implementation of the Fire Task Force recommendations to provide interim funding for fire services through June 2017

From September 2015 to January 2016, departments evaluated the draft Strategic Plan initiatives using a People, Time and Money (PTM) process to ensure the initiatives had the funding, staff and schedule for successful completion in the upcoming two fiscal years. On February 16, 2016, when the entire Strategic Plan was brought to the City Council for adoption, several initiatives were identified as “priority” projects. Priority projects were defined as projects which should begin in the current 2015/16 FY, prior to the start of the two-year Strategic Plan period set to begin on July 1, 2016. These priority projects, approved for action in the current 2015/16 FY, are listed below. Additional information on these initiatives can be found on the City’s website at www.brentwoodca.gov and in the Performance Budgets section, beginning on page 103.

- Social Media Program
- Better in Brentwood Marketing Program
- License Plate Reader System
- Special Events Calendar

The Strategic Plan presentation to the City Council included: 1) the Strategic Plan document, 2) a detailed work plan for each initiative and 3) an updated financial summary from the completion of the PTM process. City Council adopted the Strategic Plan and directed staff to include the costs into the Operating and CIP budgets, as well as the Fiscal Model. In addition, City Council directed staff to present the costs and fiscal impacts to the City Council’s finance related ad-hoc committees for review and recommendation in conjunction with the City’s budget process. For initiatives requiring funding, costs have been included either in the FY 2016/17 – FY 2017/18 departmental budget or in a CIP project budget. Every six months, City staff will prepare a report for the City Council of actual work progress on each initiative, including financial and budget reporting, as part of the City’s performance-based budget implementation process. Please refer to the Performance Budgets section, beginning on page 103, for information on the specific initiatives defined for each goal.

Strategic Plan Focus Areas and Goals

<p>Focus Area 1: Infrastructure <i>Mission Statement: Provide a safe, efficient, sustainable and environmentally sound infrastructure system that delivers economic opportunity and enhances the quality of life in Brentwood.</i></p>	
<p>Goal 1 – Be an engaged partner in regional transportation collaborating with Contra Costa Transportation Authority (CCTA), eBART, Transplan and other stakeholders</p>	<p>The City will investigate the use of all available funding sources, including a potential Measure J sales tax extension, for all projects identified for this goal.</p>
<p>Goal 2 – Provide safe and sustainable Water, Wastewater and Solid Waste services for the build-out of the City per the General Plan</p>	<p>The City has already secured water supplies to meet the needs of the population at build-out. However, work needs to be done, in conjunction with other stakeholders, to protect the water supply and the quality of the water from impacts of projects outside the City’s control. In addition, plans will continue to ensure wastewater and solid waste services will meet the needs of the population at build-out.</p>
<p>Goal 3 – Provide intra-city roadway circulation and bike/trail system that facilitates the efficient movement of people and goods to support build-out of the City per the General Plan</p>	<p>Coordinate the design and construction of roadway improvements, including bike lanes, to encourage the development of Priority Area 1 (PA1). PA1 is located on approximately 365 acres in the far northwest corner of the city, south of Lone Tree Way and west of Shady Willow Lane. It is intended primarily for the development of a mixture of uses which will generate jobs including, but not limited to, regional commercial, general commercial, professional office, business park and light industrial.</p>
<p>Goal 4 – Proactively secure funding and grant opportunities to fund improvement projects in the City to enhance the quality of life for Brentwood residents</p>	<p>The City has always utilized state and federal grants whenever possible. These efforts will continue along with continuing to ensure new development pays its fair share for new infrastructure.</p>

Focus Area 2: Public Safety

Mission Statement: Maintain a safe community through the provision of high quality public safety services and crime prevention measures.

<p>Goal 1 – Enhance Police Dispatch Services</p>	<p>Currently dispatch services are provided through a service contract with the City of Antioch. Establishing a dispatch center in Brentwood, with state of the art software and hardware, will ensure the City’s control over the quality of service provided to its citizens.</p>
<p>Goal 2 – Increase Traffic Safety</p>	<p>Educating citizens of the dangers of poor driving habits will be the prime focus of the public education and communication plan. Additional efforts will include a partnership with area schools to reach younger drivers to ensure the entire community is committed to traffic safety.</p>
<p>Goal 3 – Promote Crime Prevention</p>	<p>Community participation in crime prevention is vital. Brentwood has an active and effective Neighborhood Watch program that currently includes 50 neighborhoods. Police department staff will work to increase the number of active neighborhood programs.</p> <p>License plate reader cameras are an excellent tool to prevent crime and assist in criminal investigations. These systems can identify vehicles associated with criminal activity and immediately alert police personnel. Cameras will be used in intersections, in patrol vehicles and on a mobile trailer for a one-year pilot program after which the effectiveness of the system will be evaluated.</p>
<p>Goal 4 – Enhance Public Relations</p>	<p>Development of a media strategy is one of the key deliverables of the Police department’s plan to increase community awareness and engagement.</p>
<p>Goal 5 – Improve Disaster Preparedness</p>	<p>Brentwood is surrounded by other cities and unincorporated areas. Large parts of the unincorporated areas are devoted to farming. This presents a unique challenge with regards to disaster preparedness. Focus will be on joint training exercises with ECCFPD, and other local agencies, plus developing strategies for better communication of disaster preparedness information to the public, including recruitment for a Community Emergency Response Team.</p>

Focus Area 3: Economic Development

Mission Statement: Maintain and enhance Brentwood’s quality of life by developing an economy that is vibrant and diverse.

Goal 1 – Establish and implement the vision for a vibrant Downtown	Downtown Brentwood is a truly authentic, historic, culturally active neighborhood with over 75,000 sq. ft. of unique fine dining, eclectic boutiques and entertainment. Efforts will focus on developing a sustainable business structure, marketing opportunities with stakeholders and ongoing beautification programs.
Goal 2 – Establish a business development program focused on an economy of diverse businesses including the enhancing of the agriculture industry	The City has an ongoing, innovative partnership with local agricultural businesses to preserve farmland, promote agri-tourism and develop agriculture-related industries. Additional efforts will address economic development needed to achieve the balanced jobs/housing ratio defined in the General Plan.
Goal 3 – Create a business friendly culture through commerce facilitation, incentives and technology	Marketing strategies and incentives will be developed, in conjunction with the Economic Development Strategy, to facilitate commerce. Development of additional regional partnerships, such as the work with i-Gate, a network of organizations which enable increased opportunity through technological innovation, will continue to be a priority.
Goal 4 – Promote tourism in and around Brentwood through special events, outdoor attractions and amenities, and recreational opportunities	The new “Better in Brentwood” logo and merchandise are already available. Promotion of the “Better in Brentwood” program is planned including advertising in tourism-based magazines.

Focus Area 4: Land Use Planning

Mission Statement: Continue developing Brentwood as a high-quality, diverse and balanced community while protecting natural and agricultural resources.

Goal 1 – Establish a diverse and balanced community with safe and attractive neighborhoods and job generating employment centers	To achieve this goal, work will focus on the community build-out plan for future development and plans for larger, undeveloped areas which are intended primarily for a mixture of uses which will generate jobs. This includes, but isn’t limited to regional commercial, general commercial, professional office, business park and light industrial opportunities.
Goal 2 – Preserve and protect Brentwood’s natural and agricultural resources	The City has always embraced its agricultural heritage. Work will continue on past successes related to enhancing farming, land conservation, tourism and business development.

Focus Area 5: Community and Neighborhood Services

Mission Statement: Provide community and neighborhood services to enrich lives and to maintain facilities, infrastructure and resources, to maximize Brentwood’s high quality of life.

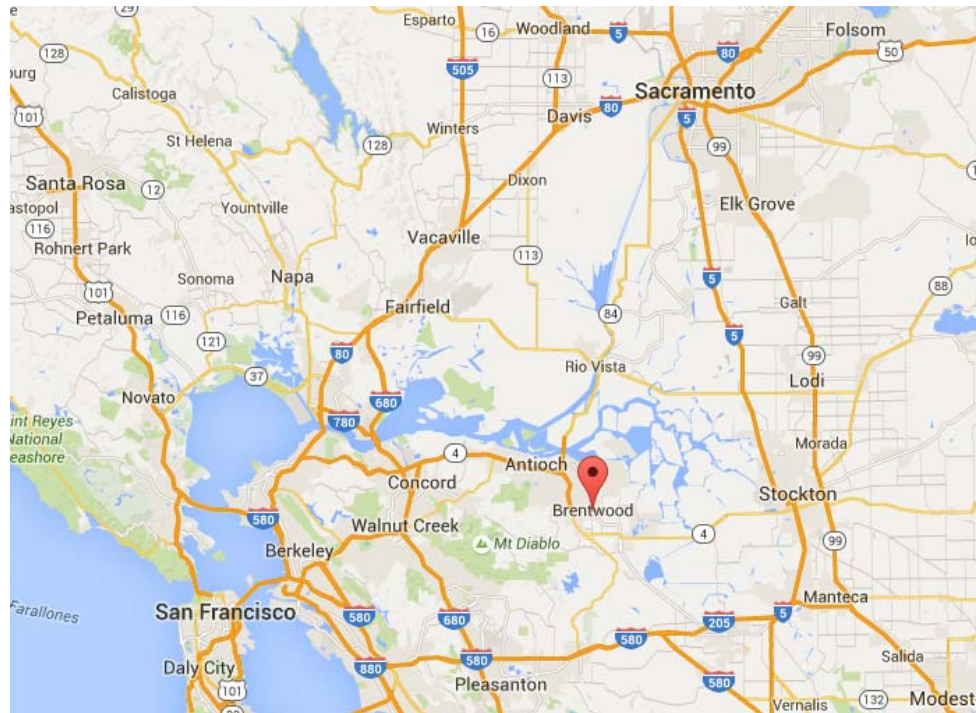
Goal 1 – Maintain and operate a comprehensive system of parks, trails and recreation facilities	Work with strategic partners, to support the development of local and regional recreation amenities including the Vineyards Event Center, the Marsh Creek State Park and the Three Creeks Restoration Project. Complete an update to the Parks, Trails and Recreation Master Plan.
Goal 2 – Enhance the quality of life for all City residents through recreational, cultural and social resources	Key to this goal is developing partnerships with other community service providers to expand opportunities for recreation, community events, education, cultural arts and social resources.

Focus Area 6: Fiscal Stability and Operational Management

Mission Statement: Providing high quality services that are cost efficient in a fiscally responsible and transparent manner.

Goal 1 – Provide exceptional customer service through knowledgeable, responsive and accessible employees	Key deliverables include developing and providing ongoing training to support employees in maintaining high customer service standards and monitoring customer service through annual or biennial surveys to determine Citywide customer service satisfaction.
Goal 2 – Manage financial resources to ensure fiscal stability	This performance-based budget is a key part of this goal along with the continued use of ten-year fiscal models to ensure the City’s long history of fiscal stability.
Goal 3 – Use technology to enhance the delivery of City services	The focus is to improve communication with the community through the use of Facebook, Twitter and other social media options.

BRENTWOOD AT A GLANCE



- Located in eastern Contra Costa County, 55 miles east of San Francisco and 62 miles south of Sacramento
- Total area of 14.83 square miles; Elevation – 79 feet above sea level
- Population of 58,784 (as of January 1, 2016)
- Mediterranean climate
- Founded in 1878; Incorporated in 1948 as a general law City
- Governed by a five member City Council under the Council-Manager form of government
- School Districts: Brentwood Union School District (BUSD) and Liberty Union High School District (LUHSD)
- Credit Rating: AA+

History

Brentwood was originally laid out on land donated from property owned by John Marsh, an East Contra Costa County pioneer. John Marsh acquired Rancho Los Meganos, the land grant that Brentwood is built upon, from Jose Noriega in 1837. Marsh was one of the wealthiest men in California and was instrumental in California becoming part of the United States. His letters extolling the potential for agriculture in California were published in newspapers throughout the East, resulting in the first wagon trains to California. Brentwood was named after Marsh's ancestral home, the town of Brentwood in the County of Essex, England.

Balfour, Guthrie & Co., a British investment company, purchased the John Marsh ranch in 1910. The company invested heavily in other California agricultural properties as well. In 1910, it built the Brentwood Hotel at Oak Street and Brentwood Boulevard, across from the railroad station. This replaced an earlier hotel on the same site that had burned down in 1903. The hotel, which was demolished in 1967, served as the inspiration for the Civic Center buildings built in 2011.



The Brentwood water tower symbolizes the city's transition from a rural farm community to a modern bedroom community. This landmark on Walnut Street is the tallest structure in the city and now serves as a cell phone tower.

Today Brentwood is bordered on three sides by the Contra Costa County Agricultural Core which consists of 11,000 acres of preserved and still actively productive farm land. The landscape on the west is marked by rolling hills, non-native grasses, oak trees, fruit orchards and vineyards.

Brentwood's population more than tripled from the mid 1990's to the mid 2000's, but it is still known throughout the Bay Area for its agricultural products and U-pick farms, primarily cherries, corn and peaches.

Recreation

Brentwood is part of the East Bay Regional Park District, a special San Francisco Bay Area district operating in the East Bay counties of Alameda County and Contra Costa County. Brentwood currently has 190 developed acres of parkland, 65 award winning parks and facilities, 17.5 mile of trails and 13 miles of bike lanes. Over 100 recreational activities and events are offered each year for people of all ages and interests.

- 1867**
The Brentwood Coal Mine was established

- 1874**
First businesses established

- 1878**
The San Pablo and Tulare Railroad comes to town

- The Brentwood Post Office was established

- 1881**
The first map was filed for Brentwood as a township

- 1882**
Brentwood had 100 residents

- 1884**
The Brentwood Hotel was built

- 1888**
The Sanford Family donated land for the Brentwood Grove which, in 1935, became the Brentwood City Park

- 1890**
Brentwood was the largest shipping point for grains between New Orleans and San Francisco

Development

The housing market has been one of the stronger sectors of economic growth over the past few years. After several years of excess supply, demand now outweighs supply, putting upward pressure on housing prices. New construction activity in Brentwood has continued to rebound resulting in several years of increased permit issuances. The City has issued an average of over 400 single family building permits per year over the past three fiscal years, representing the strongest levels of residential permit activity since the mid 2000’s. In addition, the average single family home sales price in Brentwood continues to rebound with the average home sales price as of January 2016 at approximately \$498,000. Below are the two-year building permit projections.

	FY 2016/17	FY 2017/18
Single Family Units Per Year	350	325
Commercial, Office Industrial Sq. Ft. Per Year	170,000	100,000
Citywide Housing Unit Total	19,696	20,021

Downtown Brentwood experienced increased private investment and retail activity in 2015. Downtown is becoming a more stable, economically viable destination thanks to new retail and office tenants. Brentwood is also home to a variety of office, flex-office and light industrial businesses. Most office tenants are either professional or medical offices. It is expected the pace of new permits for office, industrial and retail construction will remain a bit slow during the next several years as market absorption of existing and vacant space will need to take place before new construction is feasible.

Employment

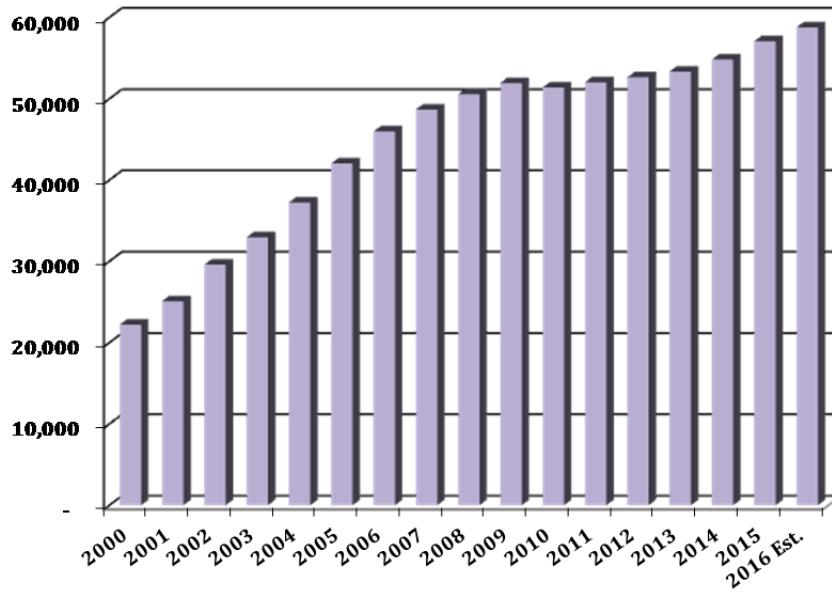
Brentwood is part of Contra Costa County, one of nine counties which comprise the San Francisco Bay area. There were approximately 12,000 jobs reported in Brentwood for 2015. As of January 2016, Brentwood had a labor force of 26,500 and a 3.8% unemployment rate and Contra Costa County had a labor force of 550,900 with an unemployment rate of 4.5%.

Information Sources for Brentwood at a Glance

- History: Footprints in the Sand by Kathy Leighton
- Population Data: U.S. Census Bureau
- Employment: California Employment Development Department
- Sales Tax/Principal Employers: HdL
- All Other Information: City of Brentwood

- 1892**
The Brentwood Courier, Brentwood’s first newspaper, was established
- 1901**
The first Brentwood Library was established as part of Liberty High School
- 1913**
Balfour, Guthrie & Co. maps the town and sub-divides farm land
- 1922**
The first orchards were planted in the Brentwood area
- 1924**
Free rural mail delivery began
- 1926**
Residents of Brentwood established the first Contra Costa Water District
- 1930**
Balfour, Guthrie & Co. had the State’s largest dry-yard and packing shed with more than 600 employees
- 1948**
Brentwood becomes a City

Population Trend Data

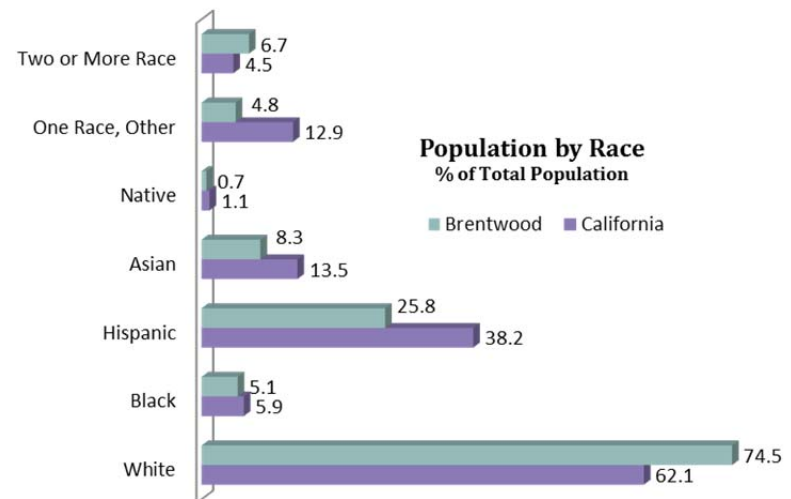
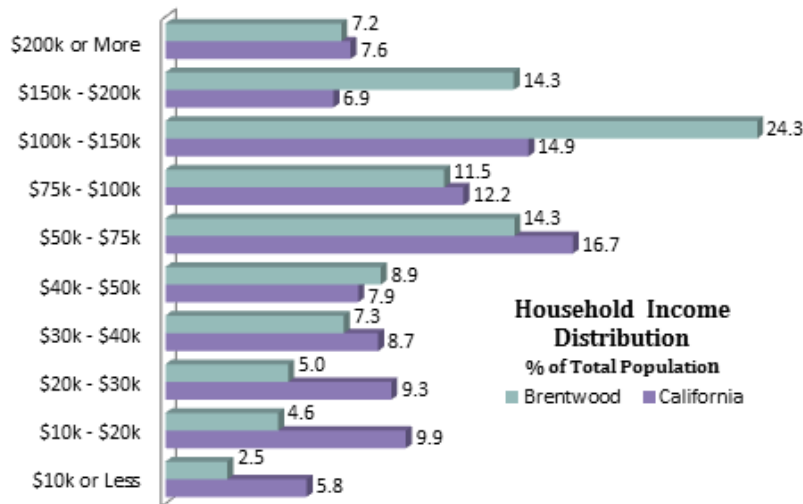


The Bay Area has grown significantly as an employment center over the past 25 years and, as a result of this expansion in the Bay Area, Brentwood also experienced significant growth. From the mid 1990's to the mid 2000's the City's population more than tripled, transforming Brentwood from a historically agricultural community to one of California's fastest growing cities.

During the recession growth slowed considerably, although over the past few years the convergence of low interest rates and affordable housing prices have resulted in increased development activity and associated population growth. In 2016, Brentwood was once again the fastest growing city in Contra Costa County, with a 3% increase in population between January 1, 2015 and January 1, 2016.

Median Age - 36.9 Years Old

Median Household Income - \$88,697

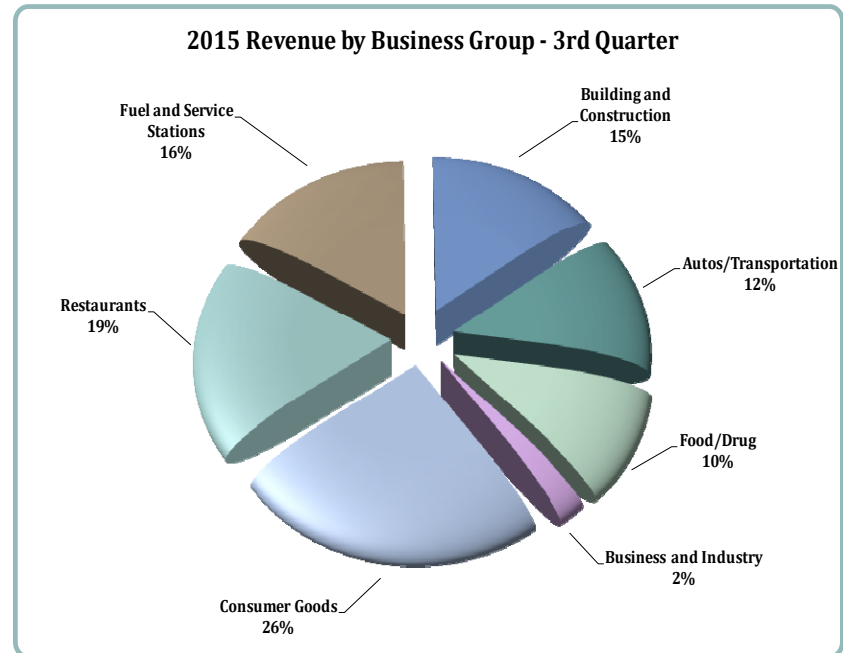


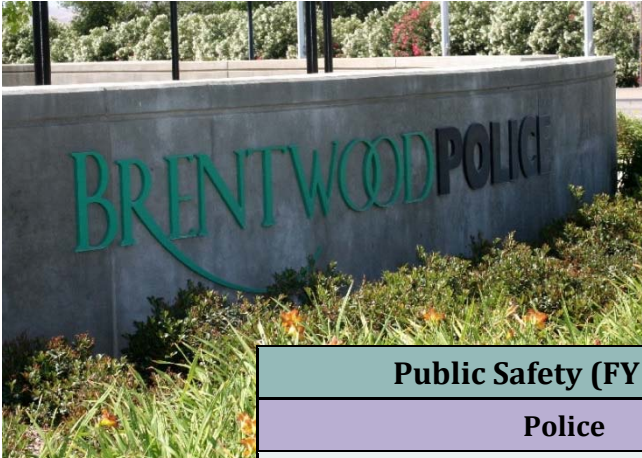
2015 Top 25 Sales/Use Tax Producers – 3rd Quarter
(In Alphabetical Order)

Ace Hardware	Big B Lumber	Chevron (Oak St.)	Los Primos Auto Plaza	TJ Maxx
Arco AM PM (Balfour Rd.)	Bill Brandt Ford	Circle K Gas	Quick Stop	Tower Mart
Arco AM PM (Lone Tree Way)	BJs Restaurant & Brewhouse	Food Maxx	Ross	Verizon
AT&T	Brentwood Ready Mix	Home Depot	Safeway Stores, Inc.	Walgreens Co.
Best Buy	Chevron (Griffith Lane)	Kohl's	Shell	Winco Foods, Inc.

Principal Employers for 2015
(In Alphabetical Order)

BJ's Restaurant & Brewhouse	Liberty Union High School District
Brentwood Union School District	Precision Cabinets
Buffalo Wild Wings	Rodda Electric & Solar
City of Brentwood	Safeway Stores, Inc.
Home Depot	Walgreens Co.
John Muir Medical	Winco Foods, Inc.
Kohl's	





Public Safety (FY 2015)	
Police	
Sworn Officers	62
Overstaffing	4
Reserves	0
Vehicles	52
Motorcycles	4
East Contra Costa Fire Protection District	
Stations Located in Brentwood	1
Firefighters in Brentwood	9



Infrastructure and Utilities (FY 2015)	
Streets	192 miles
Sanitary Sewers	225 miles
Water Mains	284 miles
Street Lights	5,957
Wastewater Lift Stations	2
Wastewater Connections	17,674
Average Daily Wastewater Flow	3.6 MGD
Water Wells	7
Water Reservoirs	6
Water Connections	18,289
Water Storage Capacity	19 MG
Average Daily Water Production	9.8 MGD
Peak Daily Water Production	17.1 MGD
Residential Solid Waste Services	17,368
Commercial Solid Waste Services	483

Schools (FY 2015)	
Elementary Schools	8
Intermediate Schools	3
High Schools	2
Alternative High Schools	2



Mission Statement

Bringing Brentwood's Vision to Reality



Vision and Culture

We are an organization of dedicated professionals working together to make Brentwood the very best, preserving its rich heritage and keeping Brentwood in the hearts of the people.

BUDGET PROCESS



The City of Brentwood has adopted a number of fiscal management policies which help guide it through budget preparation and fiscal decision-making. In addition to these policies, the Administrative Services Department (“Administrative Services”) utilized the Strategic Plan, the Fiscal Model, internal Enterprise and Replacement fiscal models and the CIP during the preparation of the two-year Operating Budget.

This method of budgeting has served the City well by delivering both relatively balanced budgets and capital improvements that have provided well-planned infrastructure throughout the City’s history, particularly during growth years. In addition, it allows for long-term planning, quick analysis of impacts of proposed changes and memorializes year-to-year fiscal decision making of City Council priorities.

In addition to the documents discussed above, Administrative Services also prepares a “snapshot” Budget-in-Brief document which provides a condensed version of key information from both the Operating Budget and the CIP. The Budget-in-Brief offers readers an overview of the City’s fiscal

position for the current year and is an important part of the City's public information and outreach objective. All of these documents are readily available on the City's website at the following location: www.brentwoodca.gov

Budget Guidelines

The Operating Budget is developed and managed per the Budget and Fiscal Policy, beginning on page C – 1, and the budgetary principles defined below. The purpose of the policy is to establish guidelines for budget development, administration and management and to set the City's fiscal policies in regard to user fee cost recovery goals, capital financing and debt management.

The two-year Operating Budget is adopted no later than June 30th for the ensuing fiscal year. Every six months after the adoption of the budget, the City Council formally reviews the City's fiscal condition and amends appropriations as needed. The City Council may, by majority vote, amend or supplement the budget at any time after its adoption.

The City Manager and the Director of Administrative Services both have the authority to make administrative adjustments to appropriations as long as there is no funding source incompatibility and provided those changes do not increase the overall appropriations except as allowed in the Budget and Fiscal Policy. All budget transfers require the approval of the Director of Administrative Services, except those affecting personnel which must be approved by the City Manager.

The following budgetary principles guided the City in preparation of this budget:

- The City will strive to maintain a balanced budget, with revenues (including transfers from the Pension/OPEB Obligation Fund) covering ongoing expenditures, for the duration of the two-year budget
- Revenues are conservatively estimated
- The General Fund maintains a 30% unassigned fund balance
- For capital projects, all associated costs are identified in order to properly consider future financial impacts
- Each Enterprise and Internal Service Fund reflects the true cost of operation, including direct and indirect costs of services provided by the General Fund
- Activities supported by user fees should be fully cost recoverable unless City Council direction calls for less than full recovery (e.g. certain Parks programs)
- The City will incorporate all budgetary decisions into its fiscal models in order to ensure responsible, long-range financial planning

Budget Development

Administrative Services is responsible for both preparing and monitoring the City's Operating Budget. Administrative Services begins the budget process with the development of the Operating Budget project schedule approximately nine months prior to the start of the fiscal year. The project schedule ensures the City meets the mandatory June budget adoption deadline.

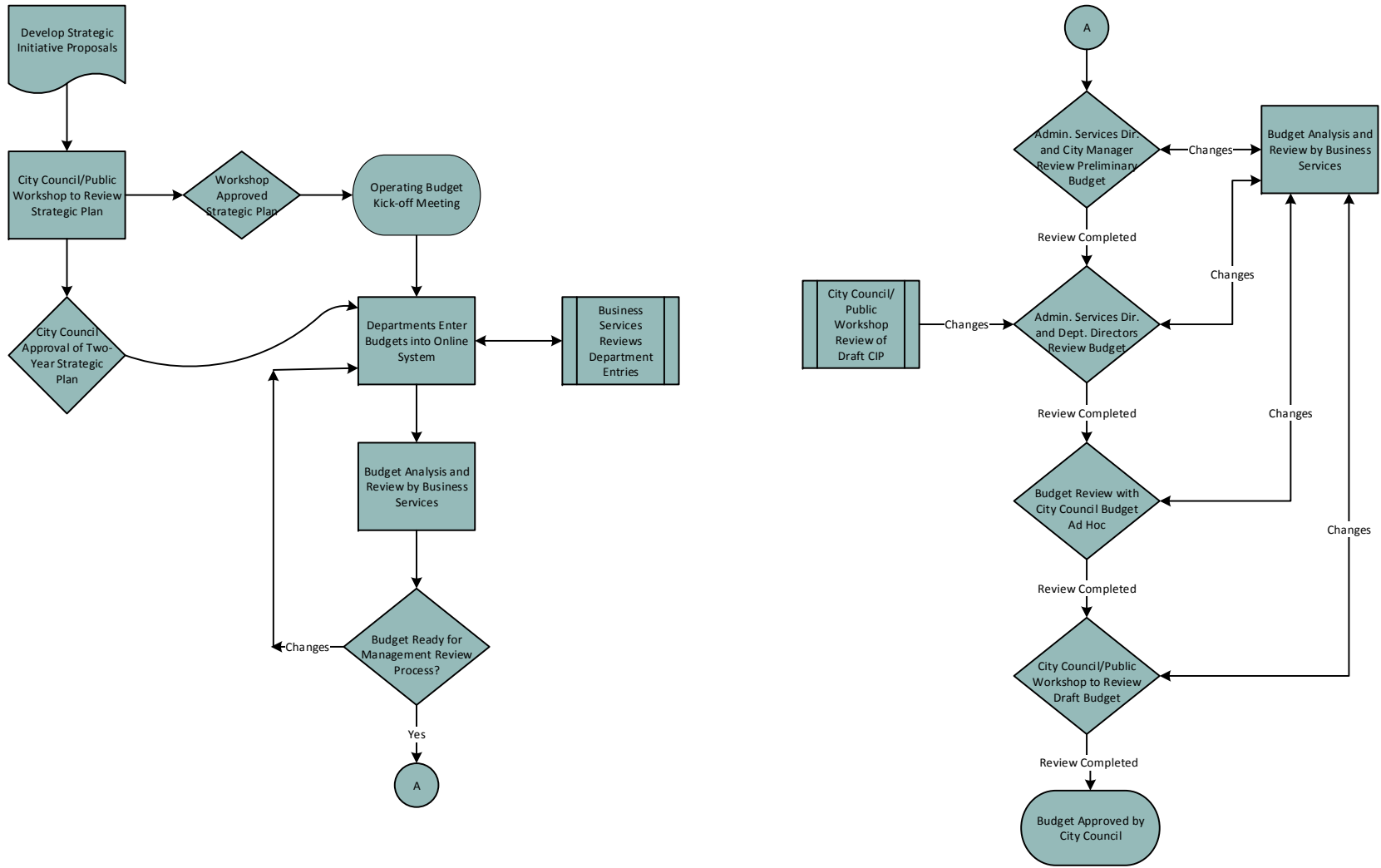
Development of the budget is dependent upon the Strategic Plan. Departments begin the strategic planning process by developing strategic initiatives which support goals consistent with elements in the General Plan. A City Council Strategic Plan Workshop is held in September, every two years, to gather input from both the public and the City Council on the proposed department initiatives. The departments use the results of the workshop to develop the final draft of the Strategic Plan, which includes analysis of PTM to ensure all the initiatives meet funding, staff and schedule requirements for successful completion of the Strategic Plan in two fiscal years. The final draft of the Strategic Plan is presented to the City Council in February for approval and adoption.

Budgeting begins in December when an Operating Budget kick-off meeting is held for the departments. Administrative Services prepares a budget packet with instructions for the current budget process to ensure the operating budget is prepared in a manner consistent with current policies and guidelines. The budget packet includes all instructions, forms and information specific to the current budget cycle.

Between December and March, all departments enter, review and adjust budgets as needed to ensure the proposed two-year budget meets all of the defined guidelines. Departments are responsible for entering budgets for supplies and services and preparing personnel requests and reallocations, required to both achieve the assigned strategic initiatives and maintain quality service levels for the community. Administrative Services is responsible for preparing revenue, internal service, debt service, transfer and personnel related budgets.

Budget reports are prepared for review by the Director of Administrative Services, the City Manager and department directors. After the review process is completed, any revisions are incorporated into a draft budget which is then reviewed by the City Council's 2016/17 – 2017/18 Operating/Capital Improvement Budgets Ad-Hoc Committee ("Budget Ad-Hoc"). Once all of the reviews are completed, and all revisions have been incorporated, Administrative Services prepares the Operating Budget document for presentation and review at an Operating Budget Workshop, held in May, to gather input from the public and the City Council. Administrative Services incorporates changes from the Workshop into the draft budget and the final Operating Budget document is presented to City Council in June for formal adoption.

Budget Development Workflow

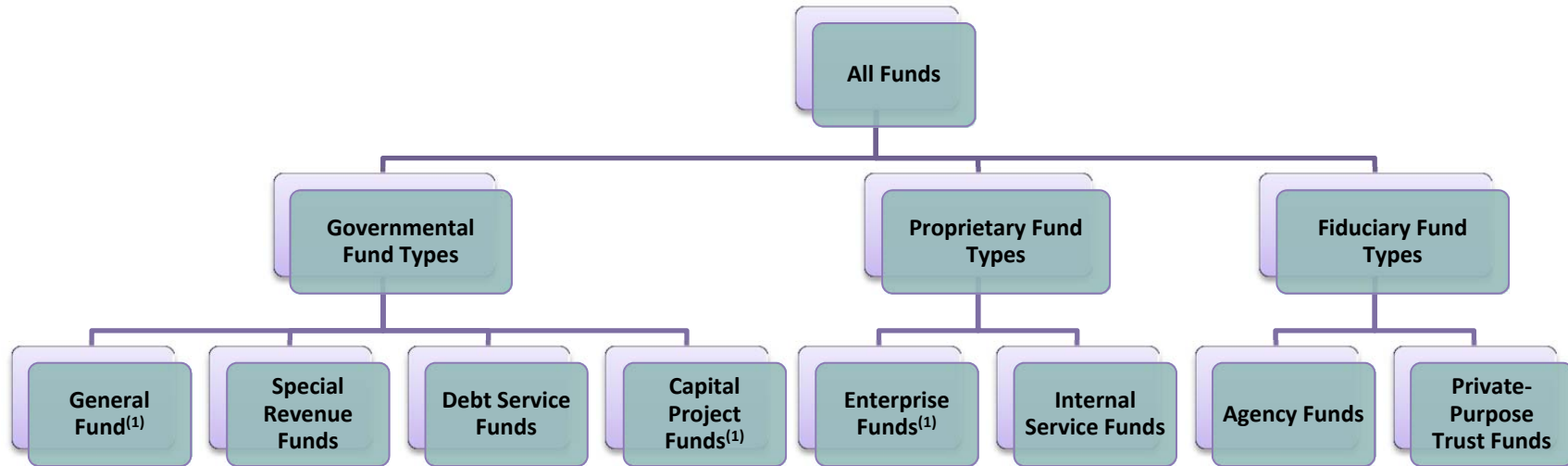


FY 2015/16 BUDGET CALENDAR

September	<ul style="list-style-type: none">•Strategic Plan Workshop for City Council and Public Input
October	<ul style="list-style-type: none">•CIP Kick-off Meeting
November	<ul style="list-style-type: none">•FY 2015/16 Mid-Year Budget Adjustments Due to Administrative Services
December	<ul style="list-style-type: none">•Strategic Plan Updated by Departments•Operating Budget Kick-off Meeting
January	<ul style="list-style-type: none">•FY 2015/16 Mid-Year Budget Report Presented to Council
February	<ul style="list-style-type: none">•Strategic Plan Presented to City Council for Approval•CIP Review by City Council Budget Ad-Hoc Committee•CIP presented to Park and Recreation Commission
March	<ul style="list-style-type: none">•CIP Workshop for City Council and Public Review•CIP Negative Declaration Available for Public Review
April	<ul style="list-style-type: none">•Operating Budget Review by City Council Budget Ad-Hoc Committee
May	<ul style="list-style-type: none">•CIP Presented to Planning Commission for Approval•Operating Budget Workshop for City Council and Public Review•CIP Presented to City Council for Approval•Publish CIP on City Website
June	<ul style="list-style-type: none">•Operating Budget Presented to City Council for Approval•Publish Operating Budget on City Website

FUND STRUCTURE

Below is a graphic illustrating the City’s fund structure. See the Guide to Funds – Description of Funds, beginning on page D – 17, for a complete description of individual funds.



(1) The General Fund, Wastewater Improvements Fund and Water Enterprise Fund are major budgetary funds

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 activity. The City maintains the following fund types which are all subject to appropriation.

Governmental Fund Types

- **General Fund** is the primary operating fund of the City and accounts for all financial resources, except those required to be accounted for in another fund
- **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** account for the accumulation of resources for and payment of, interest and principal on general long-term debt and related costs
- **Capital Funds** account for financial resources segregated for the acquisition of major capital projects or facilities

Proprietary Fund Types

- **Enterprise Funds** account for operations in a manner similar to private business enterprises where the intent is that the costs (expenses, including depreciation) 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** account for the financing of goods or 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

Fiduciary Fund Types

- **Agency Funds** account for assets held by the City as trustee or agent for individuals, private organizations, other governmental units and/or other funds. These funds are custodial in nature (assets correspond with liabilities) and do not involve measurement of results of operations. Two of the City's Agency funds that are used as pass through funds are included in the City's Comprehensive Annual Financial Report (CAFR), but not appropriated in this Operating Budget
- **Private-Purpose Trust Funds** account for the activities and financial position of the Successor Agency to the RDA. These funds are held in a trust arrangement for the benefit of local taxing entities, including the City of Brentwood. These funds are included in the City's CAFR, but not appropriated in this Operating Budget. The budget for the Successor Agency to the RDA is adopted separately by the Successor Agency

Major Budgetary Fund

A fund whose revenues or expenditures, excluding other financing sources and uses, constitute more than 10% of the revenues or expenditures of the appropriated budget are considered major budgetary funds. Currently the City has three funds, the General Fund, the Wastewater Improvement Fund and the Water Enterprise Fund, which meet the criteria for classification as a major budgetary fund.

Basis of Accounting

The financial statements for the City of Brentwood 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 governmental accounting and financial reporting principles.

Governmental fund and fiduciary fund types use the modified accrual basis of accounting which recognizes expenditures when the related fund liability is incurred. Revenues are recognized when they become both measurable and available. “Measurable” means the amount of the transaction can be determined and “Available” means collectible within the current period, or soon enough thereafter, to be used to pay liabilities of the current period. The accrual basis of accounting is utilized by proprietary fund types. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Basis of Budgeting

The budget for governmental and fiduciary fund types has been prepared using a modified accrual basis. The accrual basis of accounting has been used to prepare the budgets for the propriety funds. The budget is prepared on the basis of GAAP and is in conformity with the City’s audited CAFR.

Investments

The investment policies and practices of the City of Brentwood are based on state law and prudent money management. All funds are invested in accordance with the City’s Investment Policy and California Government Code Sections 53601 and 53646. The investment of bond proceeds is further restricted by the provisions of relevant bond documents. The City’s primary objectives for investments, in order, are safety, liquidity and return on investment. The City apportions interest earnings to all funds based on their average quarterly cash balance in accordance with GASB Statement No 31. The full Investment Policy can be found beginning on page C – 31.

LONG-TERM DEBT

Debt Policy and Limits

The City of Brentwood has incorporated debt management policies within the Budget and Fiscal Policy. The debt management policies contain guidelines that outline the restrictions that affect the amount and type of debt issued by the City, the issuance process and debt portfolio management. Debt management policies improve the quality of decisions, provide justification for the structure of debt issuance, identify policy goals and demonstrate a commitment to long-term financial planning, including a multi-year capital plan. Adherence to debt management policies signal to rating agencies, and the capital markets, a government is well managed and should meet its obligations in a timely manner. Policies related to debt can be found beginning on page C – 19.

Pursuant to State of California Government Code Section 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. In accordance with this, only the City’s 2002 General Obligation bonds are subject to the legal limit. The 2002 General Obligation bonds were used to finance a portion of a new police facility and the debt is serviced from tax assessments. As of June 30, 2015, the outstanding indebtedness was \$6,409,559 with a debt limit of \$264,412,922, leaving a legal debt margin of \$258,003,363.

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

City Debt Obligations

- **General Obligation Bonds Series 2002**

On February 28, 2002, the City issued \$5,999,976 in General Obligation Bonds Series 2002 to finance the construction, acquisition and improvement of a new police station. The interest rates on these bonds range from 3.625% to 5.68%. The General Obligation Bonds Series 2002 shall accrete in value by the accumulation of earned interest from its initial denominational (principal) amount with such interest compounded semiannually on January 1 and July 1. The principal balance, including accreted interest, was \$6,409,559 as of June 30, 2015.

- **2009 Civic Center Project Lease Revenue Bonds**

On October 16, 2009, the Authority issued \$48,000,000 in Civic Center Project Lease Revenue Bonds, (Series 2009A, \$4,055,000, and Taxable Series 2009B, \$43,945,000), to finance the construction of a new City Hall, new Community Center and new Senior Center, plus library improvements and other public capital improvements. The interest rates on these bonds range from 3.00% to 7.647%. The principal balance as of June 30, 2015 was \$46,065,000.

The Civic Center Project Lease Revenue Bonds Series 2009A&B are secured by a lien on and pledge of revenues under a Trust Agreement. "Revenues" means all amounts received by the Trustee, U.S. Bank, as payment on principal and interest. The City's revenue sources, as described in the Official Statement, are pledged payments from the RDA (now Successor Agency), pursuant to the reimbursement agreement, pledged payments from the CFD local obligations and pledged payments from the Capital Improvement Financing Program (CIFP) revenues.

The Successor Agency to the RDA has pledged future tax revenues for the repayment of a portion of the bonds; however, should these revenue sources not be sufficient to cover the principal and interest payments due in any year, the City is obligated under the facilities lease, to pay any shortfall from the General Fund.

General Obligation Bonds Series 2002

Year Ending June 30	Principal	Interest	Total
2016	\$ 400,000	\$ 44,363	\$ 444,363
2017	445,000	23,363	468,363
2018	208,907	281,094	490,001
2019	204,893	310,108	515,001
2020	201,884	338,116	540,000
2021-2025	961,214	2,173,786	3,135,000
2026-2030	918,813	3,086,187	4,005,000
2031	179,265	745,735	925,000
Subtotal	3,519,976	\$ 7,002,752	\$ 10,522,728
Accretion to date	2,889,583		
Total	\$ 6,409,559		

2009 Civic Center Project Lease Revenue Bonds

Year Ending June 30	Principal	Interest	Total
2016	\$ 1,040,000	\$ 3,289,205	\$ 4,329,205
2017	1,080,000	3,246,805	4,326,805
2018	1,125,000	3,190,555	4,315,555
2019	1,170,000	3,119,869	4,289,869
2020	1,215,000	3,046,411	4,261,411
2021-2025	6,895,000	13,954,679	20,849,679
2026-2030	8,625,000	11,189,754	19,814,754
2031-2035	10,955,000	7,511,880	18,466,880
2036-2040	13,960,000	2,772,800	16,732,800
Total	\$ 46,065,000	\$ 51,321,958	\$ 97,386,958

The taxable portion of the 2009B bonds were sold as Build America Bonds (BABs) pursuant to the American Recovery and Reinvestment Act of 2009. The interest on BABs is not tax-exempt; therefore, the bonds carry a higher interest rate. However, this higher interest rate will be offset by a subsidy payable by the United States Treasury to the Authority, or its designee, equal to 35% of the interest payable on the bonds, although this amount is subject to reduction due to the Federal budget sequestration. Such subsidy will be payable on or about the date the City makes its debt service payments.

- Capital Improvement Revenue Refunding Bonds Series 2012**

On January 11, 2012, the Brentwood Infrastructure Financing Authority issued \$24,060,000 in Brentwood Capital Improvement Revenue Refunding Bonds, Series 2012 to: 1) finance the refund of the 2001 CIP Bonds under a facilities lease and 2) refund a series of tax allocation bonds issued by the RDA. The interest rates on these bonds range from 2.00% to 5.25%.

The Successor Agency to the RDA has pledged future tax revenues for the repayment of a portion of the bonds. This pledge ends upon repayment of the Successor Agency’s \$23,032,281 remaining share of debt service on the bonds, as of June 30, 2015, which is scheduled to occur in 2032. For fiscal year 2014/15, gross tax revenue available to be distributed to the Successor Agency totaled \$6,088,992, which represented coverage of 4.46 times the Successor Agency’s annual debt service of \$1,365,238. The remaining portion of the bonds is repayable from any source of the City’s available funds and is currently paid from the Roadway Facility Fee Fund and the City Rental Enterprise Fund. The principal balance as of June 30, 2015 was \$21,455,000.

- 2015 Lease Financing**

On December 8, 2015 the City Council authorized financing which generated approximately \$11,300,000 to be used for one or more City projects, including the Library – New Construction and Municipal Service Center projects. Debt service payments will be made over 20 years at an interest rate of 3.25%. Debt service will primarily be funded by utilizing prior bond refinancing savings with the balance funded by various sources, including the Solid Waste, Water and Wastewater Enterprises and Community Facilities Fees.

Capital Improvement Revenue Refunding Bonds Series 2012

Year Ending June 30	Principal	Interest	Total
2016	\$ 920,000	\$ 1,019,388	\$ 1,939,388
2017	925,000	991,688	1,916,688
2018	965,000	949,063	1,914,063
2019	1,020,000	898,163	1,918,163
2020	1,070,000	843,300	1,913,300
2021-2025	6,255,000	3,302,106	9,557,106
2026-2030	7,160,000	1,599,013	8,759,013
2031-2032	3,140,000	150,813	3,290,813
Total	\$ 21,455,000	\$ 9,753,534	\$ 31,208,534

2015 Lease Financing

Year Ending June 30	Principal	Interest	Total
2016	\$ 0	\$ 108,114	\$ 108,114
2017	335,000	368,794	703,794
2018	435,000	356,282	791,282
2019	450,000	341,900	791,900
2020	465,000	327,031	792,031
2021-2025	2,555,000	1,394,982	3,949,982
2026-2030	2,990,000	945,263	3,935,263
2031-2035	3,515,000	418,032	3,933,032
2036	770,000	12,513	782,513
Total	\$ 11,515,000	\$ 4,272,911	\$ 15,787,911

• Successor Agency Payment Plan

As previously discussed in the Executive Summary section, the DOF disallowed transfers made from the former RDA to the City. The City, as Successor Agency to the former RDA, negotiated and entered into an installment payment plan with the DOF to repay the disallowed transfers in the amount of \$15 million over a 10-year period.

The terms of the agreement include the following provisions: 1) the payments are to be made to Contra Costa County; 2) the City will not be charged interest on the obligation and 3) the City, as a taxing entity of the former RDA, will receive an approximate 16.6% share of the redistribution payments by Contra Costa County.

Successor Agency Payment Plan

Year Ending June 30	Principal	Interest	Total
2016	\$ 357,796	\$ 0	\$ 357,796
2017	1,215,818	0	1,215,818
2018	1,294,412	0	1,294,412
2019	1,376,498	0	1,376,498
2020	1,460,783	0	1,460,783
2021-2025	8,426,296	0	8,426,296
2026	824,328	0	824,328
Total	\$ 14,955,931	\$ 0	\$ 14,955,931

Enterprise Debt Obligations

• State Water Resources Loan (Wastewater)

In December 2000, the City entered into a loan contract with the State of California’s State Water Resources Control Board for the purpose of financing the Wastewater Treatment Plant 5 Million Gallons per Day (MGD) Expansion project. Under the terms of the contract, the City has agreed to repay the State \$45,580,886 in exchange for receiving \$37,983,920 in proceeds used to fund the project.

The difference between the repayment obligation and proceeds amounted to \$7,596,966 upon issue and represents in-substance interest on the outstanding balance. This in-substance interest amount has been recorded as a discount on debt at an imputed yield of 1.81% per year and is being amortized over the remaining life of the contract. As of June 30, 2015, the City’s gross repayment obligation totaled \$18,250,360, which is net of the unamortized discount of \$1,397,513.

State Water Resources Loan (Wastewater)

Year Ending June 30	Principal	Interest	Total
2016	\$ 1,977,084	\$ 304,211	\$ 2,281,295
2017	2,012,772	268,523	2,281,295
2018	2,049,105	232,190	2,281,295
2019	2,086,093	195,202	2,281,295
2020	2,123,749	157,546	2,281,295
2021-2023	6,604,044	239,841	6,843,885
Total	\$ 16,852,847	\$ 1,397,513	\$ 18,250,360

• Water Revenue Bonds Series 2008 and Water Revenue Refunding Bonds Series 2014

On November 13, 2008, the Authority issued \$53,200,000 in Water Revenue Bonds, Series 2008 associated with the construction of the Surface Water Treatment Facility Phases I and II project, with interest rates ranging from 4.5% to 5.5%, due July 1, 2038.

Water Revenue Bonds Series 2008

Year Ending June 30	Principal	Interest	Total
2016	\$ 1,320,000	\$ 226,125	\$ 1,546,125
2017	1,385,000	160,125	1,545,125
2018	1,460,000	83,950	1,543,950
Total	\$ 4,165,000	\$ 470,200	\$ 4,635,200

On December 4, 2014, the Authority issued \$42,810,000 in Water Revenue Refunding Bonds Series 2014, with interest rates ranging from 3.0% to 5.0%, to refund a portion, \$43,335,000, of the Water Revenue Bonds, Series 2008.

Payments on the unrefunded portion of the 2008 bonds, in the amount of \$5,420,000, will continue until repaid in full on July 1, 2018. At June 30, 2015 the principal balance of the 2008 Water Bonds was \$4,165,000 and the 2014 Water Bonds was \$42,810,000.

The Authority has pledged future water customer revenues, net of specified operating expenses, through 2038 to repay the Water Revenue Bonds. The bond covenants require the net water revenues to exceed 1.25 times coverage of the annual principal and interest payments on the bonds. The Water Fund’s principal and interest paid during FY 2014/15 was \$2,597,923 with total customer net revenues received of \$4,489,816.

Water Revenue Refunding Bonds Series 2014			
Year Ending	Principal	Interest	Total
June 30			
2016	\$ 0	\$ 1,966,100	\$ 1,966,100
2017	0	1,966,100	1,966,100
2018	1,550,000	1,966,100	3,516,100
2019	1,610,000	1,904,100	3,514,100
2020	1,690,000	1,823,600	3,513,600
2021-2025	9,795,000	7,764,000	17,559,000
2026-2030	9,560,000	5,355,300	14,915,300
2031-2035	10,850,000	3,391,800	14,241,800
2036-2038	7,755,000	788,000	8,543,000
Total	\$ 42,810,000	\$ 26,925,100	\$ 69,735,100

Below is a schedule of payments by fund for the fiscal years 2016/17 and 2017/18 for all long-term debt obligations discussed in this section.

**Long-Term Debt Schedule of Payments by Fund
Fiscal Years 2016/17 and 2017/18**

Description	Fund	FY 2016/17			FY 2017/18		
		Principal	Interest	Total	Principal	Interest	Total
City Debt Obligations							
General Obligation Bonds Series 2002	448	\$ 445,000	\$ 23,363	\$ 468,363	\$ 208,907	\$ 281,094	\$ 490,001
2009 Civic Center Project Lease Revenue Bonds	461	1,080,000	3,246,805	4,326,805	1,125,000	3,190,555	4,315,555
Capital Improvement Revenue Refunding Bonds Series 2012	445	925,000	991,688	1,916,688	965,000	949,063	1,914,063
2015 Lease Financing	466	335,000	368,794	703,794	435,000	356,282	791,282
Successor Agency Payment Plan	100	1,215,818	0	1,215,818	1,294,412	0	1,294,412
Enterprise Debt Obligations							
State Water Resources Loan (Wastewater)	590	879,179	268,523	1,147,702	895,049	232,190	1,127,239
State Water Resources Loan (Wastewater)	255	1,133,593	0	1,133,593	1,154,056	0	1,154,056
Water Revenue Bonds Series 2008	250	350,000	35,000	385,000	369,250	36,925	406,175
Water Revenue Bonds Series 2008	560	1,035,000	125,125	1,160,125	1,090,750	47,025	1,137,775
Water Revenue Refunding Bonds Series 2014	250	0	289,194	289,194	243,654	24,365	268,019
Water Revenue Refunding Bonds Series 2014	560	0	1,676,906	1,676,906	1,306,346	1,941,735	3,248,081
Totals		\$ 7,398,590	\$ 7,025,398	\$14,423,988	\$ 9,087,424	\$ 7,059,234	\$16,146,658

Assessment Districts (No City Liability)

There are various assessment districts in the City that have issued Special Assessment District Bonds, pursuant to the Municipal Improvement Act of 1915, and are not reported in the City’s long-term debt. These are special obligations payable from, and secured by, specific revenue sources described in the bond resolutions and official statements of the respective issues. The City acts merely as the collecting and paying agent for the debt issued by these districts and, as such, these bonds are not considered obligations of the City and are not reflected in the schedules in the previous pages above.

CAPITAL IMPROVEMENT PROGRAM OVERVIEW

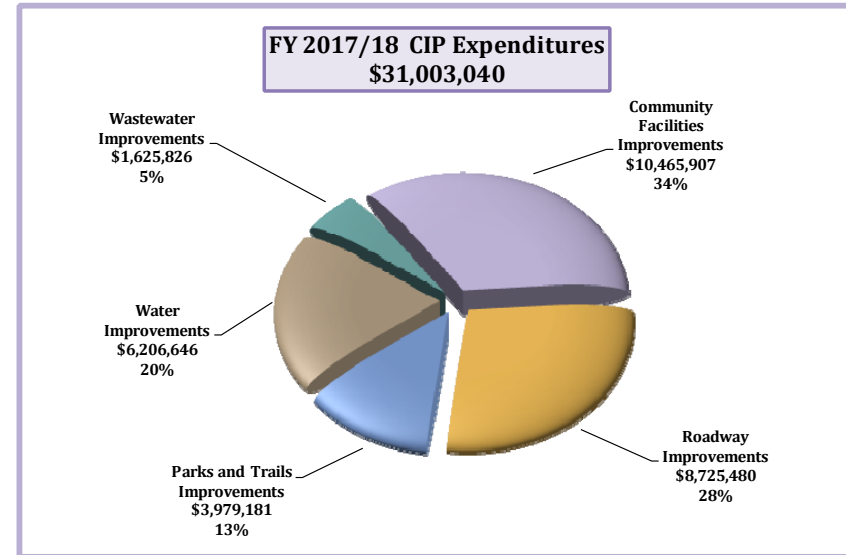
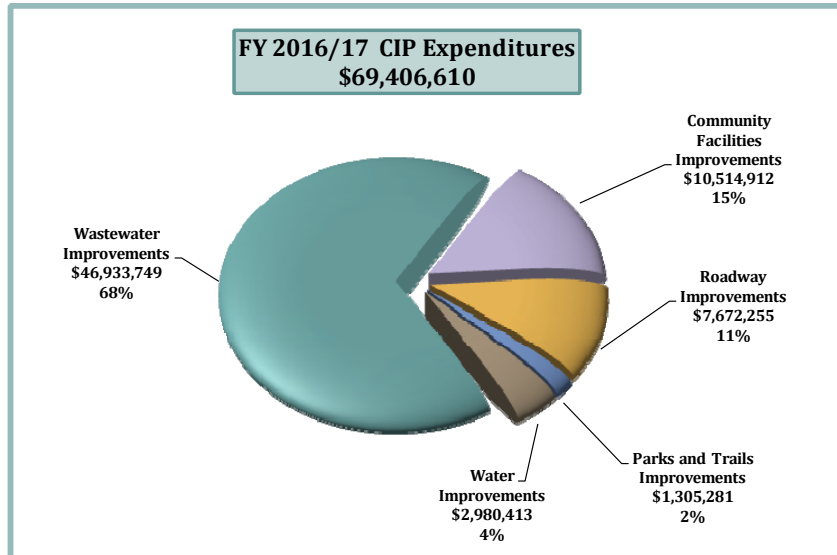
The City of Brentwood prepares a Capital Budget document that is separate from the Operating Budget document, although the two are closely linked. The CIP, as distinguished from the Operating Budget, is used as a planning tool for the City to identify the capital improvement needs consistent with the financing and timing of those needs in a way that assures the most responsible and efficient use of resources. The Capital Budget is part of the Operating Budget, which appropriates funds for specific programs and projects. The five-year CIP is reviewed annually to enable the City Council to reassess projects in the program.

A capital project typically involves the purchase or construction of major fixed assets, such as land or buildings; any permanent improvement including additions or replacements; or major alterations having a long life expectancy. Additionally, capital projects may apply to: 1) expenditures which take place over two or more years and which require continuing appropriations beyond a single fiscal year; 2) systematic acquisitions over an extended period of time; or 3) scheduled replacement or maintenance of specific elements of physical assets. Generally, only those items costing \$10,000 or more are considered capital projects. For informational purposes, capital projects are also referred to as capital facilities, CIP projects and capital improvement projects.

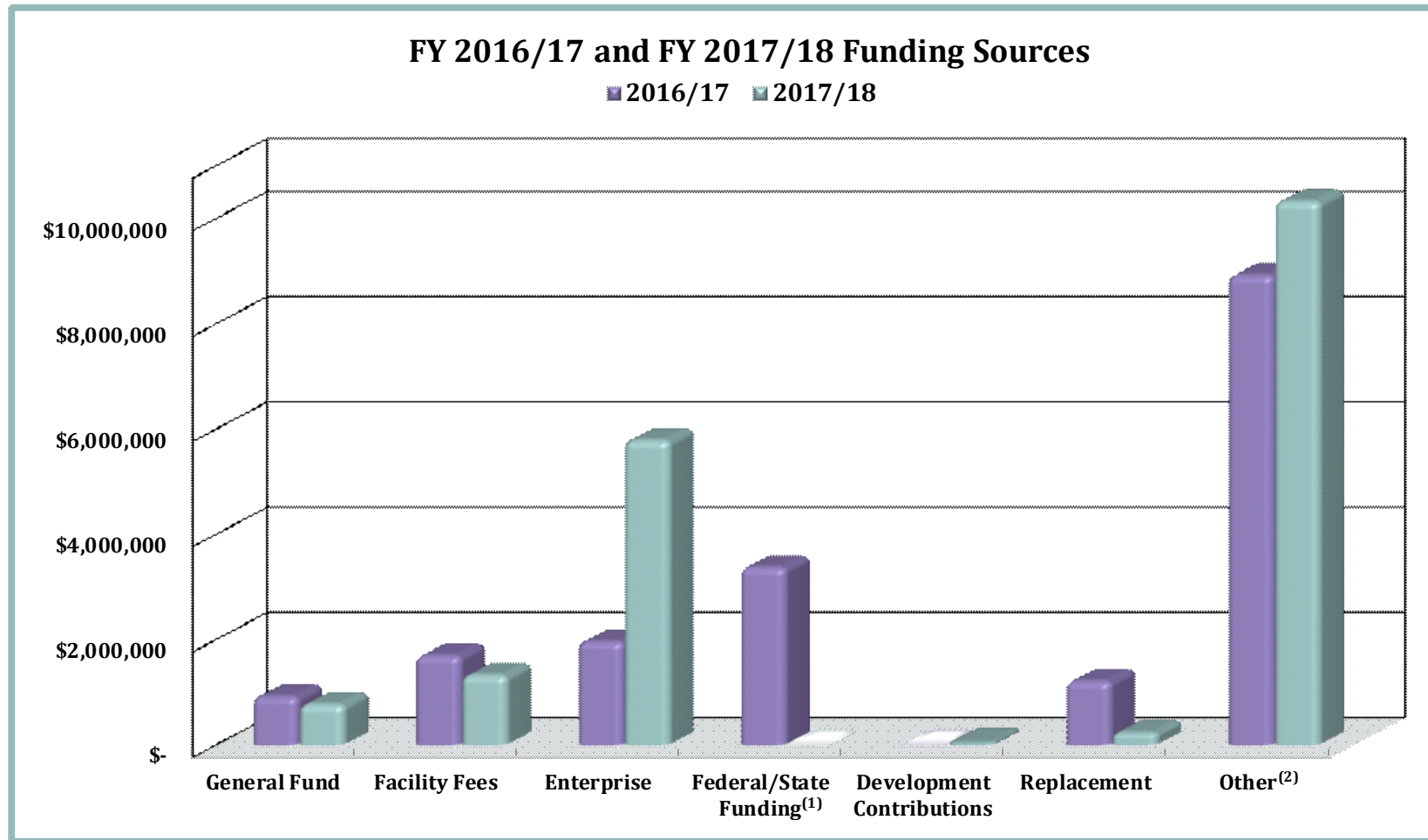
For more information on the City’s CIP, please refer to the 2016/17 – 2020/21 Capital Improvement Program located on the City’s website: www.brentwoodca.gov

Capital Improvement Program Summary

The 2016/17 – 2020/21 CIP includes 87 City projects totaling approximately \$278.9 million. The charts below show the capital expenditures, by category, for FY 2016/17 and FY 2017/18.



The FY 2016/17 and FY 2017/18 CIP funding sources are shown in the chart below.



(1) Federal/State Funding excludes State Revolving Fund loans of \$38,800,813 and \$170,000 for FY 2016/17 and FY 2017/18, respectively.
 (2) Major components of Other funding include 2015 Lease Financing proceeds, CFD Bond proceeds and Measure J Funds.

Strategic Initiative CIP Projects

On June 9, 2015, City Council directed staff to move forward with the framework for a Strategic Plan. The plan incorporates six focus areas – 1) Infrastructure; 2) Public Safety; 3) Economic Development; 4) Land Use Planning; 5) Community and Neighborhood Services and 6) Fiscal Stability and Operational Management. On February 16, 2016, City Council adopted the Strategic Plan for FY 2016/17 and FY 2017/18 to align with the City’s two-year Operating Budget.

The Strategic Plan contains City Council’s goals, and specific initiatives to achieve those goals. Following is a list of CIP projects which are part of the Strategic Plan. The CIP projects are listed, in order, by Strategic Initiative (SI) number which corresponds to one of the six focus areas. Please refer to the Strategic Plan section, beginning on page 18, for information on the focus area Goals and to the Performance Budgets section, beginning on page 103, for more information on the initiatives.

Summary of Proposed CIP Improvements by Strategic Initiative									
Fiscal Years 2016/17 - 2020/21									
SI #	Project #	Project Title	Prior	2016/17	2017/18	2018/19	2019/20	2020/21	Total Cost
1.2.e		Citywide Non-Potable Water Distribution System	\$ 0	\$ 1,515,000	\$ 1,021,000	\$ 1,853,000	\$ 2,990,000	\$ 865,000	\$ 8,244,000
1.2.e	59198	Non-Potable Storage Facility	1,168,000	6,930,000	0	0	0	0	8,098,000
1.2.e	59170	Non-Potable Water Distribution System - Phase III	290,000	1,600,000	0	0	0	0	1,890,000
1.2.f	59140	Wastewater Treatment Plant Expansion - Phase II	5,020,187	34,789,813	170,000	20,000	0	0	40,000,000
2.1.a	37232	Police Dispatch Center	2,319,057	279,300	0	0	0	0	2,598,357
2.1.b	37233	Police CAD/RMS System	734,000	282,000	0	0	0	0	1,016,000
3.3.b		Citywide Gateway Monuments "4-Corners"	0	290,000	496,383	0	0	0	786,383
4.1.a		Community Build-Out Plan	0	150,000	150,000	0	0	0	300,000
4.1.b		Specific Plan for Priority Area 1	0	275,000	275,000	0	0	0	550,000
5.1.a		Parks, Trails and Recreation Master Plan Update	0	150,000	0	0	0	0	150,000
5.1.c	37231	Vineyards at Marsh Creek - Event Center/Amphitheater	30,000	1,862,044	1,801,018	0	0	0	3,693,062
6.3.a	37235	WiFi Program - Phase II	99,000	36,000	0	0	0	0	135,000
6.3.c	37226	City Phone System Upgrade	395,000	5,000	0	0	0	0	400,000
TOTAL			\$ 10,055,244	\$ 48,164,157	\$ 3,913,401	\$ 1,873,000	\$ 2,990,000	\$ 865,000	\$ 67,860,802

NOTE: Portions of the listed projects may be unfunded. Please refer to the City’s 2016/17 - 2020/21 CIP for funding information.

Non-Recurring Capital Expenditures

There are several significant, non-recurring capital expenditures included in the 2016/17 – 2020/21 CIP. On the following page, is a list of these projects including: 1) budgeted expenditures for FY 2016/17 and FY 2017/18; 2) total project budget; and 3) future annual operating and maintenance (O&M) costs, in current dollars. The O&M costs include additional personnel, janitorial, maintenance or utility costs, which are budgeted for in the Operating Budget when a project is completed. Project descriptions are listed after the chart and include any anticipated current or future impacts on the Operating Budget, as well as any non-financial impacts, if applicable.

Project #	Project Title	Improvement Category	FY 2016/17 Budget	FY 2017/18 Budget	Total Project Budget	Future Annual O&M Cost
31683	John Muir Parkway Extension - Phase II	Roadway	\$ 4,110,000	\$ 0	\$ 5,035,000	\$ 59,500
56396	Permanent Long-Term Water Conveyance	Water	1,802,570	2,068,646	11,461,902	0 ⁽¹⁾
	Water Storage Capacity at Los Vaqueros Reservoir	Water	0	2,000,000	8,000,000	0
59198	Non-Potable Storage Facility	Wastewater	6,930,000	0	8,098,000	72,000
59140	Wastewater Treatment Plant Expansion - Phase II	Wastewater	34,789,813	170,000	40,000,000	230,000
37241	Library - New Construction	Community Facilities	1,659,926	6,755,115	12,200,000	495,000
37206	Municipal Service Center	Community Facilities	4,761,900	473,391	5,404,480	25,000
37233	Police CAD/RMS System	Community Facilities	282,000	0	1,016,000	0 ⁽²⁾
37232	Police Dispatch Center	Community Facilities	279,300	0	2,598,357	2,700,000
37231	Vineyards at Marsh Creek - Event Center/Amphitheater	Community Facilities	1,862,044	1,801,018	3,693,062	140,000
TOTALS			\$ 56,477,553	\$ 13,268,170	\$ 97,506,801	\$ 3,721,500

(1) Included in Water Enterprise Purchased Water budget

(2) Included in Police Dispatch Center CIP Future Annual O&M Cost

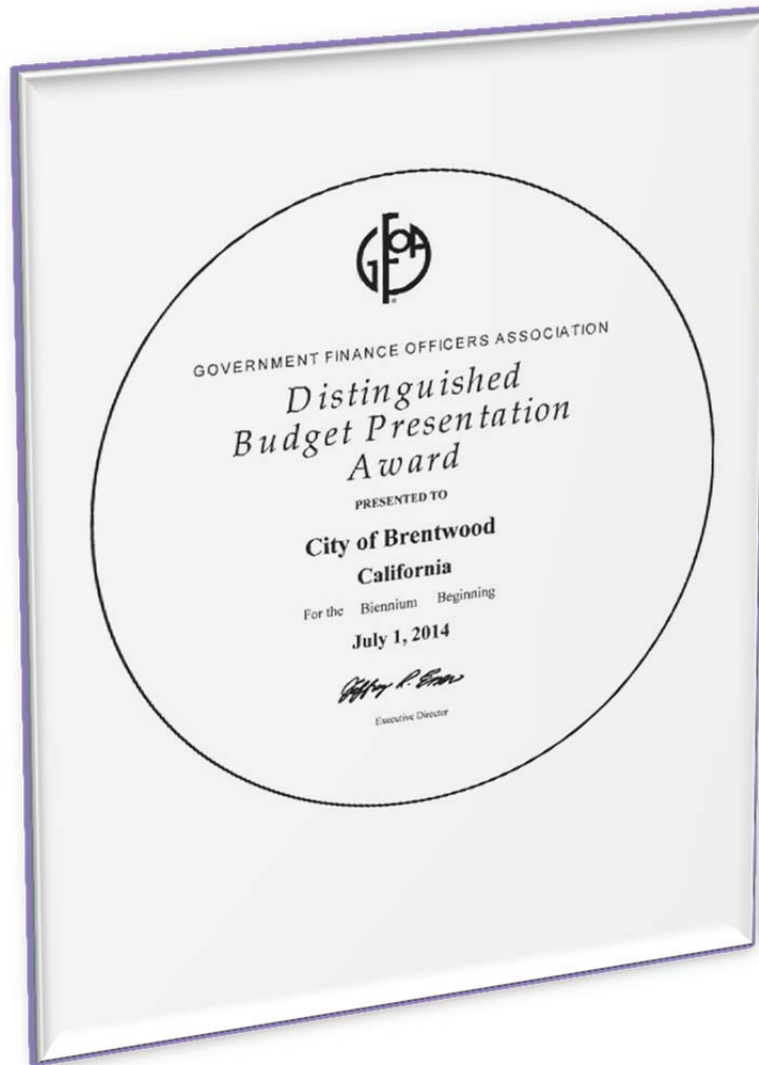
Project Descriptions

- John Muir Parkway Extension – Phase II** (Project #336-31683) – This project will construct approximately 1,600' of road including a 16' median; two 12' lanes; 12" water main; median landscaping; street lights; 24" storm drain and 8" non-potable water main. *Funding Sources: General Fund; Facility Fees; Federal/State Funding; East Contra Costa Regional Fee and Financing Authority (ECCRFFA). Operating Budget Impacts: Ongoing maintenance*
- Permanent Long-Term Water Conveyance** (Project #562-56396) – This project involves a partnership with Contra Costa Water District (CCWD) to purchase a permanent share of water conveyance capacity and includes the initial buy-in to existing infrastructure and the City's proportional share of the local costs for future phases of the Canal Replacement Project. *Funding Sources: Facility Fees; Enterprise. Operating Budget Impacts: Ongoing maintenance, included in Water Enterprise Purchased Water budget*
- Water Storage Capacity at Los Vaqueros Reservoir** (New Project) – This project involves a partnership with CCWD to purchase water storage capacity at the Los Vaqueros Reservoir. *Funding Source: Enterprise. Operating Budget Impacts: None*
- Non-Potable Storage Facility** (Project #592-59198) – This project will install a 3.0 million gallon per day non-potable storage facility for recycled water, including appurtenances such as pumps, valves, pipes and associated improvements. *Funding Sources: Facility Fees; Enterprise; Federal/State Funding. Operating Budget Impacts: Ongoing maintenance*
- Wastewater Treatment Plant Expansion – Phase II** (Project #592-59140) – This project expands the existing 5MGD tertiary treatment facility by an additional 2.5MGD by adding oxidation ditches, secondary clarifiers, converting chlorine contact facilities to ultra

violet/free chlorine disinfection, bar screens, rehabilitation of belt filter presses and one new belt filter press, utility pumps, sand filters, new solids mechanical dryer and all related appurtenances. *Funding Sources: Facility Fees; Enterprise; Federal/State Funding. Operating Budget Impacts: Ongoing maintenance and utilities*

- **Library – New Construction** (Project #337-37241) – This project consists of tearing down 104, 118 and 120 Oak Street, including the annex, and building a new library that is two stories tall but with only a partial upper story (mezzanine). The project will include an outdoor space for library patrons and an entrance courtyard. The total approximate square footage is 20,275. These costs include the temporary relocation of the library during construction. *Funding Source: Bond Proceeds. Operating Budget Impacts: Ongoing maintenance, utilities, insurance and building replacement*
- **Municipal Service Center** (Project #337-37206) – This project will provide an approximately 14,000 square foot operations staff building for crew members and operations administrative employees currently housed in trailers. The building will include work areas, a locker room for crews, kitchen, break/conference room, storage areas and a Department Operations Center, which may supplement the needs of the existing Emergency Operations Center at the Police Station, if necessary. *Funding Sources: Facility Fees; Enterprise; Bond Proceeds. Operating Budget Impacts: Ongoing maintenance*
- **Police CAD/RMS System** (Project #337-37233) – This project consists of the start-up software and equipment costs for a new Police Department Computer Aided Dispatch (CAD) and Record Management System (RMS). *Funding Source: Replacement – Equipment. Operating Budget Impacts: Ongoing maintenance (included in Police Dispatch Center O&M)*
- **Police Dispatch Center** (Project #337-37232) – This project provides for the start-up and equipment costs for a new dispatch services facility. The 1,200 square foot facility will be located within the Police Department building and will receive and dispatch emergency calls for police. *Non-Financial Impacts: Improved emergency dispatch service levels for the City’s residents and direct control over dispatch operations since the City will no longer be contracting with an outside service provider. Funding Source: Facility Fees. Operating Budget Impacts: Ongoing maintenance, utilities, and additional personnel costs*
- **Vineyards at Marsh Creek – Event Center/Amphitheater** (Project #337-37231) – The Vineyards at Marsh Creek development will include construction of an outdoor amphitheater and event center. The City is working with the developer to develop a comprehensive plan for this project site. Construction of the first phase is anticipated in FY 2016/17. *Funding Source: Vineyards Event Center Fund. Operating Budget Impacts: Landscape and Lighting Assessment District (LLAD) ongoing maintenance and utilities*

BUDGET AWARDS



The Government Finance Officers Association (GFOA) and the California Society of Municipal Finance Officers (CSMFO) offer a recognition program for public entities to determine whether the City conforms to the highest level of governmental accounting and financial reporting standards.

Both GFOA and CSMFO awarded a Distinguished Budget Presentation Award to the City of Brentwood for its Fiscal Year 2014/15 budget. Its attainment represents a significant accomplishment by a government and its management.

*California Society of
Municipal Finance Officers*

Certificate of Award

***Excellence
Fiscal Year 2014-2015***

Presented to the

City of Brentwood

For meeting the criteria established to achieve the Operating Budgeting Excellence Award.

February 8, 2015



Pamela Arends-King

***Pamela Arends-King
CSMFO President***

Michael Gomez

***Michael Gomez, Chair
Professional Standards and
Recognition Committee***

Dedicated Excellence in Municipal Financial Reporting

FUND BALANCE SUMMARY

	Fund Balance & Reserves at 6/30/2015	2015/16 Projected		Fund Balance & Reserves at 6/30/2016	2016/17 Budget		Fund Balance & Reserves at 6/30/2017	2017/18 Budget		Fund Balance & Reserves at 6/30/2018
		Revenues	Expenditures		Revenues	Expenditures		Revenues	Expenditures	
General Fund	\$ 18,907,466	\$ 49,199,200	\$ 45,559,078	\$ 22,547,588	\$ 53,326,876	\$ 53,621,752	\$ 22,252,712	\$ 52,367,869	\$ 53,468,686	\$ 21,151,895
Solid Waste Enterprise ⁽¹⁾	15,120,635	10,410,969	11,679,341	13,852,263	11,063,782	12,089,007	12,827,038	11,549,251	12,428,004	11,948,285
Water Enterprise ⁽¹⁾	126,457,510	16,447,871	23,752,412	119,152,969	21,718,849	22,174,092	118,697,726	23,960,926	24,002,703	118,655,949
Wastewater Enterprise ⁽¹⁾	93,372,198	11,849,515	10,123,759	95,097,954	12,469,180	10,779,152	96,787,982	12,997,885	11,344,210	98,441,657
City Rentals Enterprise ⁽¹⁾	179,693	474,893	490,128	164,458	478,245	497,929	144,774	481,917	496,812	129,879
Housing Enterprise ⁽¹⁾	3,733,669	862,588	766,198	3,830,059	1,290,463	1,261,559	3,858,963	938,524	904,549	3,892,938
Internal Service Funds	50,527,576	15,362,880	18,165,890	47,724,566	17,067,915	24,183,311	40,609,170	18,263,148	21,053,371	37,818,947
Special Revenue Funds ⁽²⁾	39,195,710	31,807,316	38,134,571	32,868,455	34,066,495	32,428,576	34,506,374	27,387,546	28,594,866	33,299,054
Debt Service Funds	48,342,059	34,537,383	35,323,246	47,556,196	35,669,317	35,640,761	47,584,752	34,474,761	35,855,157	46,204,356
Capital Funds	32,844,336	39,671,250	14,677,903	57,837,683	60,968,908	78,819,991	39,986,600	21,654,952	29,805,723	31,835,829
	<u>\$ 428,680,852</u>	<u>\$ 210,623,865</u>	<u>\$ 198,672,526</u>	<u>\$ 440,632,191</u>	<u>\$ 248,120,030</u>	<u>\$ 271,496,130</u>	<u>\$ 417,256,091</u>	<u>\$ 204,076,779</u>	<u>\$ 217,954,081</u>	<u>\$ 403,378,789</u>

(1) In order to reflect accurate ending Net Assets in the Enterprise Funds, some capital expenditures are not included in this schedule.

(2) Certain special revenue funds are presented utilizing cash balance.

OPERATING BUDGET SUMMARY

	2014/15 Actual	2015/16 Budget	2015/16 Projected	2016/17 Budget	2017/18 Budget
Beginning Fund Balances	\$ 417,013,236	\$ 428,680,852	\$ 428,680,852	\$ 440,632,191	\$ 417,256,091
Revenues and Other Financing Sources					
Taxes	\$ 17,938,031	\$ 18,651,745	\$ 19,547,332	\$ 20,026,278	\$ 20,938,211
Licenses	792,153	860,504	818,797	851,192	874,841
Charges for Other Services	53,077,968	55,018,054	51,852,442	61,030,785	65,327,142
Use of Money and Property	2,117,707	1,692,196	2,060,045	2,077,592	2,266,729
Assessment Districts	27,468,761	27,697,459	27,263,691	27,587,915	26,882,381
Intergovernmental	6,377,071	8,602,752	6,304,456	50,503,838	6,461,826
Charges to Other Funds	6,949,752	7,108,339	7,053,524	7,569,272	7,719,556
Permits and Fines	6,121,316	4,418,743	5,201,677	5,132,125	5,095,458
Development Impact Fees	11,898,503	8,806,072	13,037,853	9,010,338	8,851,646
Franchise Fees	1,400,350	1,422,975	1,470,368	1,529,182	1,590,349
Fees and Other Revenues	9,413,482	6,501,879	8,568,021	5,989,569	6,024,635
Other Financing Sources	81,132,157	11,515,000	11,515,000	0	0
Transfers In	47,687,898	65,498,988	55,930,659	56,811,944	52,044,005
Total Revenues and Other Financing Sources	272,375,149	217,794,706	210,623,865	248,120,030	204,076,779
Expenditures and Other Financing Uses					
General Government	12,034,142	12,401,903	11,171,196	12,860,623	12,496,343
Public Safety	18,226,275	20,786,046	20,135,569	23,462,698	24,283,960
Community Development	4,373,018	4,906,601	4,629,988	5,290,137	5,403,210
Engineering	2,741,148	3,299,625	3,019,804	3,502,392	3,628,957
Public Works	2,814,945	3,089,622	3,026,734	3,319,904	3,455,419
Parks and Recreation	9,858,227	10,074,037	9,221,123	9,804,287	9,891,998
Enterprise Funds ⁽¹⁾	37,775,000	44,688,759	43,168,899	42,646,381	43,575,797
Community Services	6,192,471	8,434,068	7,469,923	8,509,347	8,789,143
Internal Service	10,392,263	14,976,430	12,844,045	15,976,372	15,959,698
Debt Service - Principal	11,960,074	12,837,489	12,553,173	12,892,773	14,703,013
Debt Service - Interest	12,007,704	13,512,279	12,758,610	12,606,913	12,430,367
Capital Outlay	7,734,986	44,318,751	7,996,485	69,426,260	18,686,176
Other Financing Uses	81,043,977	0	0	0	0
Transfers Out	43,553,303	58,567,456	50,676,977	51,198,043	44,650,000
Total Expenditures and Other Financing Uses	260,707,533	251,893,066	198,672,526	271,496,130	217,954,081
Ending Fund Balances	\$ 428,680,852	\$ 394,582,492	\$ 440,632,191	\$ 417,256,091	\$ 403,378,789

(1) In order to reflect accurate ending Net Assets in the Enterprise Funds, some capital expenditures are not included in this schedule.

FY 2016/17 SUMMARY OF ACTIVITIES BY FUND TYPE

	General Fund	Enterprise Funds	Internal Service Funds	Special Revenue Funds	Debt Service Funds	Capital Funds	Total All Funds
Revenues							
Taxes	\$ 19,787,167	\$ 239,111	\$ 0	\$ 0	\$ 0	\$ 0	\$ 20,026,278
Licenses	661,642	0	0	189,550	0	0	851,192
Charges for Other Services	499,909	44,481,893	16,048,983	0	0	0	61,030,785
Use of Money and Property	416,789	486,649	414,827	339,179	145,171	274,977	2,077,592
Assessment Districts	0	0	0	12,820,286	14,767,629	0	27,587,915
Intergovernmental	3,829,552	0	0	5,236,042	0	41,438,244	50,503,838
Charges to Other Funds	7,512,053	57,219	0	0	0	0	7,569,272
Permits and Fines	5,132,125	0	0	0	0	0	5,132,125
Development Impact Fees	0	0	0	8,913,646	0	96,692	9,010,338
Franchise Fees	1,529,182	0	0	0	0	0	1,529,182
Fees and Other Revenues	1,767,315	435,017	0	227,307	3,559,930	0	5,989,569
Total Revenues	41,135,734	45,699,889	16,463,810	27,726,010	18,472,730	41,809,913	191,308,086
Transfers In	12,191,142	1,320,630	604,105	6,340,485	17,196,587	19,158,995	56,811,944
Total Revenues and Transfers In	53,326,876	47,020,519	17,067,915	34,066,495	35,669,317	60,968,908	248,120,030
Expenditures							
General Government	8,587,135	0	0	2,238,950	2,034,538	0	12,860,623
Public Safety	23,200,961	0	0	261,737	0	0	23,462,698
Community Development	4,967,549	0	0	205,500	117,088	0	5,290,137
Engineering	3,502,392	0	0	0	0	0	3,502,392
Public Works	3,319,904	0	0	0	0	0	3,319,904
Parks and Recreation	5,758,391	0	0	4,045,896	0	0	9,804,287
Enterprise Funds ⁽¹⁾							
Solid Waste	0	12,026,780	0	0	0	0	12,026,780
Water	0	19,171,123	0	485,076	0	0	19,656,199
Wastewater	0	9,564,224	0	317,091	0	0	9,881,315
City Rentals	0	190,528	0	0	0	0	190,528
Housing	0	891,559	0	0	0	0	891,559
Community Services	645,917	0	0	7,863,430	0	0	8,509,347
Internal Service	0	0	15,976,372	0	0	0	15,976,372
Debt Service	0	3,984,733	0	1,807,788	19,707,165	0	25,499,686
Capital Outlay	0	0	0	0	0	69,426,260	69,426,260
Total Expenditures	49,982,249	45,828,947	15,976,372	17,225,468	21,858,791	69,426,260	220,298,087
Transfers Out	3,639,503	972,792	8,206,939	15,203,108	13,781,970	9,393,731	51,198,043
Total Expenditures and Transfers Out	53,621,752	46,801,739	24,183,311	32,428,576	35,640,761	78,819,991	271,496,130
Net Result of Operations	(294,876)	218,780	(7,115,396)	1,637,919	28,556	(17,851,083)	(23,376,100)
Beginning Balance - 7/01/16	22,547,588	232,097,703	47,724,566	32,868,455	47,556,196	57,837,683	440,632,191
Fund Balance - 6/30/17	\$ 22,252,712	\$ 232,316,483	\$ 40,609,170	\$ 34,506,374	\$ 47,584,752	\$ 39,986,600	\$ 417,256,091

(1) In order to reflect accurate ending Net Assets in the Enterprise Funds, some capital expenditures are not included in this schedule.

FY 2016/17 FUND BALANCE BY FUND

Fund #	Fund Name	Estimated 7/1/2016 Fund Balance	Budget		Budget		Estimated 6/30/2017 Fund Balance
			Revenues	Transfers In	Expenditures	Transfer Out	
100	General Fund	\$ 22,547,588	\$ 41,135,734	\$ 12,191,142	\$ 49,982,249	3,639,503	\$ 22,252,712
	Enterprise Funds ⁽¹⁾						
540,543	Solid Waste Enterprise	13,852,263	10,880,118	183,664	12,026,780	62,227	12,827,038
560,563	Water Enterprise	119,152,969	21,665,694	53,155	22,008,154	165,938	118,697,726
590,593	Wastewater Enterprise	95,097,954	12,408,373	60,807	10,711,926	67,226	96,787,982
501	City Rentals Enterprise	164,458	478,245	0	190,528	307,401	144,774
510,511,513	Housing Enterprise	3,830,059	267,459	1,023,004	891,559	370,000	3,858,963
	Total Enterprise Funds	232,097,703	45,699,889	1,320,630	45,828,947	972,792	232,316,483
	Internal Service Funds						
700	Emergency Preparedness	2,853,534	9,378	0	0	2,593,000	269,912
701	Information Services ⁽²⁾	(1,088,999)	2,279,435	13,455	2,258,356	0	(1,054,465)
702	Equipment Replacement	12,038,466	1,779,255	2,397	3,278,223	500,000	10,041,895
703	Information Systems Replacement	297,996	1,082,211	1,079	816,027	260,000	305,259
704	Facilities Replacement	3,842,959	938,576	1,438	353,956	300,000	4,129,017
705	Tuition	61,337	604	0	27,472	0	34,469
706	Fleet Maintenance Services ⁽²⁾	(502,004)	1,365,835	4,401	1,423,066	0	(554,834)
707	Facilities Maintenance Service ⁽²⁾	(295,439)	1,898,486	6,335	1,891,313	250,000	(531,931)
708	Parks and LLAD Replacement	11,555,974	2,043,812	575,000	753,061	651,100	12,770,625
709	Insurance	521,426	1,053,973	0	1,169,363	0	406,036
710	Pension/OPEB Obligation	18,439,316	4,012,245	0	4,005,535	3,652,839	14,793,187
	Total Internal Service Funds	47,724,566	16,463,810	604,105	15,976,372	8,206,939	40,609,170

(1) In order to reflect accurate ending Net Assets in the Enterprise Funds, some capital expenditures are not included in this schedule.

(2) These Internal Service Funds include OPEB obligation accruals, which result in a negative fund balance. These funds maintain positive cash balances.

FY 2016/17 FUND BALANCE BY FUND (Continued)

Fund #	Fund Name	Estimated 7/1/2016 Fund Balance	Budget		Budget		Estimated 6/30/2017 Fund Balance
			Revenues	Transfers In	Expenditures	Transfer Out	
Special Revenue Funds							
203-208	Gas Tax	\$ 202,400	\$ 1,162,485	\$ 0	\$ 0	1,243,627	\$ 121,258
214	SB1186 Disability Access	11,677	4,679	0	5,150	0	11,206
216	Police Grants	120,613	237,761	0	261,537	0	96,837
217	Grants	14,525	3,006,498	0	0	3,006,431	14,592
219	Economic Development Grant	248,880	192,014	0	200,300	0	240,594
220	Infrastructure Improvements	6,138	58	0	50	0	6,146
230	Citywide Park Assessment District	370,035	2,083,478	836,280	2,933,667	0	356,126
231	Community Facilities District #2	4,166	607,177	0	9,700	595,000	6,643
232	Community Facilities District #3	965,625	1,507,978	801,054	19,100	2,555,383	700,174
233,235	Community Facilities District #4	32,856	2,139,406	192,188	21,400	2,283,683	59,367
234	Community Facilities District #5	300,674	664,178	58,822	7,700	402,128	613,846
250	Water Facility Fee ⁽³⁾	4,788,828	1,111,694	20,363	1,159,270	1,429,285	3,332,330
251	Roadway Facility Fee	3,460,202	2,959,165	25,510	1,371,101	527,300	4,546,476
252	Parks and Trails Facility Fee	(756,705)	1,755,157	1,042	1,093,029	150,000	(243,535)
255	Wastewater Facility Fee ⁽³⁾	6,288,657	1,137,566	436,573	1,450,685	0	6,412,111
256	Community Facility Fee	54,081	825,732	2,397	128,647	899,453	(145,890)
257	Fire Facility Fee	576,414	347,349	3,962,000	7,300	0	4,878,463
261	Facility Fee Administration	318,085	344,617	0	451,500	0	211,202
262	Agriculture Land Administration	543,877	4,709	0	47,452	0	501,134
263	Agriculture Land Acquisition	1,008,782	5,868	0	35,700	0	978,950
264	First-Time Homebuyer	1,730,023	7,425	0	100,900	35,000	1,601,548
265	Affordable Housing In-Lieu Fee	3,648,589	431,027	0	23,500	615,980	3,440,136
267	Public Art Administration	392,956	45,943	18	2,500	50,000	386,417
268	Public Art Acquisition	1,479,574	184,429	4,238	1,250	200,600	1,466,391
269	Parking In-Lieu	27,829	263	0	50	0	28,042
270	Arts Commission	4,238	0	0	0	4,238	0
280	Asset Forfeiture	23,591	27,797	0	30,050	0	21,338
281	Abandoned Vehicle Abatement	101,374	114,014	0	200	110,000	105,188
285	PEG Media	830,096	7,805	0	25,900	0	812,001
286	Parks Advertising	47,404	19,498	0	19,200	0	47,702
293	Measure C/J	312,347	833,329	0	4,900	1,095,000	45,776
302	City Low Income Housing	1,054,631	10,319	0	8,200	0	1,056,750
6xx	Landscape and Lighting Assessment Districts	4,655,993	5,946,592	0	7,805,530	0	2,797,055
Total Special Revenue Funds		32,868,455	27,726,010	6,340,485	17,225,468	15,203,108	34,506,374

(3) Certain special revenue funds are presented utilizing cash balance.

FY 2016/17 FUND BALANCE BY FUND (Continued)

Fund #	Fund Name	Estimated 7/1/2016 Fund Balance	Budget		Budget		Estimated 6/30/2017 Fund Balance
			Revenues	Transfers In	Expenditures	Transfer Out	
Debt Service Funds							
<i>City Debt Obligations</i>							
445	Capital Improvement Revenue Refunding Bonds Series 2012	\$ 17,006,934	\$ 1,444,572	\$ 717,701	\$ 2,010,071	156,457	\$ 17,002,679
448	General Obligation Bonds Series 2002	54,620	466,538	0	474,599	0	46,559
461	2009 Civic Center Project Lease Revenue Bonds	15,407,512	2,200,697	3,196,590	4,339,224	1,052,064	15,413,511
466	2015 Lease Financing	1	48	708,847	708,844	0	52
<i>Assessment Districts</i>							
436	2014 A & B Refinance	2,204,573	1,723	7,137,797	7,143,369	0	2,200,724
437	2012 A Refinance	1,113,062	240	2,658,578	2,750,945	0	1,020,935
438	Capital Improvement Financing Program 2003-1	840,197	1,274,040	0	31,498	1,238,343	844,396
439	Capital Improvement Financing Program 2002-1	1,144,357	1,217,550	0	1,211,823	0	1,150,084
441	Capital Improvement Financing Program 94-1	2,102,825	2,802,315	0	70,533	2,692,123	2,142,484
442	Capital Improvement Financing Program 98-1	522,649	708,502	0	17,768	685,101	528,282
443	Capital Improvement Financing Program 99-1	473,157	652,076	0	17,536	631,688	476,009
444	Capital Improvement Financing Program 2000-01	682,139	935,033	0	27,018	899,371	690,783
449	Capital Improvement Financing Program 2004-1	1,047,245	1,575,730	0	35,935	1,538,731	1,048,309
460	Randy Way Assessment District	128,773	60,014	0	59,730	0	129,057
462	2006 A & B Refinance Bonds	728,611	48	2,777,074	2,779,198	0	726,535
463	Capital Improvement Financing Program 2006-1	780,891	1,109,955	0	40,368	1,062,995	787,483
464	Capital Improvement Financing Program 2005-1	1,834,963	2,597,477	0	87,009	2,483,308	1,862,123
465	96R Assessment District	1,483,687	1,426,172	0	53,323	1,341,789	1,514,747
Total Debt Service Funds		47,556,196	18,472,730	17,196,587	21,858,791	13,781,970	47,584,752

FY 2016/17 FUND BALANCE BY FUND (Continued)

Fund #	Fund Name	Estimated 7/1/2016 Fund Balance	Budget		Budget		Estimated 6/30/2017 Fund Balance
			Revenues	Transfers In	Expenditures	Transfer Out	
Capital Funds							
336	Roadway Improvements	\$ 6,995,903	\$ 38,657	\$ 2,730,915	\$ 7,672,255	38,657	\$ 2,054,563
337	Community Facilities Improvements	9,404,775	46,841	8,808,717	10,514,912	46,841	7,698,580
352	Parks and Trails Improvements	(175,895)	367,042	680,600	1,305,281	1,042	(434,576)
361	Civic Center Project Lease Revenue Bond Acquisition	6,986,481	53,586	7,477	6,000	1,559,926	5,481,618
366	2015 Lease Financing	11,294,282	96	21,694	50	4,526,609	6,789,413
380	Civic Center Capital Improvement Financing Program	856,678	13,062	2,105,923	1,500	1,434,967	1,539,196
381	City Capital Improvement Financing Program	6,062	926	249,782	200	229,003	27,567
391	Drainage Improvements	1	0	0	0	0	1
392	Capital Infrastructure	2,377,228	14,200	1,326,381	7,400	40,000	3,670,409
393	Vineyards Projects	2,522,992	116,531	0	2,500	0	2,637,023
394	Vineyards Event Center Projects	3,260,377	17,224	6,936	2,000	1,447,182	1,835,355
542	Solid Waste Improvements	8,222	0	0	0	0	8,222
562	Water Improvements	1,924,957	20,363	2,217,570	2,980,413	20,363	1,162,114
592	Wastewater Improvements	12,375,620	41,121,385	1,003,000	46,933,749	49,141	7,517,115
Total Capital Funds		57,837,683	41,809,913	19,158,995	69,426,260	9,393,731	39,986,600
Total All Funds		\$ 440,632,191	\$ 191,308,086	\$ 56,811,944	\$ 220,298,087	\$ 51,198,043	\$ 417,256,091

SUMMARY OF REVENUES AND EXPENDITURES BY FUND TYPE

Revenues	2014/15 Actual	2015/16 Budget	2015/16 Projected	2016/17 Budget	Budget % Change	2017/18 Budget	Budget % Change
General Fund	\$ 45,697,094	\$ 48,015,388	\$ 49,199,200	\$ 53,326,876	11.06%	\$ 52,367,869	-1.80%
Enterprise Funds							
Solid Waste Enterprise	21,667,994	10,494,913	10,410,969	11,063,782	5.42%	11,549,251	4.39%
Water Enterprise	19,252,695	20,827,405	16,447,871	21,718,849	4.28%	23,960,926	10.32%
Wastewater Enterprise	14,072,831	11,650,912	11,849,515	12,469,180	7.02%	12,997,885	4.24%
City Rentals Enterprise	477,286	471,569	474,893	478,245	1.42%	481,917	0.77%
Housing Enterprise	1,316,097	974,475	862,588	1,290,463	32.43%	938,524	-27.27%
Internal Service Funds	17,195,492	16,458,679	15,362,880	17,067,915	3.70%	18,263,148	7.00%
Special Revenue Funds	31,009,193	29,385,543	31,807,316	34,066,495	15.93%	27,387,546	-19.61%
Debt Service Funds	110,322,079	35,801,519	34,537,383	35,669,317	-0.37%	34,474,761	-3.35%
Capital Funds	11,364,388	43,714,303	39,671,250	60,968,908	39.47%	21,654,952	-64.48%
Total Revenues	\$ 272,375,149	\$ 217,794,706	\$ 210,623,865	\$ 248,120,030	13.92%	\$ 204,076,779	-17.75%

Expenditures	2014/15 Actual	2015/16 Budget	2015/16 Projected	2016/17 Budget	Budget % Change	2017/18 Budget	Budget % Change
General Fund	\$ 43,929,121	\$ 47,207,486	\$ 45,559,078 ⁽¹⁾	\$ 53,621,752	13.59%	\$ 53,468,686	-0.29%
Enterprise Funds							
Solid Waste Enterprise	10,463,239	12,098,722	11,679,341	12,089,007	-0.08%	12,428,004	2.80%
Water Enterprise	21,666,578	29,649,712	25,696,722	23,485,377	-20.79%	28,682,026	22.13%
Wastewater Enterprise	11,563,567	17,131,639	16,912,246	11,014,152	-35.71%	11,754,036	6.72%
City Rentals Enterprise	463,591	496,747	490,128	497,929	0.24%	496,812	-0.22%
Housing Enterprise	654,796	878,676	766,198	1,261,559	43.57%	904,549	-28.30%
Internal Service Funds	11,025,793	21,904,125	18,165,890	24,183,311	10.41%	21,053,371	-12.94%
Special Revenue Funds	28,718,756	43,861,435	38,134,571	32,428,576	-26.07%	28,594,866	-11.82%
Debt Service Funds	112,214,582	36,103,767	35,323,246	35,640,761	-1.28%	35,855,157	0.60%
Capital Funds	22,624,339	51,293,554	14,677,903	78,819,991	53.66%	29,805,723	-62.19%
Total Expenditures	\$ 263,324,362	\$ 260,625,863	\$ 207,405,323	\$ 273,042,415	4.76%	\$ 223,043,230	-18.31%

(1) City Council Budget and Fiscal Policy 10-5 requires the transfer of funds, in excess of the minimum Fund Balance requirement, to the Pension/OPEB Obligation Fund. The transfers out amount includes an anticipated transfer of \$0.7m for this purpose; however, this amount will be adjusted once the actual amount is calculated at year end.

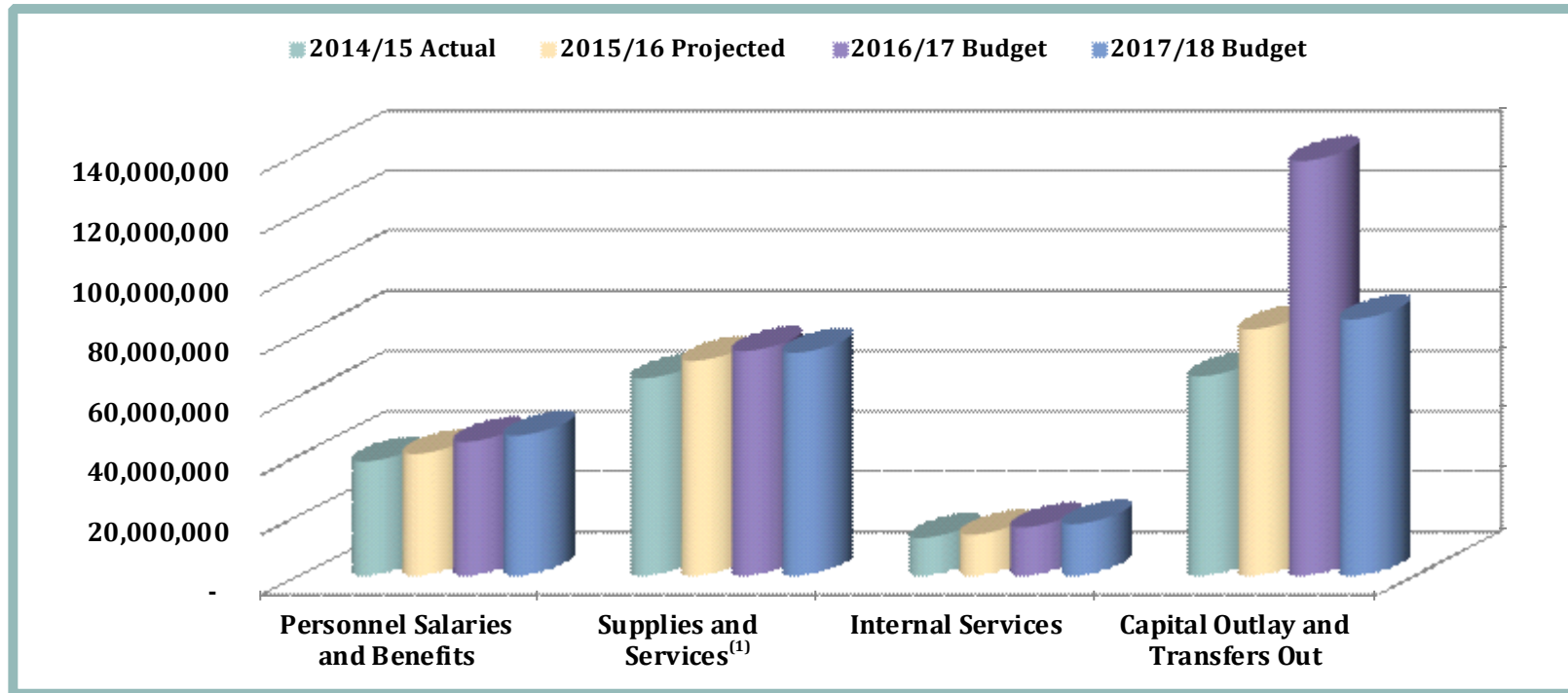
DETAIL OF EXPENDITURES BY CATEGORY

	2014/15 Actual	2015/16 Budget	2015/16 Projected	2016/17 Budget	Budget % Change	2017/18 Budget	Budget % Change
Personnel Services							
Salaries	\$ 24,264,227	\$ 27,395,484	\$ 26,485,936	\$ 28,687,540	4.72%	\$ 29,852,138	4.06%
Overtime	909,552	949,049	1,029,260	983,543	3.63%	1,060,185	7.79%
Part-time	947,029	968,300	955,702	1,053,532	8.80%	1,073,875	1.93%
Benefits	11,788,540	12,659,955	11,983,792	13,777,295	8.83%	14,606,446	6.02%
Total Personnel Services	37,909,348	41,972,788	40,454,690	44,501,910	6.03%	46,592,644	4.70%
Supplies and Services							
Operating Supplies	1,444,598	1,508,052	1,468,366	2,064,297	36.89%	1,868,631	-9.48%
Utilities	3,412,271	3,684,591	3,678,643	3,825,507	3.82%	4,020,875	5.11%
Repairs and Maintenance	3,240,374	4,098,851	3,763,732	4,579,977	11.74%	4,561,567	-0.40%
Rentals	51,524	110,641	49,207	51,924	-53.07%	52,927	1.93%
Insurance	915,310	1,035,112	931,007	1,051,310	1.56%	1,105,302	5.14%
Special Services	5,031,180	5,024,430	4,638,953	5,175,946	3.02%	5,317,133	2.73%
Communications	1,142,372	1,209,885	1,198,200	982,640	-18.78%	330,335	-66.38%
Advertising	105,101	151,435	144,268	142,685	-5.78%	143,322	0.45%
Training and Conferences	192,563	634,097	409,826	599,423	-5.47%	607,555	1.36%
Purchased Water	6,772,329	9,095,527	7,930,480	8,471,738	-6.86%	8,957,415	5.73%
Contributions	401,510	736,702	719,499	1,702,906	131.15%	1,792,404	5.26%
Legal Services	460,277	718,407	511,797	587,171	-18.27%	524,885	-10.61%
Contractual Services	7,144,422	8,276,899	7,377,991	8,446,136	2.04%	8,663,265	2.57%
Interfund Services	7,307,023	7,717,999	7,611,233	7,893,711	2.28%	7,993,546	1.26%
Interest Expense	12,007,704	13,512,279	12,758,610	12,606,913	-6.70%	12,430,367	-1.40%
Depreciation/Amortization	5,818,995	6,024,420	6,100,787	6,100,762	1.27%	5,857,447	-3.99%
Developer Reimbursement	3,830,877	3,074,303	2,426,691	1,801,176	-41.41%	1,556,437	-13.59%
Other	87,326,934 ⁽¹⁾	9,970,910	9,691,812	8,576,527	-13.98%	8,306,996	-3.14%
Total Supplies and Services	146,605,364	76,584,540	71,411,102	74,660,749	-2.51%	74,090,409	-0.76%
Internal Services							
Internal Service	12,548,357	14,884,048	13,651,966	16,048,983	7.83%	17,153,219	6.88%
Total Internal Services	12,548,357	14,884,048	13,651,966	16,048,983	7.83%	17,153,219	6.88%
Capital Outlay and Transfers Out							
Capital Outlay/CIP	8,130,757	47,046,595	9,924,468	72,193,672	53.45%	20,764,796	-71.24%
Debt Service	11,960,404	12,837,639	12,553,323	12,892,773	0.43%	14,703,013	14.04%
Transfers	46,170,132	67,300,253	59,409,774 ⁽²⁾	52,744,328	-21.63%	49,739,149	-5.70%
Total Capital Outlay and Transfers Out	66,261,293	127,184,487	81,887,565	137,830,773	8.37%	85,206,958	-38.18%
Total Expenditures	\$ 263,324,362	\$ 260,625,863	\$ 207,405,323	\$ 273,042,415	4.76%	\$ 223,043,230	-18.31%

(1) Includes refunding of debt service.

(2) City Council Budget and Fiscal Policy 10-5 requires the transfer of funds, in excess of the minimum Fund Balance requirement, to the Pension/OPEB Obligation Fund. The transfers out amount includes an anticipated transfer of \$0.7m for this purpose; however, this amount will be adjusted once the actual amount is calculated at year end.

SUMMARY OF EXPENDITURES BY CATEGORY



(1) Supplies and Services has been adjusted for the chart above to exclude expenditures for refunding of debt service.

SUMMARY OF EXPENDITURES BY CATEGORY AND FUND TYPE

	2014/15 Actual	2015/16 Budget	2015/16 Projected	2016/17 Budget	2017/18 Budget
Personnel Services					
General Fund	\$ 24,969,415	\$ 28,169,882	\$ 26,934,441	\$ 30,253,529	\$ 31,698,548
Enterprise Funds					
Solid Waste Enterprise	3,353,683	3,442,024	3,353,343	3,495,678	3,594,995
Water Enterprise	3,383,236	3,677,632	3,624,273	3,739,163	3,861,803
Wastewater Enterprise	2,500,600	2,557,886	2,571,819	2,793,345	2,899,465
Housing Enterprise	206,841	304,221	294,583	339,784	354,594
Internal Service Funds	3,057,331	3,203,069	3,150,239	3,315,676	3,590,844
Special Revenue Funds	438,242	618,074	525,992	564,735	592,395
Total Personnel Services	\$ 37,909,348	\$ 41,972,788	\$ 40,454,690	\$ 44,501,910	\$ 46,592,644
Annual Percentage Change			6.71%	6.03%	4.70%
	2014/15 Actual	2015/16 Budget	2015/16 Projected	2016/17 Budget	2017/18 Budget
Supplies and Services					
General Fund	\$ 7,353,712	\$ 9,670,589	\$ 8,661,380	\$ 11,184,625	\$ 10,051,571
Enterprise Funds					
Solid Waste Enterprise	4,827,056	5,561,637	5,563,855	5,948,359	6,072,692
Water Enterprise	13,058,397	18,777,704	17,920,988	15,825,670	16,050,036
Wastewater Enterprise	5,371,833	5,811,806	5,808,369	6,059,044	6,157,824
City Rentals Enterprise	163,625	177,735	171,116	179,560	182,087
Housing Enterprise	344,205	473,620	394,273	462,696	434,898
Internal Service Funds	6,731,280	8,723,921	7,834,741	9,666,330	9,989,356
Special Revenue Funds	13,022,732	14,357,578	12,324,415	12,951,024	12,817,627
Debt Service Funds	95,091,261	12,663,926	12,491,162	12,363,791	12,322,418
Capital Funds	641,263	366,024	240,803	19,650	11,900
Total Supplies and Services	\$ 146,605,364	\$ 76,584,540	\$ 71,411,102	\$ 74,660,749	\$ 74,090,409
Annual Percentage Change			-51.29%	-2.51%	-0.76%

SUMMARY OF EXPENDITURES BY CATEGORY AND FUND TYPE (Continued)

	2014/15 Actual	2015/16 Budget	2015/16 Projected	2016/17 Budget	2017/18 Budget
Internal Services					
General Fund	\$ 6,590,707	\$ 7,060,634	\$ 7,060,634	\$ 8,528,045	\$ 9,488,638
Enterprise Funds					
Solid Waste Enterprise	2,085,421	2,521,697	2,190,095	2,375,253	2,469,342
Water Enterprise	905,775	1,293,824	950,854	1,154,095	1,235,011
Wastewater Enterprise	789,626	1,054,288	824,344	980,358	1,041,126
City Rentals Enterprise	10,972	11,271	11,271	10,968	11,267
Housing Enterprise	67,257	95,835	72,342	84,079	90,057
Internal Service Funds	477,156	827,416	523,343	725,070	797,325
Special Revenue Funds	1,621,443	2,019,083	2,019,083	2,191,115	2,020,453
Total Internal Services	\$ 12,548,357	\$ 14,884,048	\$ 13,651,966	\$ 16,048,983	\$ 17,153,219
Annual Percentage Change			8.79%	7.83%	6.88%
	2014/15 Actual	2015/16 Budget	2015/16 Projected	2016/17 Budget	2017/18 Budget
Capital Outlay and Transfers Out					
General Fund	\$ 5,015,287	\$ 2,306,381	\$ 2,902,623 ⁽¹⁾	\$ 3,655,553	\$ 2,229,929
Enterprise Funds					
Solid Waste Enterprise	197,079	573,364	572,048	269,717	290,975
Water Enterprise	4,319,170	5,900,552	3,200,607	2,766,449	7,535,176
Wastewater Enterprise	2,901,508	7,707,659	7,707,714	1,181,405	1,655,621
City Rentals Enterprise	288,994	307,741	307,741	307,401	303,458
Housing Enterprise	36,493	5,000	5,000	375,000	25,000
Internal Service Funds	760,026	9,149,719	6,657,567	10,476,235	6,675,846
Special Revenue Funds	13,636,339	26,866,700	23,265,081	16,721,702	13,164,391
Debt Service Funds	17,123,321	23,439,841	22,832,084	23,276,970	23,532,739
Capital Funds	21,983,076	50,927,530	14,437,100	78,800,341	29,793,823
Total Capital Outlay and Transfers Out	\$ 66,261,293	\$ 127,184,487	\$ 81,887,565	\$ 137,830,773	\$ 85,206,958
Annual Percentage Change			23.58%	8.37%	-38.18%

(1) City Council Budget and Fiscal Policy 10-5 requires the transfer of funds, in excess of the minimum Fund Balance requirements, to the Pension/OPEB Obligation Fund. The transfers out amount includes an anticipated transfer of \$0.7m for this purpose; however, this amount will be adjusted once the actual amount is calculated at year end.

GENERAL FUND

	2015/16 Projected	2016/17 Budget	2017/18 Budget	2018/19 Projected	2019/20 Projected	2020/21 Projected	2021/22 Projected	2022/23 Projected	2023/24 Projected	2024/25 Projected
Fund Balance 7/1	\$ 18,907,466	\$ 22,547,588	\$ 22,252,712	\$ 21,151,895	\$ 20,749,792	\$ 20,347,495	\$ 19,945,401	\$ 19,543,547	\$ 19,141,369	\$ 18,739,781
Add:										
Revenues	40,175,568	41,135,734	42,464,459	43,548,482	45,185,993	46,877,316	48,606,075	50,125,492	51,946,496	53,729,909
Transfers In	9,023,632	12,191,142	9,903,410	9,207,475	9,239,401	9,165,656	8,781,265	8,932,427	8,716,162	8,541,436
Total Revenue	49,199,200	53,326,876	52,367,869	52,755,957	54,425,394	56,042,972	57,387,340	59,057,919	60,662,658	62,271,345
Less:										
Operations	42,673,616	49,982,249	51,255,107	50,605,576	52,190,082	53,733,965	55,003,146	56,597,604	58,123,764	59,577,735
Operating Transfers Out	1,787,389	1,892,503	1,788,579	2,477,484	2,562,609	2,636,101	2,711,048	2,787,493	2,865,482	2,945,061
Total Operating Appropriations	44,461,005	51,874,752	53,043,686	53,083,060	54,752,691	56,370,066	57,714,194	59,385,097	60,989,246	62,522,796
Revenue Over (Under) Operating Appropriations	4,738,195	1,452,124	(675,817)	(327,103)	(327,297)	(327,094)	(326,854)	(327,178)	(326,588)	(251,451)
Non-Operating Transfers Out	1,098,073	1,747,000	425,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
Revenue Over (Under) Appropriations	3,640,122	(294,876)	(1,100,817)	(402,103)	(402,297)	(402,094)	(401,854)	(402,178)	(401,588)	(326,451)
Fund Balance 6/30	\$ 22,547,588	\$ 22,252,712	\$ 21,151,895	\$ 20,749,792	\$ 20,347,495	\$ 19,945,401	\$ 19,543,547	\$ 19,141,369	\$ 18,739,781	\$ 18,413,330

SOLID WASTE ENTERPRISE FUND

	2015/16 Projected	2016/17 Budget	2017/18 Budget	2018/19 Projected	2019/20 Projected	2020/21 Projected	2021/22 Projected	2022/23 Projected	2023/24 Projected	2024/25 Projected
Net Assets 7/1	\$ 15,120,635	\$ 13,852,263	\$ 12,827,038	\$ 11,948,285	\$ 10,612,487	\$ 9,675,900	\$ 8,851,745	\$ 8,175,148	\$ 7,651,583	\$ 7,287,369
Add:										
Operating Revenues	10,405,614	10,880,118	11,364,875	11,844,986	12,317,126	12,820,929	13,379,113	13,959,200	14,561,924	15,188,036
Total Operating Revenue	10,405,614	10,880,118	11,364,875	11,844,986	12,317,126	12,820,929	13,379,113	13,959,200	14,561,924	15,188,036
Less:										
Operations	11,630,977	12,026,780	12,352,258	13,103,924	13,180,780	13,575,299	13,989,027	14,417,720	14,862,022	15,322,464
Total Operating Appropriations	11,630,977	12,026,780	12,352,258	13,103,924	13,180,780	13,575,299	13,989,027	14,417,720	14,862,022	15,322,464
Revenue Over (Under) Operating Appropriations	(1,225,363)	(1,146,662)	(987,383)	(1,258,938)	(863,654)	(754,370)	(609,914)	(458,520)	(300,098)	(134,428)
Non-Operating Revenues and Appropriations	(43,009)	121,437	108,630	(76,860)	(72,933)	(69,785)	(66,683)	(65,045)	(64,116)	(63,163)
Revenue Over (Under) Appropriations	(1,268,372)	(1,025,225)	(878,753)	(1,335,798)	(936,587)	(824,155)	(676,597)	(523,565)	(364,214)	(197,591)
Net Assets 6/30	\$ 13,852,263	\$ 12,827,038	\$ 11,948,285	\$ 10,612,487	\$ 9,675,900	\$ 8,851,745	\$ 8,175,148	\$ 7,651,583	\$ 7,287,369	\$ 7,089,778

WATER ENTERPRISE FUND

	2015/16 Projected	2016/17 Budget	2017/18 Budget	2018/19 Projected	2019/20 Projected	2020/21 Projected	2021/22 Projected	2022/23 Projected	2023/24 Projected	2024/25 Projected
Net Assets 7/1	\$ 126,457,510	\$ 119,152,969	\$ 118,697,726	\$ 118,655,949	\$ 120,187,968	\$ 121,867,397	\$ 123,682,446	\$ 125,813,922	\$ 127,675,976	\$ 129,259,426
Add:										
Operating Revenues	16,446,522	21,665,694	23,907,771	24,729,627	25,583,728	26,534,283	27,529,948	28,025,258	28,542,789	29,046,718
Total Operating Revenue	16,446,522	21,665,694	23,907,771	24,729,627	25,583,728	26,534,283	27,529,948	28,025,258	28,542,789	29,046,718
Less:										
Operations	23,735,379	22,008,154	23,800,715	23,197,608	23,904,299	24,719,234	25,398,472	26,163,204	26,959,339	27,804,999
Total Operating Appropriations	23,735,379	22,008,154	23,800,715	23,197,608	23,904,299	24,719,234	25,398,472	26,163,204	26,959,339	27,804,999
Revenue Over (Under) Operating Appropriations	(7,288,857)	(342,460)	107,056	1,532,019	1,679,429	1,815,049	2,131,476	1,862,054	1,583,450	1,241,719
Non-Operating Revenues and Appropriations	(1,959,994)	(1,424,068)	(4,828,156)	(2,780,775)	(1,154,523)	(1,545,425)	(2,572,840)	(870,708)	(1,472,390)	(2,410,403)
Revenue Over (Under) Appropriations	(9,248,851)	(1,766,528)	(4,721,100)	(1,248,756)	524,906	269,624	(441,364)	991,346	111,060	(1,168,684)
Adjustments to Net Assets ⁽¹⁾	1,944,310	1,311,285	4,679,323	2,780,775	1,154,523	1,545,425	2,572,840	870,708	1,472,390	2,410,403
Net Assets 6/30	\$ 119,152,969	\$ 118,697,726	\$ 118,655,949	\$ 120,187,968	\$ 121,867,397	\$ 123,682,446	\$ 125,813,922	\$ 127,675,976	\$ 129,259,426	\$ 130,501,145

(1) Some Capital expenditures and transfers to fund capital projects are presented as an adjustment as these expenditures are eliminated in the calculation of ending Net Assets.

WASTEWATER ENTERPRISE FUND

	2015/16 Projected	2016/17 Budget	2017/18 Budget	2018/19 Projected	2019/20 Projected	2020/21 Projected	2021/22 Projected	2022/23 Projected	2023/24 Projected	2024/25 Projected
Net Assets 7/1	\$ 93,372,198	\$ 95,097,954	\$ 96,787,982	\$ 98,441,657	\$ 99,450,992	\$ 100,349,142	\$ 101,393,456	\$ 102,273,895	\$ 103,077,337	\$ 103,891,417
Add:										
Operating Revenues	11,847,917	12,408,373	12,937,078	13,520,488	14,090,233	14,558,612	14,781,797	15,004,826	15,227,199	15,458,031
Total Operating Revenue	11,847,917	12,408,373	12,937,078	13,520,488	14,090,233	14,558,612	14,781,797	15,004,826	15,227,199	15,458,031
Less:										
Operations	10,068,583	10,711,926	10,993,464	12,434,293	13,119,150	13,444,513	13,834,675	14,136,339	14,349,003	14,694,786
Total Operating Appropriations	10,068,583	10,711,926	10,993,464	12,434,293	13,119,150	13,444,513	13,834,675	14,136,339	14,349,003	14,694,786
Revenue Over (Under) Operating Appropriations	1,779,334	1,696,447	1,943,614	1,086,195	971,083	1,114,099	947,122	868,487	878,196	763,245
Non-Operating Revenues and Appropriations	(6,842,065)	(241,419)	(699,765)	(745,739)	(586,062)	(589,867)	(516,683)	(515,045)	(514,116)	(513,163)
Revenue Over (Under) Appropriations	(5,062,731)	1,455,028	1,243,849	340,456	385,021	524,232	430,439	353,442	364,080	250,082
Adjustments to Net Assets ⁽¹⁾	6,788,487	235,000	409,826	668,879	513,129	520,082	450,000	450,000	450,000	450,000
Net Assets 6/30	\$ 95,097,954	\$ 96,787,982	\$ 98,441,657	\$ 99,450,992	\$ 100,349,142	\$ 101,393,456	\$ 102,273,895	\$ 103,077,337	\$ 103,891,417	\$ 104,591,499

(1) Some Capital expenditures and transfers to fund capital projects are presented as an adjustment as these expenditures are eliminated in the calculation of ending Net Assets.

CITY RENTALS ENTERPRISE FUND

	2015/16 Projected	2016/17 Budget	2017/18 Budget	2018/19 Projected	2019/20 Projected	2020/21 Projected	2021/22 Projected	2022/23 Projected	2023/24 Projected	2024/25 Projected
Net Assets 7/1	\$ 179,693	\$ 164,458	\$ 144,774	\$ 129,879	\$ 129,879	\$ 129,879	\$ 129,879	\$ 129,879	\$ 129,879	\$ 129,879
Add:										
Revenues	474,893	478,245	481,917	506,144	507,927	515,885	522,427	530,378	536,623	543,969
Total Revenue	474,893	478,245	481,917	506,144	507,927	515,885	522,427	530,378	536,623	543,969
Less:										
Operations	490,128	497,929	496,812	506,144	507,927	515,885	522,427	530,378	536,623	543,969
Total Appropriations	490,128	497,929	496,812	506,144	507,927	515,885	522,427	530,378	536,623	543,969
Revenue Over (Under) Appropriations	(15,235)	(19,684)	(14,895)	0	0	0	0	0	0	0
Net Assets 6/30	\$ 164,458	\$ 144,774	\$ 129,879	\$ 129,879	\$ 129,879	\$ 129,879	\$ 129,879	\$ 129,879	\$ 129,879	\$ 129,879

HOUSING ENTERPRISE FUND

	2015/16 Projected	2016/17 Budget	2017/18 Budget	2018/19 Projected	2019/20 Projected	2020/21 Projected	2021/22 Projected	2022/23 Projected	2023/24 Projected	2024/25 Projected
Net Assets 7/1	\$ 3,733,669	\$ 3,830,059	\$ 3,858,963	\$ 3,892,938	\$ 3,927,932	\$ 3,963,976	\$ 4,001,102	\$ 4,039,341	\$ 4,078,727	\$ 4,119,295
Add:										
Revenues	862,588	1,290,463	938,524	966,680	995,680	1,025,551	1,056,317	1,088,007	1,120,647	1,154,266
Total Revenue	862,588	1,290,463	938,524	966,680	995,680	1,025,551	1,056,317	1,088,007	1,120,647	1,154,266
Less:										
Operations	766,198	1,261,559	904,549	931,685	959,636	988,425	1,018,078	1,048,620	1,080,079	1,112,481
Total Appropriations	766,198	1,261,559	904,549	931,685	959,636	988,425	1,018,078	1,048,620	1,080,079	1,112,481
Revenue Over (Under) Operating Appropriations	96,390	28,904	33,975	34,994	36,044	37,125	38,239	39,386	40,568	41,785
Net Assets 6/30	\$ 3,830,059	\$ 3,858,963	\$ 3,892,938	\$ 3,927,932	\$ 3,963,976	\$ 4,001,102	\$ 4,039,341	\$ 4,078,727	\$ 4,119,295	\$ 4,161,080

FUND BALANCES

The City’s Fund Balances represent accumulated funds available to be spent in the future. The majority of the City’s fund balances are restricted for specific purposes and are not available for general purposes. Special Revenue funds are projected to remain at consistent levels as restricted funds are received and expended at similar rates. Fund balance in the Capital Funds is projected to decrease from utilizing existing resources to construct capital projects, including the WWTP Expansion – Phase II. The decline in Capital Funds fund balances has been anticipated for this purpose. Enterprise Funds fund balances are budgeted to remain relatively constant in FY 2016/17, as the costs of providing service to residents is recovered through user fees. In FY 2017/18, Enterprise Fund balances will decline due to transfers out for planned capital projects that were anticipated in the most recent user fees studies. Debt Service fund balances fluctuate depending upon the debt requirements and repayment schedules of the City.

Internal Service Fund balances are expected to decline from a combination of transfers out from the Pension/OPEB Obligation Fund to the General Fund to offset a portion of the impact of increasing Pension and OPEB costs, and a reduction in the Emergency Preparedness Fund balance. The City’s reserves, including both the \$16 million Pension/OPEB Fund balance, along with the General Fund undesignated fund balance of 30% of annual appropriations are considered adequate to provide a resource for the type of emergency conditions that had previously been contemplated for the Emergency Preparedness Fund. Excess reserves from the Emergency Preparedness Fund will be transferred to the General Fund, which provided the initial resources for the fund, for the purpose of funding certain Strategic Plan initiatives. The undesignated fund balance of the General Fund continues to be maintained at 30% of annual operating appropriations in both the FY 2016/17 and FY 2017/18 budgets. The fund balance chart on the following page summarizes the total amount of fund balance – including both restricted and undesignated funds.

	FY 2014/15 Actuals	FY 2015/16 Projected	FY 2016/17 Budget	FY 2017/18 Budget
General Fund	\$ 18,907,466	\$ 22,547,588	\$ 22,252,712	\$ 21,151,895
Enterprise Funds	236,246,876	220,748,077	219,420,572	215,083,648
Internal Service Funds	50,527,576	47,724,566	40,609,170	37,818,947
Special Revenue Funds	39,195,710	32,868,455	34,506,374	33,299,054
Debt Service Funds	48,342,059	47,556,196	47,584,752	46,204,356
Capital Funds	32,844,336	57,837,683	39,986,600	31,835,829
Total Fund Balance	\$ 426,064,023	\$ 429,282,565	\$ 404,360,180	\$ 385,393,729

GENERAL FUND

	2014/15 Actual	2015/16 Budget	2015/16 Projected	2016/17 Budget	2017/18 Budget
Revenues	\$ 39,080,990	\$ 37,951,520	\$ 40,175,568	\$ 41,135,734	\$ 42,464,459
Expenditures	(38,945,313)	(44,453,542)	(42,175,334)	(47,875,248)	(49,522,028)
Revenues Over (Under) Expenditures	135,677	(6,502,022)	(1,999,766)	(6,739,514)	(7,057,569)
Other Sources and Uses					
Operating Transfers In	6,616,104	10,063,868	9,023,632	12,191,142	9,903,410
Operating Transfers Out	(1,429,556)	(1,787,389)	(1,787,389)	(1,892,503)	(1,788,579)
Total Other Sources Less Uses	5,186,548	8,276,479	7,236,243	10,298,639	8,114,831
Revenues and Other Sources Over (Under) Expenditures and Other Uses	5,322,225	1,774,457	5,236,477	3,559,125	1,057,262
Non-Operating Expenditures/Transfers Out	(3,554,252)	(966,555)	(1,596,355)	(3,854,001)	(2,158,079)
Total Sources Less Other Uses Over (Under)	1,767,973	807,902	3,640,122	(294,876)	(1,100,817)
Fund Balance, Beginning Year	17,139,493	18,907,466	18,907,466	22,547,588	22,252,712
Fund Balance, End of Year	\$ 18,907,466	\$ 19,715,368	\$ 22,547,588	\$ 22,252,712	\$ 21,151,895
Fund Balance:					
Restricted					
RDA Escrow	\$ 92,426	\$ 92,426	\$ 92,426	\$ 92,426	\$ 0
Total Restricted	92,426	92,426	92,426	92,426	0
Committed					
General Plan Update	0	100,000	100,000	200,000	300,000
Dispatch Operations	1,250,000	1,250,000	1,250,000	0	0
Capital Projects	5,137,130	5,214,667	714,667	0	0
Future Strategic Initiatives	0	0	0	842,000	350,000
Successor Agency Payment Plan	0	0	7,201,678	6,187,960	5,108,713
Total Committed	6,387,130	6,564,667	9,266,345	7,229,960	5,758,713
Total Restricted and Committed	6,479,556	6,657,093	9,358,771	7,322,386	5,758,713
Unassigned					
Undesignated	12,427,910	13,058,275	13,188,817	14,930,326	15,393,182
Total Unassigned	12,427,910	13,058,275	13,188,817	14,930,326	15,393,182
Percent of Appropriations	30.78%	28.24%	30.00%	30.00%	30.00%
Total Fund Balance, End of Year	\$ 18,907,466	\$ 19,715,368	\$ 22,547,588	\$ 22,252,712	\$ 21,151,895

OTHER FUNDS

Fund #	Fund Name	Fund Balance & Reserves at 6/30/2015	2015/16 Projected		Fund Balance & Reserves at 6/30/2016	2016/17 Budget		Fund Balance & Reserves at 6/30/2017	2017/18 Budget		Fund Balance & Reserves at 6/30/2018
			Revenues	Expenditures		Revenues	Expenditures		Revenues	Expenditures	
ENTERPRISE FUNDS											
540,543	Solid Waste Enterprise	\$ 15,120,635	\$ 10,410,969	\$ 11,679,341	\$ 13,852,263	\$ 11,063,782	\$ 12,089,007	\$ 12,827,038	\$ 11,549,251	\$ 12,428,004	\$ 11,948,285
560,563	Water Enterprise	125,435,681	16,447,871	25,696,722	116,186,830	21,718,849	23,485,377	114,420,302	23,960,926	28,682,026	109,699,202
590,593	Wastewater Enterprise	91,777,198	11,849,515	16,912,246	86,714,467	12,469,180	11,014,152	88,169,495	12,997,885	11,754,036	89,413,344
501	City Rentals Enterprise	179,693	474,893	490,128	164,458	478,245	497,929	144,774	481,917	496,812	129,879
510,511,513	Housing Enterprise	3,733,669	862,588	766,198	3,830,059	1,290,463	1,261,559	3,858,963	938,524	904,549	3,892,938
	Total Enterprise Funds	236,246,876	40,045,836	55,544,635	220,748,077	47,020,519	48,348,024	219,420,572	49,928,503	54,265,427	215,083,648
INTERNAL SERVICE FUNDS											
700	Emergency Preparedness	3,178,512	77,403	402,381	2,853,534	9,378	2,593,000	269,912	2,733	0	272,645
701	Information Services ⁽¹⁾	(1,197,754)	2,097,829	1,989,074	(1,088,999)	2,292,890	2,258,356	(1,054,465)	2,561,558	2,544,916	(1,037,823)
702	Equipment Replacement	13,608,086	1,784,430	3,354,050	12,038,466	1,781,652	3,778,223	10,041,895	1,793,953	2,903,415	8,932,433
703	Information Systems Replacement	790,043	690,828	1,182,875	297,996	1,083,290	1,076,027	305,259	1,239,735	913,217	631,777
704	Facilities Replacement	3,314,060	810,186	281,287	3,842,959	940,014	653,956	4,129,017	1,110,031	363,803	4,875,245
705	Tuition	69,653	18,646	26,962	61,337	604	27,472	34,469	718	27,552	7,635
706	Fleet Maintenance Services ⁽¹⁾	(504,718)	1,332,104	1,329,390	(502,004)	1,370,236	1,423,066	(554,834)	1,398,008	1,457,132	(613,958)
707	Facilities Maintenance Service ⁽¹⁾	(424,656)	1,825,599	1,696,382	(295,439)	1,904,821	2,141,313	(531,931)	1,961,936	2,195,241	(762,236)
708	Parks and LLAD Replacement	9,814,544	2,465,630	724,200	11,555,974	2,618,812	1,404,161	12,770,625	2,472,721	740,321	14,503,025
709	Insurance	484,095	1,008,696	971,365	521,426	1,053,973	1,169,363	406,036	1,107,949	1,224,596	289,389
710	Pension/OPEB Obligation	21,395,711	3,251,529	6,207,924	18,439,316	4,012,245	7,658,374	14,793,187	4,613,806	8,683,178	10,723,815
	Total Internal Service Funds	50,527,576	15,362,880	18,165,890	47,724,566	17,067,915	24,183,311	40,609,170	18,263,148	21,053,371	37,818,947
SPECIAL REVENUE FUNDS											
203-208	Gas Tax	113,183	1,262,517	1,173,300	202,400	1,162,485	1,243,627	121,258	1,199,067	1,320,305	20
214	SB1186 Disability Access	10,447	4,605	3,375	11,677	4,679	5,150	11,206	4,788	5,150	10,844
216	Police Grants	144,864	107,249	131,500	120,613	237,761	261,537	96,837	238,050	261,537	73,350
217	Grants	6,961	342,022	334,458	14,525	3,006,498	3,006,431	14,592	80	0	14,672
219	Economic Development Grant	250,406	175,620	177,146	248,880	192,014	200,300	240,594	199,590	200,300	239,884
220	Infrastructure Improvements	6,092	56	10	6,138	58	50	6,146	69	50	6,165
230	Citywide Park Assessment District	239,796	2,849,057	2,718,818	370,035	2,919,758	2,933,667	356,126	2,981,405	3,046,851	290,680
231	Community Facilities District #2	3,677	595,280	594,791	4,166	607,177	604,700	6,643	619,326	620,000	5,969
232	Community Facilities District #3	197,274	2,739,071	1,970,720	965,625	2,309,032	2,574,483	700,174	2,332,536	2,091,398	941,312
233,235	Community Facilities District #4	245,778	2,198,318	2,411,240	32,856	2,331,594	2,305,083	59,367	2,483,187	2,484,662	57,892
234	Community Facilities District #5	63,386	593,278	355,990	300,674	723,000	409,828	613,846	900,364	459,777	1,054,433
250	Water Facility Fee	3,557,619	3,318,545	2,087,336	4,788,828	1,132,057	2,588,555	3,332,330	1,326,266	2,368,415	2,290,181
251	Roadway Facility Fee	4,076,913	2,496,407	3,113,118	3,460,202	2,984,675	1,898,401	4,546,476	2,838,524	1,914,005	5,470,995
252	Parks and Trails Facility Fee	(1,964,693)	2,483,101	1,275,113	(756,705)	1,756,199	1,243,029	(243,535)	1,672,284	880,935	547,814
255	Wastewater Facility Fee	10,602,194	2,244,834	6,558,371	6,288,657	1,574,139	1,450,685	6,412,111	1,224,362	1,581,713	6,054,760
256	Community Facility Fee	2,024,777	706,465	2,677,161	54,081	828,129	1,028,100	(145,890)	776,796	1,068,307	(437,401)
257	Fire Facility Fee	3,808,823	271,903	3,504,312	576,414	4,309,349	7,300	4,878,463	323,708	7,500	5,194,671
261	Facility Fee Administration	599,774	319,711	601,400	318,085	344,617	451,500	211,202	298,306	301,600	207,908
262	Agriculture Land Administration	498,264	73,835	28,222	543,877	4,709	47,452	501,134	5,603	48,496	458,241
263	Agriculture Land Acquisition	740,521	284,061	15,800	1,008,782	5,868	35,700	978,590	6,982	35,700	590,232
264	First-Time Homebuyer	1,722,455	8,368	800	1,730,023	7,425	135,900	1,601,548	8,835	135,900	1,474,483
265	Affordable Housing In-Lieu Fee	3,423,572	819,873	594,856	3,648,589	431,027	639,480	3,440,136	446,919	631,125	3,255,930
267	Public Art Administration	342,930	50,826	800	392,956	45,961	52,500	386,417	46,921	52,500	380,838
268	Public Art Acquisition	1,300,437	202,573	23,436	1,479,574	188,667	201,850	1,466,391	188,541	201,850	1,453,082
269	Parking In-Lieu	27,676	253	100	27,829	263	50	28,042	313	50	28,305
270	Arts Commission	4,843	45	650	4,238	0	4,238	0	0	0	0
280	Asset Forfeiture	25,974	27,642	30,025	23,591	27,797	30,050	21,338	27,855	30,050	19,143
281	Abandoned Vehicle Abatement	139,983	111,157	149,766	101,374	114,014	110,200	105,188	117,207	113,200	109,195
285	PEG Media	823,577	7,519	1,000	830,096	7,805	25,900	812,001	9,287	26,000	795,288
286	Parks Advertising	49,985	16,519	19,100	47,404	19,498	19,200	47,702	19,593	19,200	48,095
293	Measure C/)	11,411	1,079,697	778,761	312,347	833,329	1,099,900	45,776	858,340	805,100	99,016
302	City Low Income Housing	1,054,528	130	27	1,054,631	10,319	8,200	1,056,750	12,278	8,300	1,060,728
6xx	Landscape and Lighting Assessment Districts	5,042,283	6,416,779	6,803,069	4,655,993	5,946,592	7,805,530	2,797,055	6,220,164	7,874,890	1,142,329
	Total Special Revenue Funds	39,195,710	31,807,316	38,134,571	32,868,455	34,066,495	32,428,576	34,506,374	27,387,546	28,594,866	33,299,054

(1) These Internal Service Funds include OPEB obligation accruals, which result in a negative fund balance. These funds maintain a positive cash balance.

OTHER FUNDS (Continued)

Fund #	Fund Name	Fund Balance & Reserves at 6/30/2015	2015/16 Projected		Fund Balance & Reserves at 6/30/2016	2016/17 Budget		Fund Balance & Reserves at 6/30/2017	2017/18 Budget		Fund Balance & Reserves at 6/30/2018
			Revenues	Expenditures		Revenues	Expenditures		Revenues	Expenditures	
DEBT SERVICE FUNDS											
<i>City Debt Obligations</i>											
445	Capital Improvement Revenue Refunding Bonds Series 2012	\$ 17,022,383	\$ 2,167,366	\$ 2,182,815	\$ 17,006,934	\$ 2,162,273	\$ 2,166,528	\$ 17,002,679	\$ 2,154,362	\$ 2,161,306	\$ 16,995,735
448	General Obligation Bonds Series 2002	64,751	440,197	450,328	54,620	466,538	474,599	46,559	489,730	496,623	39,666
461	2009 Civic Center Project Lease Revenue Bonds	15,398,137	5,395,291	5,385,916	15,407,512	5,397,287	5,391,288	15,413,511	5,375,164	5,369,320	15,419,355
466	2015 Lease Financing	0	108,114	108,113	1	708,895	708,844	52	796,390	796,332	110
	Total City Debt Obligations	32,485,271	8,110,968	8,127,172	32,469,067	8,734,993	8,741,259	32,462,801	8,815,646	8,823,581	32,454,866
<i>Assessment Districts</i>											
436	2014 A & B Refinance	3,042,467	6,824,930	7,662,824	2,204,573	7,139,520	7,143,369	2,200,724	7,151,065	7,154,584	2,197,205
437	2012 A Refinance	1,077,374	2,780,021	2,744,333	1,113,062	2,658,818	2,750,945	1,020,935	2,771,235	2,793,276	998,894
438	Capital Improvement Financing Program 2003-1	838,422	1,266,678	1,264,903	840,197	1,274,040	1,269,841	844,396	1,273,516	1,268,915	848,997
439	Capital Improvement Financing Program 2002-1	1,143,158	1,215,592	1,214,393	1,144,357	1,217,550	1,211,823	1,150,084	1,221,879	1,211,549	1,160,414
441	Capital Improvement Financing Program 94-1	2,070,793	2,739,006	2,706,974	2,102,825	2,802,315	2,762,656	2,142,484	2,805,688	2,760,961	2,187,211
442	Capital Improvement Financing Program 98-1	522,863	697,517	697,731	522,649	708,502	702,869	528,282	708,949	703,413	533,818
443	Capital Improvement Financing Program 99-1	475,409	642,342	644,594	473,157	652,076	649,224	476,009	654,645	646,809	483,845
444	Capital Improvement Financing Program 2000-01	676,232	900,649	894,742	682,139	935,033	926,389	690,783	937,189	928,185	699,787
449	Capital Improvement Financing Program 2004-1	1,040,735	1,576,277	1,569,767	1,047,245	1,575,730	1,574,666	1,048,309	1,576,742	1,571,302	1,053,749
460	Randy Way Assessment District	128,859	60,898	60,984	128,773	60,014	59,730	129,057	59,215	63,792	124,480
462	2006 A & B Refinance Bonds	730,474	2,769,310	2,771,173	728,611	2,777,122	2,779,198	726,535	2,773,868	2,771,207	729,196
463	Capital Improvement Financing Program 2006-1	775,784	1,045,008	1,039,901	780,891	1,109,955	1,103,363	787,483	1,113,548	1,106,078	794,953
464	Capital Improvement Financing Program 2005-1	1,819,441	2,414,336	2,398,814	1,834,963	2,597,477	2,570,317	1,862,123	2,601,522	2,574,348	1,889,297
465	96R Assessment District	1,514,777	1,493,851	1,524,941	1,483,687	1,426,172	1,395,112	1,514,747	10,054	1,477,157	47,644
	Total Assessment Districts	15,856,788	26,426,415	27,196,074	15,087,129	26,934,324	26,899,502	15,121,951	25,659,115	27,031,576	13,749,490
	Total Debt Service Funds	48,342,059	34,537,383	35,323,246	47,556,196	35,669,317	35,640,761	47,584,752	34,474,761	35,855,157	46,204,356
CAPITAL FUNDS											
336	Roadway Improvements	2,872,308	5,066,866	943,271	6,995,903	2,769,572	7,710,912	2,054,563	1,772,182	1,772,182	2,054,563
337	Community Facilities Improvements	3,519,308	8,123,174	2,237,707	9,404,775	8,855,558	10,561,753	7,698,580	10,106,644	10,106,644	7,698,580
352	Parks and Trails Improvements	(456,990)	339,658	58,563	(175,895)	1,047,642	1,306,323	(434,576)	161,954	161,954	(434,576)
361	Civic Center Project Lease Revenue Bond Acquisition	7,767,228	11,712	792,459	6,986,481	61,063	1,565,926	5,481,618	31,083	5,355,165	157,536
366	2015 Lease Financing	0	11,515,031	220,749	11,294,282	21,790	4,526,659	6,789,413	9,117	1,873,441	4,925,089
380	Civic Center Capital Improvement Financing Program	1,225,885	1,698,666	2,067,873	856,678	2,118,985	1,436,467	1,539,196	2,163,356	1,368,199	2,334,353
381	City Capital Improvement Financing Program	0	6,162	100	6,062	250,708	229,203	27,567	272,805	291,562	8,810
391	Drainage Improvements	1	0	0	1	0	0	1	0	0	1
392	Capital Infrastructure	5,563,503	49,875	3,236,150	2,377,228	1,340,581	47,400	3,670,409	17,779	253,783	3,434,405
393	Vineyards Projects	2,311,234	214,258	2,500	2,522,992	116,531	2,500	2,637,023	120,299	2,500	2,754,822
394	Vineyards Event Center Projects	1,856,943	1,799,650	396,216	3,260,377	24,160	1,449,182	1,835,355	10,558	1,801,118	44,795
542	Solid Waste Improvements	48,312	417	40,507	8,222	0	0	8,222	0	0	8,222
562	Water Improvements	2,516,472	2,841,917	3,433,432	1,924,957	2,237,933	3,000,776	1,162,114	6,155,876	6,155,876	1,162,114
592	Wastewater Improvements	5,620,132	8,003,864	1,248,376	12,375,620	42,124,385	46,982,890	7,517,115	833,299	663,299	7,687,115
	Total Capital Funds	32,844,336	39,671,250	14,677,903	57,837,683	60,968,908	78,819,991	39,986,600	21,654,952	29,805,723	31,835,829
	TOTAL OTHER FUNDS	\$ 407,156,557	\$ 161,424,665	\$ 161,846,245	\$ 406,734,977	\$ 194,793,154	\$ 219,420,663	\$ 382,107,468	\$ 151,708,910	\$ 169,574,544	\$ 364,241,834

SUMMARY OF CHANGES IN FUND BALANCE

Major Funds

The General Fund and Water Enterprise Fund are classified as major budgetary funds in both FY 2016/17 and FY 2017/18. Both funds project no significant fund balance changes, with year-over-year changes projected at less than 10% for both fiscal years. The Wastewater Improvements Fund is also considered a major budgetary fund in FY 2016/17. The FY 2016/17 fund balance decrease in the Wastewater Improvements Fund is anticipated to be 39.3%. This decrease is due to the construction costs expected to occur for the Wastewater Treatment Plant Expansion – Phase II CIP project which will reduce fund balance accumulated in the prior year from project funding. The definition of a Major Budgetary Fund can be found on page 35.

Non-Major Funds (in Aggregate)

The change in fund balance for all other non-major budgetary funds in the aggregate is projected to be below 10% for both fiscal years of the budget.

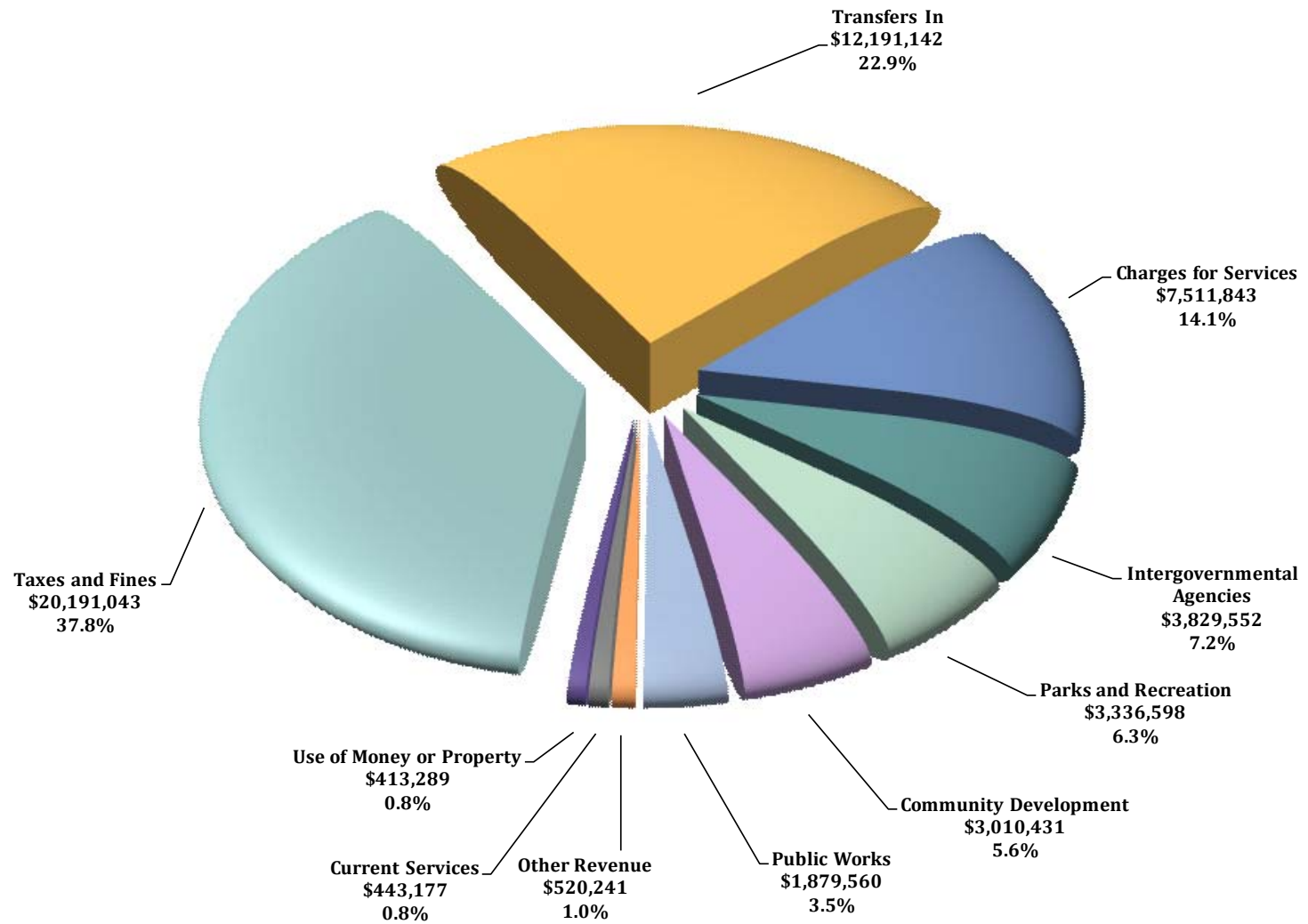
Fund #	Fund Name	Projected Fund Balance & Reserves at 6/30/2016	Budget Fund Balance & Reserves at 6/30/2017	Change	% Change	Fund #	Fund Name	Budget Fund Balance & Reserves at 6/30/2017	Budget Fund Balance & Reserves at 6/30/2018	Change	% Change
GENERAL FUND						GENERAL FUND					
100	General Fund	\$ 22,547,588	\$ 22,252,712	\$ (294,876)	-1.31%	100	General Fund	\$ 22,252,712	\$ 21,151,895	\$ (1,100,817)	-4.95%
ENTERPRISE FUNDS						ENTERPRISE FUNDS					
560, 563	Water Enterprise	116,186,830	114,420,302	(1,766,528)	-1.52%	560, 563	Water Enterprise	114,420,302	109,699,202	(4,721,100)	-4.13%
CAPITAL FUNDS ⁽¹⁾						ALL OTHER NON-MAJOR FUNDS					
592	Wastewater Improvements	12,375,620	7,517,115	(4,858,505)	-39.26%	xxx	All Other Non-Major Funds	267,687,166	254,542,632	(13,144,534)	-4.91%
ALL OTHER NON-MAJOR FUNDS											
xxx	All Other Non-Major Funds	278,172,527	260,170,051	(18,002,476)	-6.47%						

(1) The Wastewater Improvements Fund qualifies as a major fund only in FY 2016/17.



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FY 2016/17 GENERAL FUND REVENUE BY CATEGORY \$53,326,876



GENERAL FUND REVENUE SUMMARY

	2014/15 Actual	2015/16 Budget	2015/16 Projected	2016/17 Budget	% Change	2017/18 Budget	% Change
Taxes and Fines	\$ 18,204,789	\$ 18,798,154	\$ 19,698,890	\$ 20,191,043	7.41%	\$ 21,096,534	4.48%
Use of Money and Property	423,572	329,678	396,749	413,289	25.36%	460,240	11.36%
Community Development	3,492,369	2,207,813	2,917,709	3,010,431	36.35%	2,914,067	-3.20%
Public Works	2,226,849	1,889,688	2,088,473	1,879,560	-0.54%	1,905,887	1.40%
Parks and Recreation	2,965,184	3,127,760	3,200,689	3,336,598	6.68%	3,443,454	3.20%
Intergovernmental Agencies	3,568,298	3,683,774	3,788,350	3,829,552	3.96%	4,000,996	4.48%
Current Services	584,813	514,527	424,825	443,177	-13.87%	451,192	1.81%
Charges for Services	6,918,143	7,052,252	7,011,997	7,511,843	6.52%	7,645,435	1.78%
Other Revenue	696,973	347,874	647,886	520,241	49.55%	546,654	5.08%
Transfers In	6,616,104	10,063,868	9,023,632	12,191,142	21.14%	9,903,410	-18.77%
TOTAL GENERAL FUND REVENUE	\$ 45,697,094	\$ 48,015,388	\$ 49,199,200	\$ 53,326,876		\$ 52,367,869	
Annual Percentage Change			7.66%	11.06%		-1.80%	

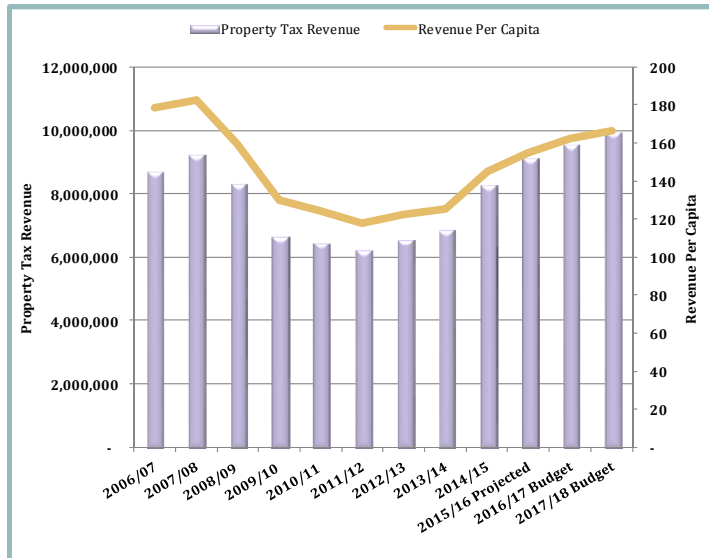
GENERAL FUND SCHEDULE OF INTERFUND TRANSFERS IN

From Fund	Purpose	Projected 2015/16	Budget 2016/17	Budget 2017/18
Gas Tax	Street Operations	\$ 1,173,300	\$ 1,243,627	\$ 1,320,305
Community Facilities District #2	Public Safety	586,806	595,000	610,000
Community Facilities District #3	Public Safety	567,845	1,164,571	684,505
Community Facilities District #4	Public Safety	2,062,625	1,950,000	2,130,000
Community Facilities District #5	Public Safety	250,010	300,000	350,000
Public Art Acquisition	Art Commission	0	600	600
Abandoned Vehicle Abatement	Vehicle Abatement	149,666	110,000	113,000
Measure C/J	Street Operations	24,671	0	0
Roadway Projects	Interest	5,281	6,389	7,603
Community Facility Projects	Interest	6,911	2,032	2,354
Community Facility Projects	Return of Excess CIP Funding	546,214	0	0
CIP 2012	Debt Refinance Savings	156,721	156,457	158,457
Emergency Preparedness	Strategic Initiatives	0	1,271,000	0
Emergency Preparedness	Economic Development	0	1,322,000	0
Internal Services	Accumulated Savings	0	416,627	416,627
Pension/OPEB Obligation	Interest	163,582	187,245	222,806
Pension/OPEB Obligation	Successor Agency Payment Plan	3,000,000	0	0
Pension/OPEB Obligation	Pension/OPEB Funding Contribution	0	3,465,594	3,887,153
Roadway Facility Fee	CIP Project Interfund Loan	330,000	0	0
Total Transfers In		\$ 9,023,632	\$ 12,191,142	\$ 9,903,410

MAJOR GENERAL FUND RECURRING REVENUE SOURCES

Major Recurring Revenue Sources	2014/15 Actual	% of General Fund Revenue	2015/16 Projected	% of General Fund Revenue	2016/17 Budget	% of General Fund Revenue	2017/18 Budget	% of General Fund Revenue
Property Tax	\$ 8,260,487	18.08%	\$ 9,111,436	18.52%	\$ 9,524,671	17.86%	\$ 9,944,626	18.99%
Sales Tax	6,836,918	14.96%	7,297,071	14.83%	7,249,812	13.60%	7,614,353	14.54%
Development Fees	5,719,218	12.52%	5,006,182	10.18%	4,889,991	9.17%	4,819,954	9.20%
Community Facilities District Assessments	3,718,571	8.14%	3,467,286	7.05%	4,009,571	7.52%	3,774,505	7.21%
Motor Vehicle In-Lieu Taxes	3,256,924	7.13%	3,655,028	7.43%	3,786,604	7.10%	3,957,001	7.56%
Parks and Recreation Property Taxes	1,689,572	3.70%	1,886,676	3.83%	1,975,206	3.70%	2,064,220	3.94%
Franchise Fees	1,400,350	3.06%	1,470,368	2.99%	1,529,182	2.87%	1,590,349	3.04%
Gas Tax (including Proposition 42)	1,559,704	3.41%	1,173,300	2.38%	1,243,627	2.33%	1,320,305	2.52%

The City of Brentwood relies on several major ongoing revenue sources for its General Fund budget. The most significant of these revenue sources, based on the percentage of the total revenue budget, are: 1) Property Tax; 2) Sales Tax; 3) Development Fees; 4) CFD Assessments; 5) Motor Vehicle In-Lieu Taxes; 6) Parks and Recreation Property Taxes; 7) Franchise Fees and 8) Gas Tax. The General Fund also receives administrative reimbursements from 15 different sources which, in the aggregate, provide revenues approximately the equivalent of Sales Taxes. These individual sources are not included in the discussions below. Listed below are the assumptions used for estimating the major revenue sources for FY 2016/17 and FY 2017/18.



Property Tax

The County of Contra Costa levies a tax of 1% on the assessed valuation of property within the County. The City of Brentwood receives approximately an 11.18% share of this 1% levy for property located within the City limits. Recently, the City has experienced strong increases in property tax revenues. In FY 2014/15, the City’s property tax base increased by 18.6%, followed by an additional increase of 12.3% in FY 2015/16. These escalations were a direct result of property tax values increasing, as housing prices are beginning to approach pre-recession levels, combined with steady increases in new housing development.

Property tax revenues are expected to increase from \$125 per capita in FY 2013/14 to \$163 per capita in the FY 2016/17 budget. The FY 2016/17 estimate of property tax revenue of \$9.5 million represents 17.9% of General Fund revenues and is a 4.5% increase from projected FY 2015/16 property taxes. This increase was compared to estimates from the City’s property tax revenue consultant’s projections for FY 2016/17 for reasonableness.

PROPERTY TAX			
City	1/1/2015 Population	2015/16 Est. General Fund Property Tax	2015/16 Est. Revenue Per Capita
Pleasanton	74,850	\$ 50,955,170	\$ 680.76
Dublin	55,844	29,789,973	533.45
Benicia	27,689	13,257,955	478.82
Oakland	410,603	156,651,446	381.52
Livermore	85,990	27,515,075	319.98
Fremont	226,551	62,707,191	276.79
Walnut Creek	66,868	13,732,652	205.37
Martinez	37,384	7,616,030	203.72
Danville	43,691	8,479,638	194.08
San Ramon	78,561	13,756,758	175.11
Vacaville	94,702	15,279,016	161.34
Brentwood	56,493	8,778,769	155.40
Union City	72,744	10,564,248	145.23
Tracy	85,296	12,035,904	141.11
Vallejo	119,683	15,981,039	133.53
Fairfield	111,891	12,494,297	111.66
Concord	126,069	12,880,824	102.17
Stockton	306,999	29,598,263	96.41
Antioch	108,298	9,706,379	89.63
Pleasant Hill	34,162	2,710,381	79.34
Oakley	38,789	2,113,140	54.48
Average Comparison City	107,769	\$ 24,600,197	\$ 224.76

The budgeted revenues are based on the estimates of new housing development, increased taxable values from turnover during the year and by a change in the California Consumer Price Index (CPI) of 1.525%. Typically, locally assessed real property subject to taxation is adjusted each year by 2% as noted in Proposition 13. However, in December 2015, the State Board of Equalization announced that for FY 2016/17, the CPI adjustment would only be 1.525%.

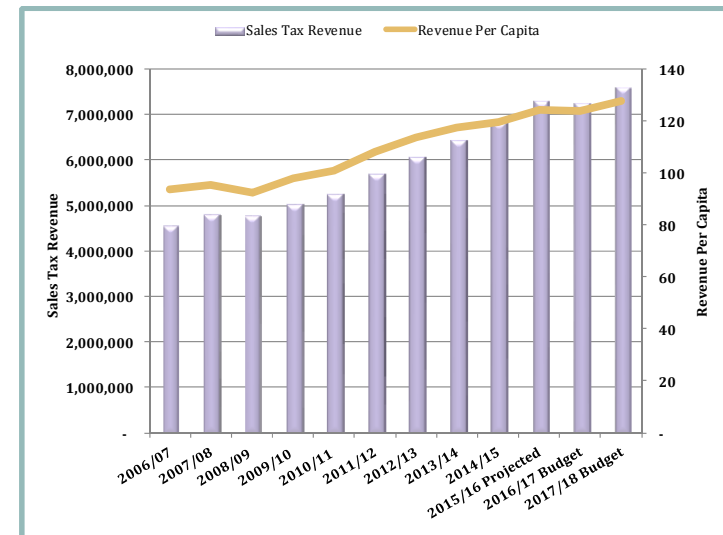
A comparison of the City’s General Fund property tax per capita revenue to other local cities has been included to provide further understanding of the City’s revenue base and its ability to provide services to the City’s residents. The comparable cities were selected from neighboring counties, based on available data from the City’s property tax consultant.

Every city receives a different percentage of each property tax dollar levied by the County. This fact, along with differing property values and land use, can cause significant variances in the per capita property tax amount among cities (e.g. Pleasanton has significant office and commercial property tax revenues which raise their per capita receipts). The chart to the left demonstrates that Brentwood takes in less property tax revenue per capita than the average comparison city.

Sales Tax

Sales tax revenue is the General Fund’s second largest individual revenue source and varies depending upon economic conditions and activity. The City of Brentwood receives a 1% share of all taxable sales generated within its borders. In addition to this 1% share, the City receives a portion of an additional, Statewide voter-approved 1/2% sales tax amount which is dedicated for public safety purposes.

The sales tax budget for FY 2016/17 is \$7.2 million, not including the public safety portion. The budget for FY 2016/17 is flat compared to the FY 2015/16 projection. This is due to a one-time payment from the State that is included in the FY 2015/16 projection that will not reoccur. Absent this one-time payment, sales taxes are budgeted to increase 5% from the FY 2015/16 projection.

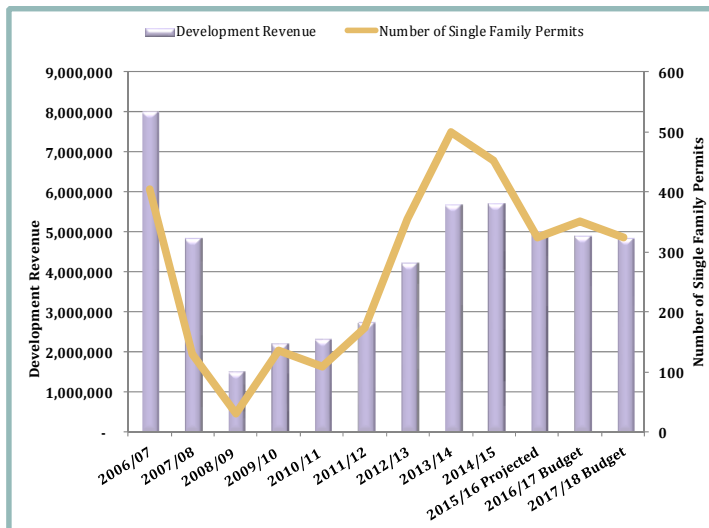


Brentwood has a diverse sales tax base and is not reliant upon any single large entity or business type (e.g. malls or major auto dealerships). As the historical chart illustrates, the City’s sales tax revenues have performed extremely well over the past decade.

The chart also illustrates a continued upward trend. On a per capita basis, the City’s sales tax revenue has increased an average of 5% per year from FY 2012/13 to the budgeted amount for FY 2016/17. The budgeted increase of 5%, from FY 2015/16 to FY 2016/17, is based on trend information and data from the City’s sales tax consultants.

The multi-city comparison of calendar year 2015 sales tax revenue, shown to the left, provides comparison city per capita property tax used in the analysis of the City’s sales tax revenues. Based on the comparison, the City has room for additional economic development to increase per capita sales tax revenue.

SALES TAX			
City	1/1/2015 Population	2015 Calendar Year Gross Sales Tax	2015 Revenue Per Capita
Walnut Creek	66,868	\$ 23,505,450	\$ 351.52
Dublin	55,844	19,337,445	346.28
Livermore	85,990	27,815,256	323.47
Pleasanton	74,850	23,863,717	318.82
Concord	126,069	32,880,485	260.81
Pleasant Hill	34,162	8,399,207	245.86
Vacaville	94,702	19,768,892	208.75
Tracy	85,296	17,387,955	203.85
Benicia	27,689	5,379,634	194.29
Fairfield	111,891	21,697,082	193.91
Fremont	226,551	43,922,347	193.87
Stockton	306,999	43,530,616	141.79
Martinez	37,384	5,212,326	139.43
Brentwood	56,493	7,541,900	133.50
Danville	43,691	5,536,474	126.72
Oakland	410,603	51,810,323	126.18
Union City	72,744	9,172,376	126.09
San Ramon	78,561	9,657,652	122.93
Vallejo	119,683	13,546,346	113.19
Antioch	108,298	12,044,593	111.22
Oakley	38,789	1,666,945	42.97
Average Comparison City	107,769	\$ 19,222,715	\$ 191.69



Development Fees

Development fees cover the cost of inspection; plan retention and review; record keeping; materials investigation; special inspection management and overhead of the Building, Planning and Engineering divisions. The largest sources of development revenue are building permits and building plan checking fees. There were 500 single family dwelling permits issued in FY 2013/14 and 451 issued in FY 2014/15. The current projection for FY 2015/16 shows a total of 425 permits to be issued by year end. The projected revenue for FY 2016/17, of \$4.9 million, is based on the issuance of an estimated 350 new single family dwelling permits. Revenues are budgeted to decrease in FY 2017/18 to \$4.8 million, based on a projection of 325 permits.

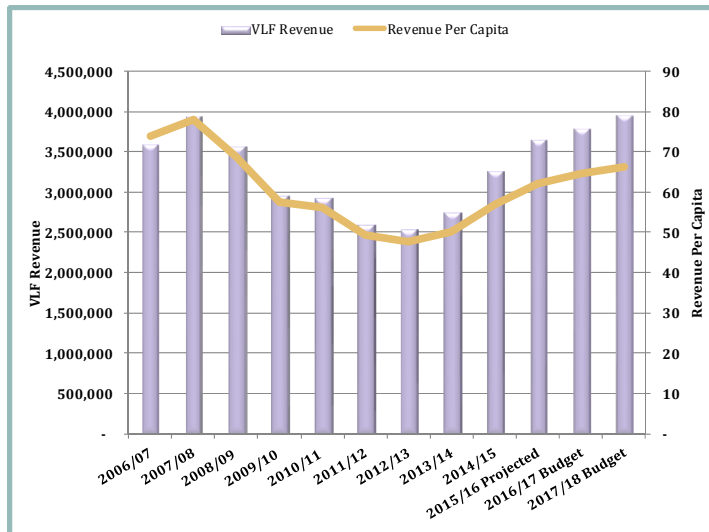
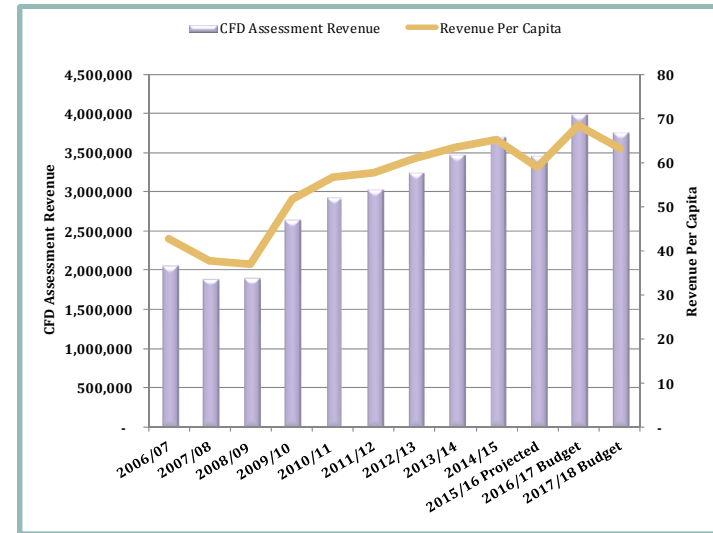
The City’s development revenues are projected based on the number of single family dwelling permits estimated to be issued in the budget period, in addition to estimated revenues from all other permits and services related to development.

Community Facilities District Assessments

All new developments in the City are required to participate in a CFD. The City uses a Special Revenue Fund to account for special benefit assessments levied on property owners to be used for the following: public safety services; joint use school facilities; community facilities; and construction, acquisition and maintenance of open spaces, flood drains and storm drains. The City budgets to transfer a portion of this revenue into the General Fund on an annual basis, primarily to fund public safety services.

This revenue source has grown in line with increasing development over the past several years. Budgeted growth in this revenue source is driven by new development in the City, plus an annual 2% inflation increase in the existing assessment amounts.

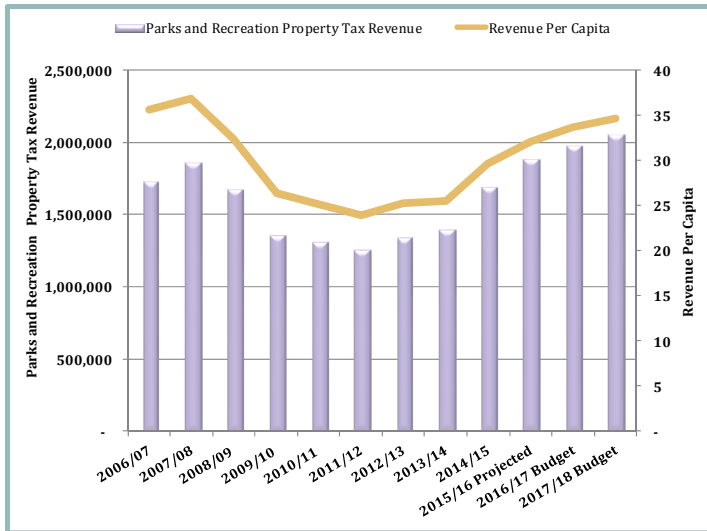
This new development includes 350 single family residential permits projected to be issued in FY 2016/17 and 325 projected to be issued in FY 2017/18. The FY 2015/16 projected revenue amount is lower when compared to FY 2014/15 because of a reduction in the transfer to the General Fund as a result of the payment of debt service obligations from the CFD funds. In FY 2016/17, the increase in the budget is caused by a one-time transfer for the City’s support of interim regional fire services.



Motor Vehicle In-Lieu Tax

The State Revenue and Taxation code imposes an annual license fee of 2% of the market value of motor vehicles in-lieu of a local motor vehicle property tax. Due to the State Budget Act of 2004, the timing of the payments and the method of calculation has changed dramatically. The majority of the Motor Vehicle Fee revenue has been replaced by Property Tax In-Lieu of Vehicle License Fee (VLF) revenue, although for reporting purposes, it is still considered Motor Vehicle In-Lieu Tax revenue.

As a result of the State Budget Act of 2014, allocation of the Motor Vehicle In-Lieu Tax is driven by the change in the City’s property tax values, not by population. Due to significant increases in the City’s assessed valuation in the past two years, revenue from the Motor Vehicle In-Lieu Tax has increased an average of 13% per year from FY 2013/14 to the FY 2015/16 projection. The budget for FY 2016/17 includes a 3.6% increase to a total of \$3.8 million. This increase is based on the same analysis utilized in projecting property tax, discussed in the Property Tax section beginning on page 76.



Parks and Recreation Property Tax

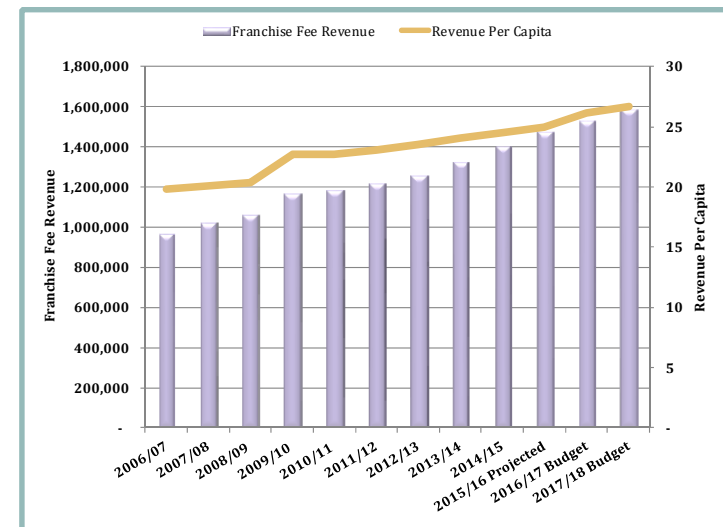
The County of Contra Costa levies a tax of 1% on the assessed valuation of property within the County. The City of Brentwood Parks and Recreation Department receives approximately 2.27% of the City’s share of the 1% levy for property located within the City limits. The FY 2016/17 estimate of Parks and Recreation property tax revenue of \$2.0 million represents 3.7% of the General Fund total revenue. These revenues are used to support the Parks and Recreation Department.

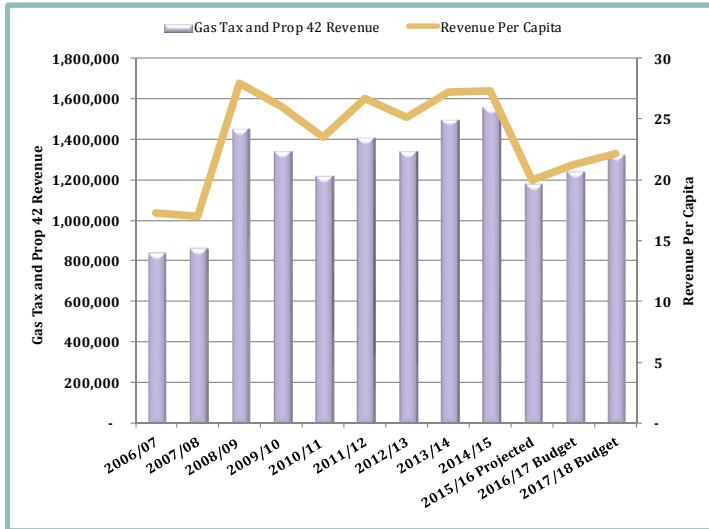
The budgeted amounts for Parks and Recreation property taxes are estimated in a method consistent with General Fund property taxes, as discussed in the Property Tax section beginning on page 76.

Franchise Fees

The City charges local wireless, cable, telephone and electric utilities for their use of City owned streets and right-of-way. As the City has grown, and the demand for enhanced services has increased, the City has seen tremendous growth in franchise fee revenue. Franchise fees, which are largely immune to the ups and downs of the economy, have continued to see steady growth, remaining one of the General Fund’s top ten revenue sources.

Franchise fee budgets are estimated based on an analysis of the existing contracts currently in place, any changes to the terms expected in the budget period, and a factor applied to account for the effects on revenue of continued development and population growth.





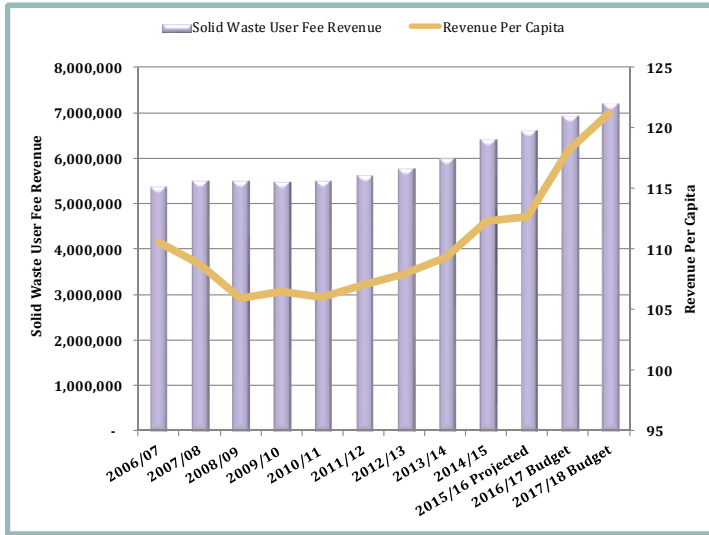
Gas Tax

The State of California imposes a tax on motor vehicle and aircraft fuel, with a portion of these funds being allocated to cities to help fund street improvements and maintenance. These funds are commonly referred to as “Gas Tax” revenues. The City transfers Gas Tax revenues into the General Fund to support street maintenance.

In 2010, the State’s sales tax on gasoline, which funds Proposition 42, was repealed (local sales tax rates on gasoline were not affected). A newly implemented 17.3 cent per gallon excise tax was implemented in its place, which serves to increase the available Gas Tax revenue. As such, the City no longer received revenue from Proposition 42, but instead received an offsetting increase to Gas Tax revenue. The chart at left combines both Gas Tax and Proposition 42 revenues for consistency and comparative purposes.

The significant downturn in revenue projected for FY 2015/16, and continuing into FY 2016/17, is largely due to falling gasoline prices and consumption and the effect of State “true ups” under the fuel tax swap system. The City has estimated the budgeted amounts for FY 2016/17 based on projections from the California Local Government Finance Almanac.

OTHER CITY REVENUE SOURCES



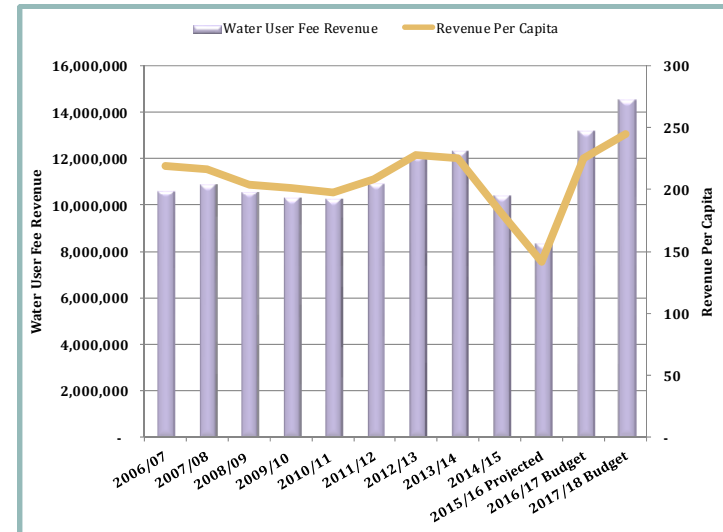
Solid Waste User Fees

On December 10, 2013, the City Council adopted a five-year rate study through the Proposition 218 process which established annual rate increases of 3% for solid waste services. The FY 2016/17 and FY 2017/18 budget is based on a combination of the annual increase in rates and projected commercial and residential development, which drives the need for increased service levels.

Water User Fees

On April 28, 2015, in response to severe drought conditions, the City Council implemented Stage III of the City’s Water Shortage Contingency Plan, requiring potable water customers to reduce consumption by 35% from 2013 amounts. City customers not only met, but exceeded the City Council goal of 35% reduction in consumption. This conservation has resulted in the reduction of user fees in the FY 2015/16 projected revenues of \$3.6 million. The FY 2015/16 \$8.3 million projection is 31% below FY 2013/14 revenue levels of \$12.3 million.

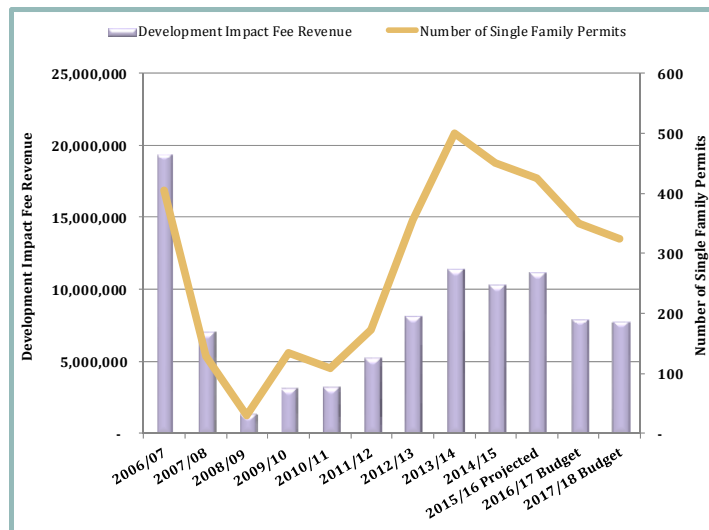
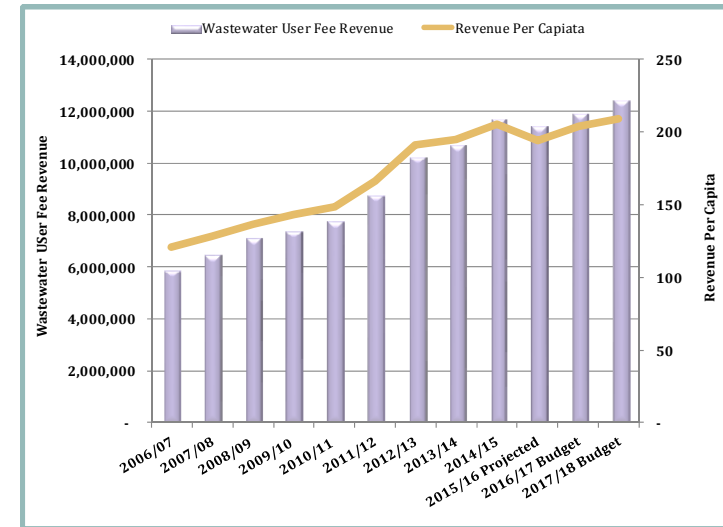
In response to continued conservation by customers, expected from permanent changes in water use habits including increases in use of non-potable water for irrigation, a two-year rate study was initiated through the Proposition 218 process which established annual rate increases of 9% beginning on June 1, 2016. Consequently, user fee revenue for FY 2016/17 is based on projected post-drought water use levels and the two-year rate study fee structure.



Wastewater User Fees

On December 10, 2013, the City Council adopted a five-year rate study through the Proposition 218 process which established annual rate increases of 3% for Wastewater services. Unlike the significant impact to water service revenue due to the drought, wastewater fees are subject to less significant drought variations. Therefore, FY 2015/16 revenues are only down slightly from FY 2014/15 due to the effects of drought-related conservation.

The FY 2016/17 and FY 2017/18 budgets are based on a combination of the annual increase in rates and projected commercial and residential development, which drives the need for increased service levels.

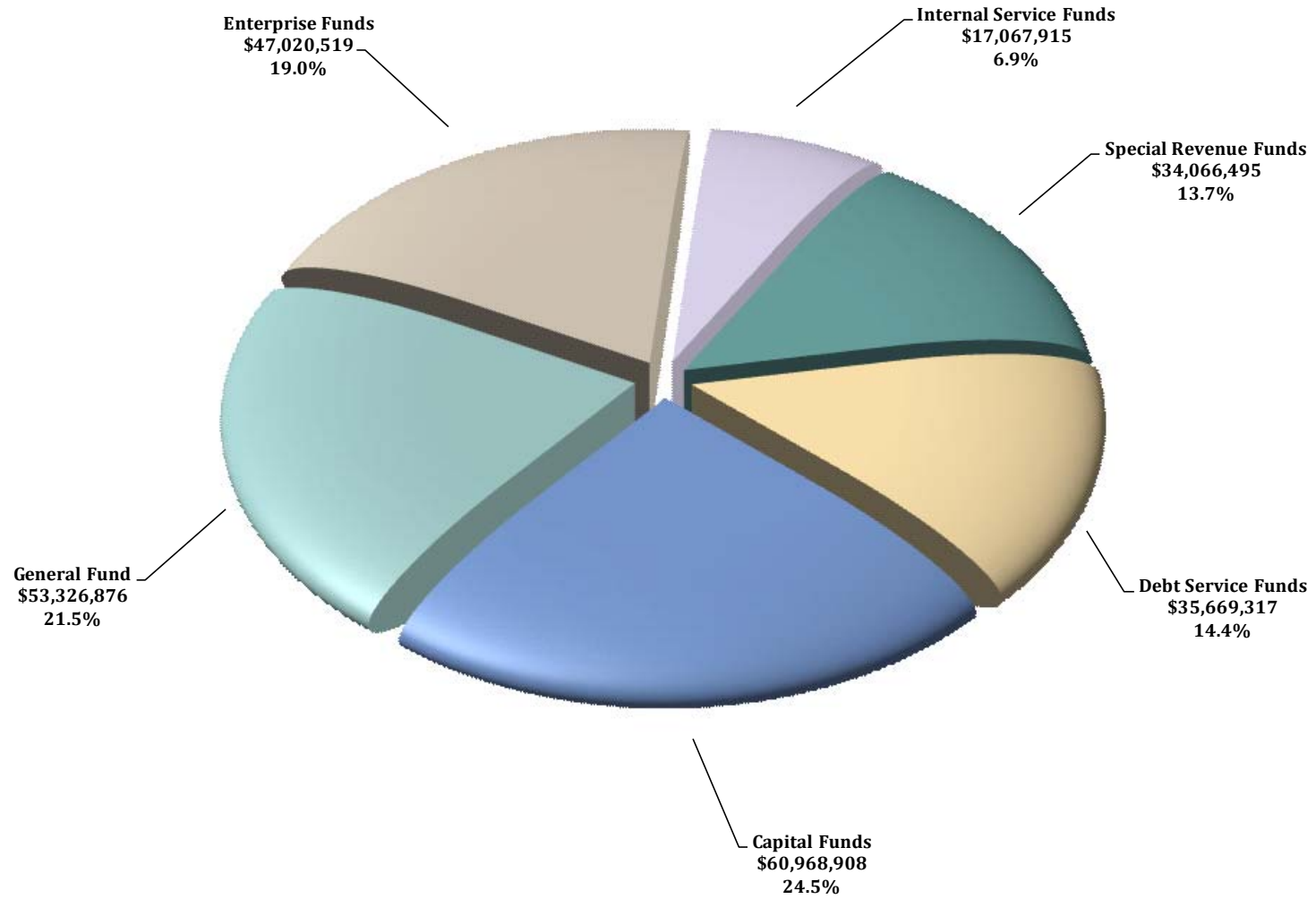


Development Impact Fee Revenue

Water, Wastewater, Roadway, Community Facilities, Fire, and Parks and Trails development impact fees are collected for all new development in the City of Brentwood. These fees are collected for the purpose of constructing or improving Master Planned City infrastructure. The current fee schedule can be found in the City’s Development Impact Fee Program adopted in April 2015.

The budgeted revenue of \$8.0 million in FY 2016/17 and \$7.8 million in FY 2017/18, is calculated based on the estimated number of single family dwelling units and commercial office/industrial development permits projected to be issued.

FY 2016/17 CITYWIDE REVENUE BY FUND TYPE
\$248,120,030



FUND REVENUE SUMMARY

Fund #	Fund Name	2014/15 Actual	2015/16 Budget	2015/16 Projected	2016/17 Budget	Budget % Change	2017/18 Budget	Budget % Change
GENERAL FUND								
100	General Fund	\$ 45,697,094	\$ 48,015,388	\$ 49,199,200	\$ 53,326,876	11.06%	\$ 52,367,869	-1.80%
	Total General Fund	<u>45,697,094</u>	<u>48,015,388</u>	<u>49,199,200</u>	<u>53,326,876</u>	11.06%	<u>52,367,869</u>	-1.80%
ENTERPRISE FUNDS								
540,543	Solid Waste Enterprise	21,667,994	10,494,913	10,410,969	11,063,782	5.42%	11,549,251	4.39%
560,563	Water Enterprise	19,252,695	20,827,405	16,447,871	21,718,849	4.28%	23,960,926	10.32%
590,593	Wastewater Enterprise	14,072,831	11,650,912	11,849,515	12,469,180	7.02%	12,997,885	4.24%
501	City Rentals Enterprise	477,286	471,569	474,893	478,245	1.42%	481,917	0.77%
510,511,513	Housing Enterprise	1,316,097	974,475	862,588	1,290,463	32.43%	938,524	-27.27%
	Total Enterprise Funds	<u>56,786,903</u>	<u>44,419,274</u>	<u>40,045,836</u>	<u>47,020,519</u>	5.86%	<u>49,928,503</u>	6.18%
INTERNAL SERVICE FUNDS								
700	Emergency Preparedness	53,802	70,225	77,403	9,378	-86.65%	2,733	-70.86%
701	Information Services	2,033,432	2,094,978	2,097,829	2,292,890	9.45%	2,561,558	11.72%
702	Equipment Replacement	2,020,755	1,753,684	1,784,430	1,781,652	1.59%	1,793,953	0.69%
703	Information Systems Replacement	680,443	684,964	690,828	1,083,290	58.15%	1,239,735	14.44%
704	Facilities Replacement	803,577	792,622	810,186	940,014	18.60%	1,110,031	18.09%
705	Tuition	18,630	18,373	18,646	604	-96.71%	718	18.87%
706	Fleet Maintenance Services	1,311,995	1,331,977	1,332,104	1,370,236	2.87%	1,398,008	2.03%
707	Facilities Maintenance Service	1,797,554	1,822,716	1,825,599	1,904,821	4.50%	1,961,936	3.00%
708	Parks and LLAD Replacement	2,044,403	2,430,636	2,465,630	2,618,812	7.74%	2,472,721	-5.58%
709	Insurance	1,106,346	1,007,367	1,008,696	1,053,973	4.63%	1,107,949	5.12%
710	Pension/OPEB Obligation	5,324,555	4,451,137	3,251,529	4,012,245	-9.86%	4,613,806	14.99%
	Total Internal Service Funds	<u>17,195,492</u>	<u>16,458,679</u>	<u>15,362,880</u>	<u>17,067,915</u>	3.70%	<u>18,263,148</u>	7.00%

FUND REVENUE SUMMARY (Continued)

Fund #	Fund Name	2014/15 Actual	2015/16 Budget	2015/16 Projected	2016/17 Budget	Budget % Change	2017/18 Budget	Budget % Change
SPECIAL REVENUE FUNDS								
203-208	Gas Tax	\$ 1,551,021	\$ 1,165,780	\$ 1,262,517	\$ 1,162,485	-0.28%	\$ 1,199,067	3.15%
214	SB1186 Disability Access	4,155	3,524	4,605	4,679	32.78%	4,788	2.33%
216	Police Grants	129,882	138,421	107,249	237,761	71.77%	238,050	0.12%
217	Grants	11,848	2,790,125	342,022	3,006,498	7.75%	80	-100.00%
219	Economic Development Grant	389,872	250,500	175,620	192,014	-23.35%	199,590	3.95%
220	Infrastructure Improvements	55	39	56	58	48.72%	69	18.97%
230	Citywide Park Assessment District	2,782,296	2,806,834	2,849,057	2,919,758	4.02%	2,981,405	2.11%
231	Community Facilities District #2	583,658	593,443	595,280	607,177	2.31%	619,326	2.00%
232	Community Facilities District #3	2,703,745	2,696,645	2,739,071	2,309,032	-14.37%	2,332,536	1.02%
233,235	Community Facilities District #4	1,932,557	1,837,407	2,198,318	2,331,594	26.90%	2,483,187	6.50%
234	Community Facilities District #5	514,572	782,087	593,278	723,000	-7.56%	900,364	24.53%
250	Water Facility Fee	1,957,215	1,367,740	3,318,545	1,132,057	-17.23%	1,326,266	17.16%
251	Roadway Facility Fee	3,460,707	2,907,296	2,496,407	2,984,675	2.66%	2,838,524	-4.90%
252	Parks and Trails Facility Fee	2,294,191	1,638,005	2,483,101	1,756,199	7.22%	1,672,284	-4.78%
255	Wastewater Facility Fee	1,710,043	1,008,837	2,244,834	1,574,139	56.04%	1,224,362	-22.22%
256	Community Facility Fee	1,225,912	940,118	706,465	828,129	-11.91%	776,796	-6.20%
257	Fire Facility Fee	396,817	264,279	271,903	4,309,349	1530.61%	323,708	-92.49%
261	Facility Fee Administration	402,263	224,351	319,711	344,617	53.61%	298,306	-13.44%
262	Agriculture Land Administration	40,488	3,328	73,835	4,709	41.50%	5,603	18.98%
263	Agriculture Land Acquisition	150,265	4,210	284,061	5,868	39.38%	6,982	18.98%
264	First-Time Homebuyer	59,611	3,780	8,368	7,425	96.43%	8,835	18.99%
265	Affordable Housing In-Lieu Fee	429,229	463,974	819,873	431,027	-7.10%	446,919	3.69%
267	Public Art Administration	94,156	46,545	50,826	45,961	-1.25%	46,921	2.09%
268	Public Art Acquisition	294,210	118,163	202,573	188,667	59.67%	188,541	-0.07%
269	Parking In-Lieu	252	177	253	263	48.59%	313	19.01%
270	Arts Commission	45	35	45	0	-100.00%	0	0.00%
280	Asset Forfeiture	19,261	27,023	27,642	27,797	2.86%	27,855	0.21%
281	Abandoned Vehicle Abatement	106,668	68,582	111,157	114,014	66.24%	117,207	2.80%
285	PEG Media	7,483	5,266	7,519	7,805	48.21%	9,287	18.99%
286	Parks Advertising	3,131	19,582	16,519	19,498	-0.43%	19,593	0.49%
293	Measure C/J	1,210,084	828,547	1,079,697	833,329	0.58%	858,340	3.00%
302	City Low Income Housing	585	555	130	10,319	1759.28%	12,278	18.98%
6xx	Landscape and Lighting Assessment Districts	6,542,916	6,380,345	6,416,779	5,946,592	-6.80%	6,220,164	4.60%
Total Special Revenue Funds		31,009,193	29,385,543	31,807,316	34,066,495	15.93%	27,387,546	-19.61%

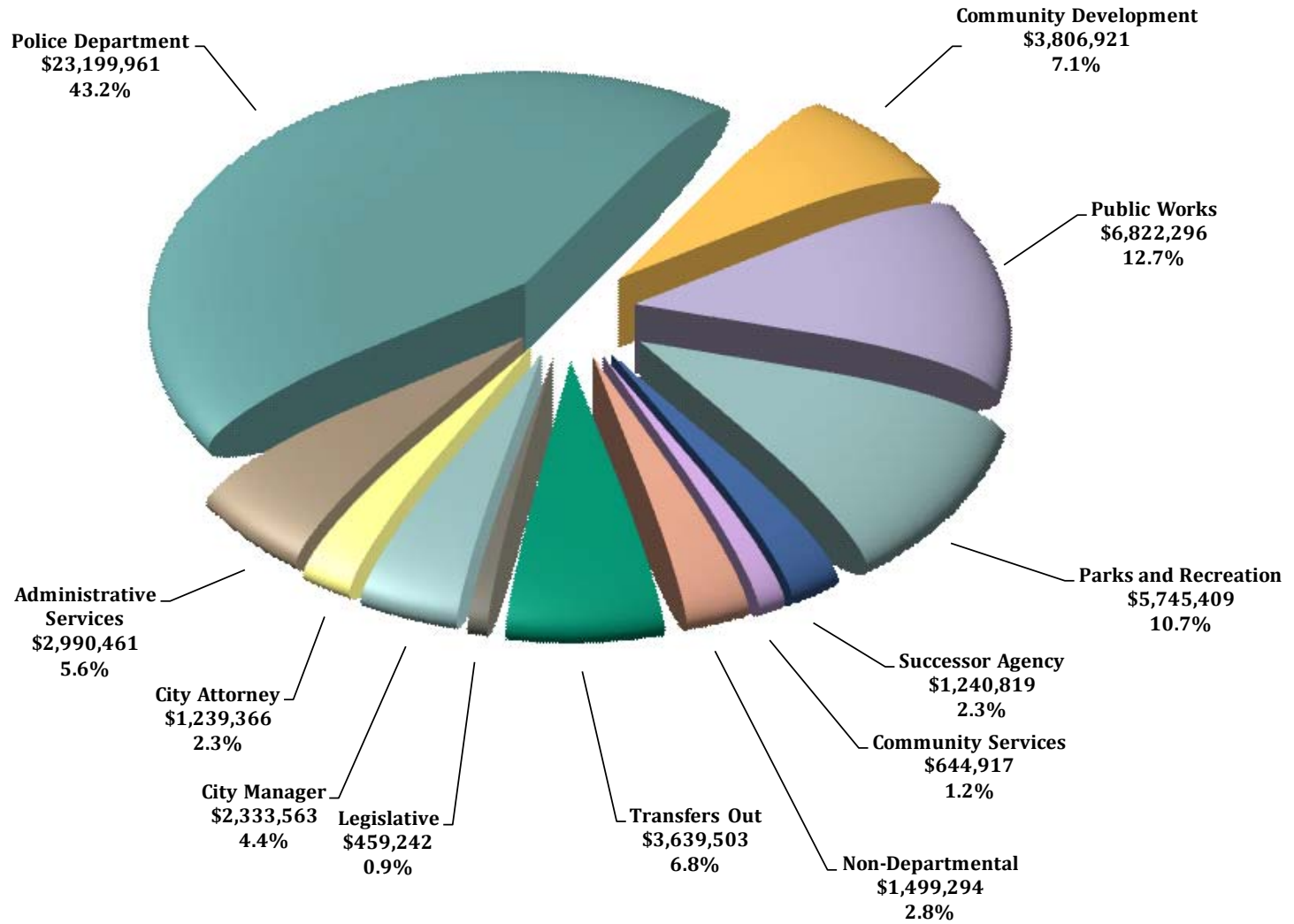
FUND REVENUE SUMMARY (Continued)

Fund #	Fund Name	2014/15 Actual	2015/16 Budget	2015/16 Projected	2016/17 Budget	Budget % Change	2017/18 Budget	Budget % Change
DEBT SERVICE FUNDS								
<i>City Debt Obligations</i>								
445	Capital Improvement Revenue Refunding Bonds Series 2012	\$ 1,546,459	\$ 2,162,425	\$ 2,167,366	\$ 2,162,273	-0.01%	\$ 2,154,362	-0.37%
448	General Obligation Bonds Series 2002	432,565	429,375	440,197	466,538	8.66%	489,730	4.97%
461	2009 Civic Center Project Lease Revenue Bonds	4,803,421	5,391,308	5,395,291	5,397,287	0.11%	5,375,164	-0.41%
466	2015 Lease Financing	0	108,114	108,114	708,895	555.69%	796,390	12.34%
	Total City Debt Obligations	<u>6,782,445</u>	<u>8,091,222</u>	<u>8,110,968</u>	<u>8,734,993</u>	<u>7.96%</u>	<u>8,815,646</u>	<u>0.92%</u>
<i>Assessment Districts</i>								
436	2014 A & B Refinance	6,138,129	7,426,699	6,824,930	7,139,520	-3.87%	7,151,065	0.16%
437	2012 A Refinance	2,724,946	2,780,133	2,780,021	2,658,818	-4.36%	2,771,235	4.23%
438	Capital Improvement Financing Program 2003-1	1,272,001	1,269,569	1,266,678	1,274,040	0.35%	1,273,516	-0.04%
439	Capital Improvement Financing Program 2002-1	1,220,616	1,214,830	1,215,592	1,217,550	0.22%	1,221,879	0.36%
441	Capital Improvement Financing Program 94-1	25,858,203	2,834,655	2,739,006	2,802,315	-1.14%	2,805,688	0.12%
442	Capital Improvement Financing Program 98-1	702,668	709,211	697,517	708,502	-0.10%	708,949	0.06%
443	Capital Improvement Financing Program 99-1	644,543	647,657	642,342	652,076	0.68%	654,645	0.39%
444	Capital Improvement Financing Program 2000-01	9,931,052	975,073	900,649	935,033	-4.11%	937,189	0.23%
449	Capital Improvement Financing Program 2004-1	1,580,650	1,577,270	1,576,277	1,575,730	-0.10%	1,576,742	0.06%
460	Randy Way Assessment District	61,954	60,541	60,898	60,014	-0.87%	59,215	-1.33%
462	2006 A & B Refinance Bonds	2,764,171	2,767,928	2,769,310	2,777,122	0.33%	2,773,868	-0.12%
463	Capital Improvement Financing Program 2006-1	14,961,192	1,167,621	1,045,008	1,109,955	-4.94%	1,113,548	0.32%
464	Capital Improvement Financing Program 2005-1	34,198,641	2,748,191	2,414,336	2,597,477	-5.48%	2,601,522	0.16%
465	96R Assessment District	1,480,868	1,530,919	1,493,851	1,426,172	-6.84%	10,054	-99.30%
	Total Assessment Districts	<u>103,539,634</u>	<u>27,710,297</u>	<u>26,426,415</u>	<u>26,934,324</u>	<u>-2.80%</u>	<u>25,659,115</u>	<u>-4.73%</u>
	Total Debt Service Funds	<u>110,322,079</u>	<u>35,801,519</u>	<u>34,537,383</u>	<u>35,669,317</u>	<u>-0.37%</u>	<u>34,474,761</u>	<u>-3.35%</u>

FUND REVENUE SUMMARY (Continued)

Fund #	Fund Name	2014/15 Actual	2015/16 Budget	2015/16 Projected	2016/17 Budget	Budget % Change	2017/18 Budget	Budget % Change
CAPITAL FUNDS								
336	Roadway Improvements	\$ 2,191,438	\$ 7,115,032	\$ 5,066,866	\$ 2,769,572	-61.07%	\$ 1,772,182	-36.01%
337	Community Facilities Improvements	843,904	11,296,061	8,123,174	8,855,558	-21.60%	10,106,644	14.13%
352	Parks and Trails Improvements	917,283	711,798	339,658	1,047,642	47.18%	161,954	-84.54%
361	Civic Center Project Lease Revenue Bond Acquisition	39,091	50,398	11,712	61,063	21.16%	31,083	-49.10%
366	2015 Lease Financing	0	11,515,000	11,515,031	21,790	-99.81%	9,117	-58.16%
380	Civic Center Capital Improvement Financing Program	1,653,845	1,703,435	1,698,666	2,118,985	24.39%	2,163,356	2.09%
381	City Capital Improvement Financing Program	180,000	59,588	6,162	250,708	320.74%	272,805	8.81%
391	Drainage Improvements	1	244	0	0	-100.00%	0	0.00%
392	Capital Infrastructure	58,043	40,010	49,875	1,340,581	3250.61%	17,779	-98.67%
393	Vineyards Projects	258,272	67,940	214,258	116,531	71.52%	120,299	3.23%
394	Vineyards Event Center Projects	1,908,306	0	1,799,650	24,160	100.00%	10,558	-56.30%
542	Solid Waste Improvements	5,792	13,997	417	0	-100.00%	0	0.00%
562	Water Improvements	1,488,577	2,813,381	2,841,917	2,237,933	-20.45%	6,155,876	175.07%
592	Wastewater Improvements	1,819,836	8,327,419	8,003,864	42,124,385	405.85%	833,299	-98.02%
	Total Capital Funds	<u>11,364,388</u>	<u>43,714,303</u>	<u>39,671,250</u>	<u>60,968,908</u>	<u>39.47%</u>	<u>21,654,952</u>	<u>-64.48%</u>
	TOTAL FUNDS	<u>\$ 272,375,149</u>	<u>\$ 217,794,706</u>	<u>\$ 210,623,865</u>	<u>\$ 248,120,030</u>	<u>13.92%</u>	<u>\$ 204,076,779</u>	<u>-17.75%</u>

FY 2016/17 GENERAL FUND EXPENDITURE SUMMARY
\$53,621,752



GENERAL FUND EXPENDITURE SUMMARY

	2014/15 Actual	2015/16 Budget	2015/16 Projected	2016/17 Budget	Budget % Change	2017/18 Budget	Budget % Change
Legislative	\$ 437,156	\$ 497,433	\$ 489,521	\$ 459,242	-7.68%	\$ 473,486	3.10%
City Manager	1,863,998	1,999,601	1,789,225	2,333,563	16.70%	2,316,659	-0.72%
City Attorney	947,668	1,112,477	1,084,260	1,239,366	11.41%	1,261,986	1.83%
Administrative Services	2,596,983	2,847,787	2,780,086	2,990,461	5.01%	3,116,294	4.21%
Community Development	3,221,198	3,603,544	3,524,108	3,806,921	5.64%	3,922,395	3.03%
Parks and Recreation	5,014,243	5,581,168	5,196,481	5,745,409	2.94%	5,932,024	3.25%
Police Department	18,113,068	20,672,268	20,052,969	23,199,961	12.23%	24,021,223	3.54%
Public Works	5,556,094	6,389,247	6,046,538	6,822,296	6.78%	7,084,376	3.84%
Sucessor Agency	27,769	430,000	377,797	1,240,819	188.56%	1,304,413	5.13%
Community Services	587,661	629,722	624,225	644,917	2.41%	854,053	32.43%
Non-Departmental	579,475	1,240,780	758,406	1,499,294	20.83%	968,198	-35.42%
Transfers Out	4,983,808	2,203,459	2,835,462	3,639,503	65.17%	2,213,579	-39.18%
TOTAL GENERAL FUND EXPENDITURES	\$ 43,929,121	\$ 47,207,486	\$ 45,559,078	\$ 53,621,752		\$ 53,468,686	
Annual Percentage Change			3.71%	13.59%		-0.29%	

GENERAL FUND SCHEDULE OF INTERFUND TRANSFERS OUT

To Fund	Purpose	Projected 2015/16	Budget 2016/17	Budget 2017/18
Transfers Out				
City Wide Park Assessment District	Park Maintenance	\$ 808,000	\$ 822,998	\$ 843,573
Roadway Improvements	Citywide Overhead Utility Replacement	120,000	100,000	0
Roadway Improvements	Citywide Sidewalk Replacement	65,238	67,195	69,211
Roadway Improvements	John Muir Parkway Extension - Phase II	330,000	0	0
Roadway Improvements	Pavement Management Program	122,796	160,000	200,000
Roadway Improvements	Roadway Signing and Striping	31,855	32,810	33,795
Roadway Improvements	Traffic Calming Installations	15,500	15,000	15,000
Community Facilities Improvements	Community Build-Out Plan	0	150,000	150,000
Community Facilities Improvements	Corporate Yard Wash Pad	6,063	0	0
Community Facilities Improvements	Recreation Software	80,007	0	0
Community Facilities Improvements	Specific Plan for Priority Area 1	0	275,000	275,000
Parks and Trails Improvements	Trail Pavement Management	54,000	99,500	7,000
Parks and Trails Improvements	Tree Reforestation	20,000	20,000	20,000
Capital Infrastructure	Economic Development	0	1,322,000	0
Parks and LLAD Replacement	Parks Replacement	550,000	575,000	600,000
Pension/OPEB Obligation	Anticipated Excess Fund Balance	632,003	0	0
	Total Transfers Out	\$ 2,835,462	\$ 3,639,503	\$ 2,213,579

GENERAL FUND EXPENDITURES BY CATEGORY

	2014/15 Actual	2015/16 Budget	2015/16 Projected	2016/17 Budget	% Change	2017/18 Budget	% Change
Personnel Services	\$ 24,969,415	\$ 28,169,882	\$ 26,934,441	\$ 30,253,529	7.40%	\$ 31,698,548	4.78%
Supplies and Services	7,353,712	9,670,589	8,661,380	11,184,625	15.66%	10,051,571	-10.13%
Internal Services	6,590,707	7,060,634	7,060,634	8,528,045	20.78%	9,488,638	11.26%
Capital Outlay	6,479	52,922	17,161	16,050	-69.67%	16,350	1.87%
SUBTOTAL GENERAL FUND OPERATIONS	38,920,313	44,954,027	42,673,616	49,982,249	11.19%	51,255,107	2.55%
Transfers Out	5,008,808	2,253,459	2,885,462	3,639,503	61.51%	2,213,579	-39.18%
TOTAL GENERAL FUND EXPENDITURES	\$ 43,929,121	\$ 47,207,486	\$ 45,559,078	\$ 53,621,752		\$ 53,468,686	
Annual Percentage Change			3.71%	13.59%		-0.29%	
Total General Fund Budgeted Full-Time Employees	169.57	170.67	170.67	180.99		180.99	
Total General Fund Elected and Appointed Employees	40.00	40.00	40.00	40.00		40.00	

GENERAL FUND EXPENDITURES

Personnel Services

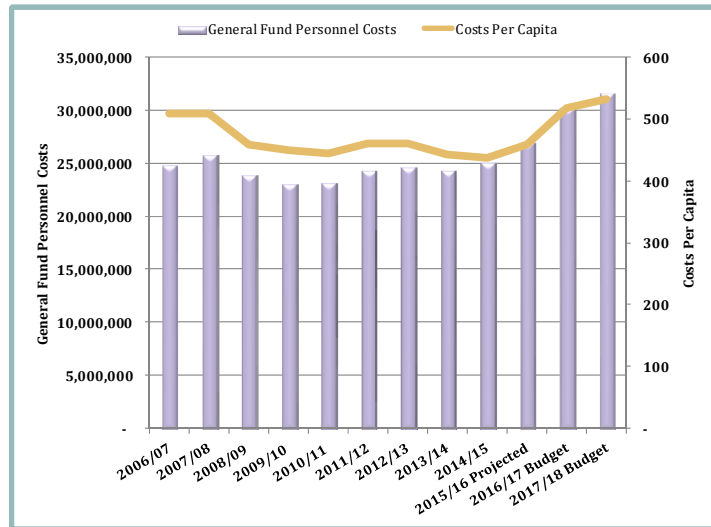
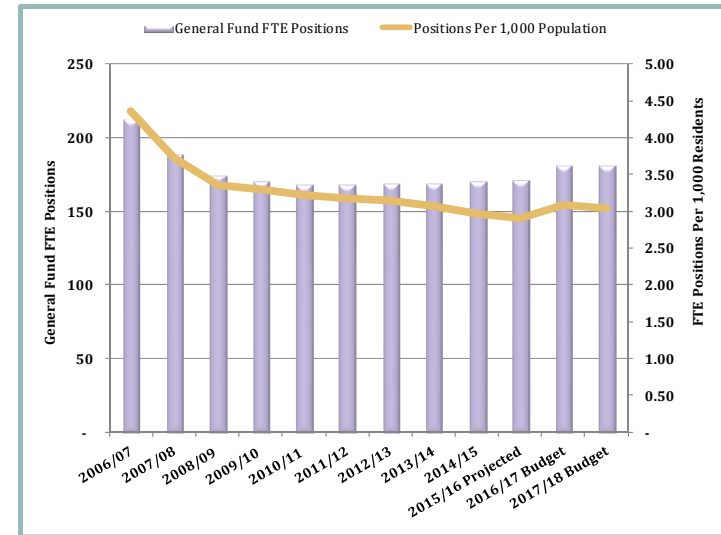
Personnel expenditures comprise the majority of General Fund appropriations, representing approximately 60% of General Fund operating expenses. The total budgeted expenditures for FY 2016/17 are \$30.3 million, which is a 7.4% increase over the FY 2015/16 budget of \$28.2 million. This increase is driven by service level increases and salary and benefit adjustments for existing employees.

For over 20 years, the City of Brentwood contracted with the neighboring City of Antioch for police dispatch services. Populations have increased in both cities causing a significant increase in calls for police services during this period. For a number of years the City of Brentwood has planned to establish a police dispatch/communications center when operationally and fiscally feasible.

Over the past several years it has become increasingly difficult for both agencies to share a dispatch center. As a result, in November 2014, the City Council gave direction to staff to establish a dispatch center in Brentwood. The dispatch center

will ensure Brentwood will have control over a critical function, including the hiring of personnel, training standards, quality and budgets for operation.

The dispatch center will require additional staff in the two-year budget period consisting of 10 Dispatchers to operate on a 24-hour basis. These new employees are in addition to two Dispatch Supervisors and one Information Services GIS (Geographic Information System) Coordinator hired during FY 2015/16 as part of the plan to establish the dispatch center. With a late FY 2016/17 target date for becoming operational, the total dispatch center personnel budget is \$1.3 million in FY 2016/17 and \$1.7 million in FY 2017/18. A portion of these increased personnel costs will be offset by savings in contractual services from the discontinuation of the City of Antioch dispatch contract.



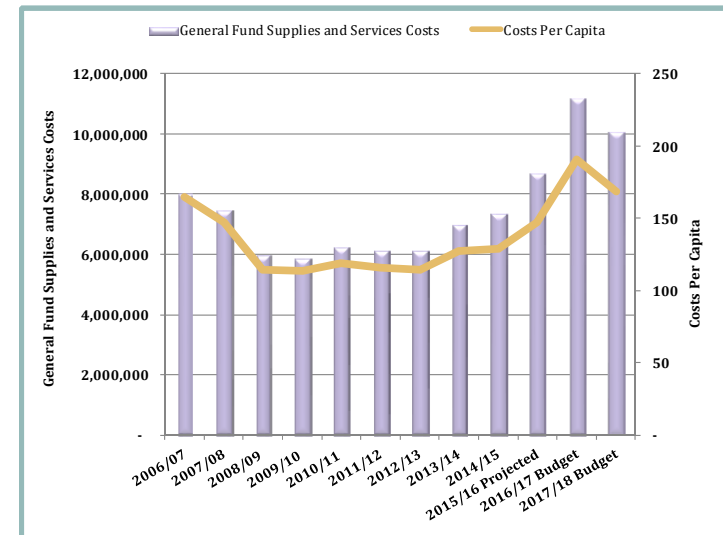
There are no increases in the number of General Fund employees in the two-year budget, aside from the increases necessary for dispatch operations. As illustrated in the chart on the previous page, personnel costs are increasing due to additional service levels provided by the dispatch center and from standard salary and benefit adjustments for existing General Fund employees. Personnel expenditures are projected to be \$468 per capita for FY 2015/16 and \$516 per capita for FY 2016/17.

Supplies and Services

Supplies and services expenditures are increasing from \$8.7 million in the FY 2015/16 projection to \$11.2 million in the FY 2016/17 budget due to the following significant items:

- **Successor Agency Payment Plan**

The DOF disallowed \$15.0 million in transfers made from the former Brentwood RDA to the City for the construction of capital projects in the redevelopment area, despite the former having committed funding years prior to the dissolution by the State. The City, as Successor Agency to the former RDA, negotiated and entered into an installment payment plan with the DOF for the amount to be repaid over a 10-year period. In accordance with this installment payment plan, the payments made to Contra Costa County are included in the Supplies and Services budget as contributions to other agencies. The budgeted amount for FY 2016/17 and FY 2017/18 are \$1.2 million and \$1.3 million, respectively. The City, as a taxing entity of the former RDA, will receive an approximate 16.6% share of the redistribution payments as a distribution from Contra Costa County. The 16.6% share of the payments has been included as other revenue in the two-year budget.



- **Strategic Initiatives**

The Supplies and Services budget was increased by \$0.7 million in FY 2016/17 and \$0.4 million FY 2017/18 to support the cost of the General Fund strategic initiatives. The costs of these strategic initiatives have been offset by one-time transfers in from other funds in the amount of \$1.3 million in FY 2016/17. This transfer will be utilized to fund strategic initiatives expenditures in both budget years and support transfers out to CIP initiatives which are not included in the Supplies and Services budget. A portion of the transfer will also be reserved in the General Fund balance to support initiatives postponed until after the two-year budget period.

- **Dispatch Center**

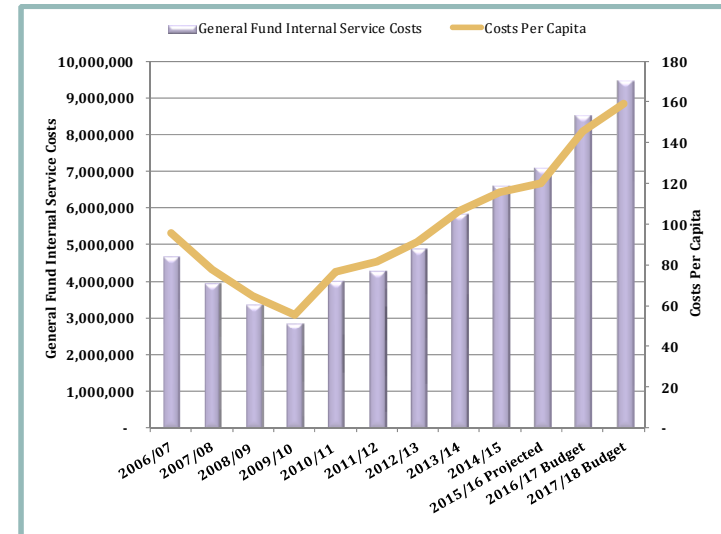
An increase in the Supplies and Services budget is required for the new dispatch center. The dispatch center’s supplies and services budget has been estimated at \$0.5 million for FY 2016/17. The City’s contract for dispatch services with the City of Antioch will be terminated with the opening of the dispatch center in Brentwood. Additionally, supplies and services cost savings from the termination of the contract of \$1.0 million will be realized in FY 2017/18 once the dispatch center is operational, although personnel costs will increase by an even greater amount.

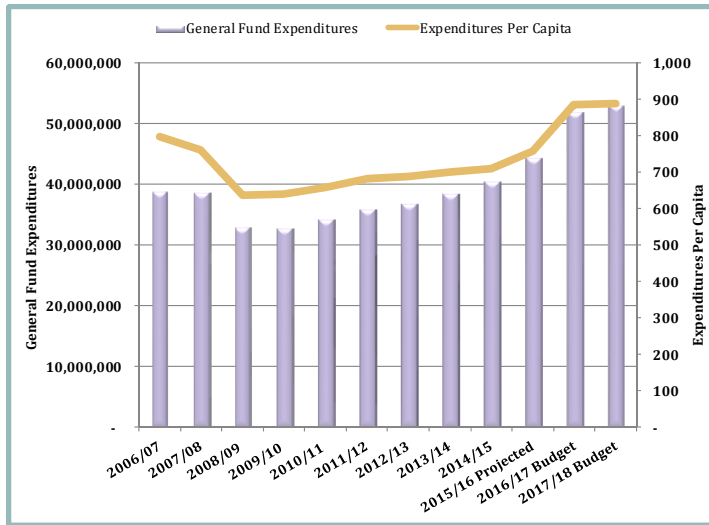
As summarized in the chart on the previous page, supplies and services costs increase in the FY 2016/17 budget, followed by a decrease in FY 2017/18, as costs from the dispatch center are shifted to the personnel services category. In addition, strategic initiative costs are lower in the second year of the budget.

Internal Services

Internal Service costs of \$8.5 million, budgeted for FY 2016/17, are an increase of 20.8% from the FY 2015/16 budget of \$7.1 million. This increase is primarily from the impact of rising costs associated with OPEB which will drive internal service costs up by \$1.0 million in FY 2016/17. The increase is a reflection of both increasing medical costs for retirees and the continuation of the implementation of the City’s plan to pay for OPEB benefits as they are earned rather than deferring them until after the employee retires.

In addition to rising OPEB costs, increased technology replacement expenditures and the addition of the dispatch center increased the overall allocation of internal service costs to the General Fund.





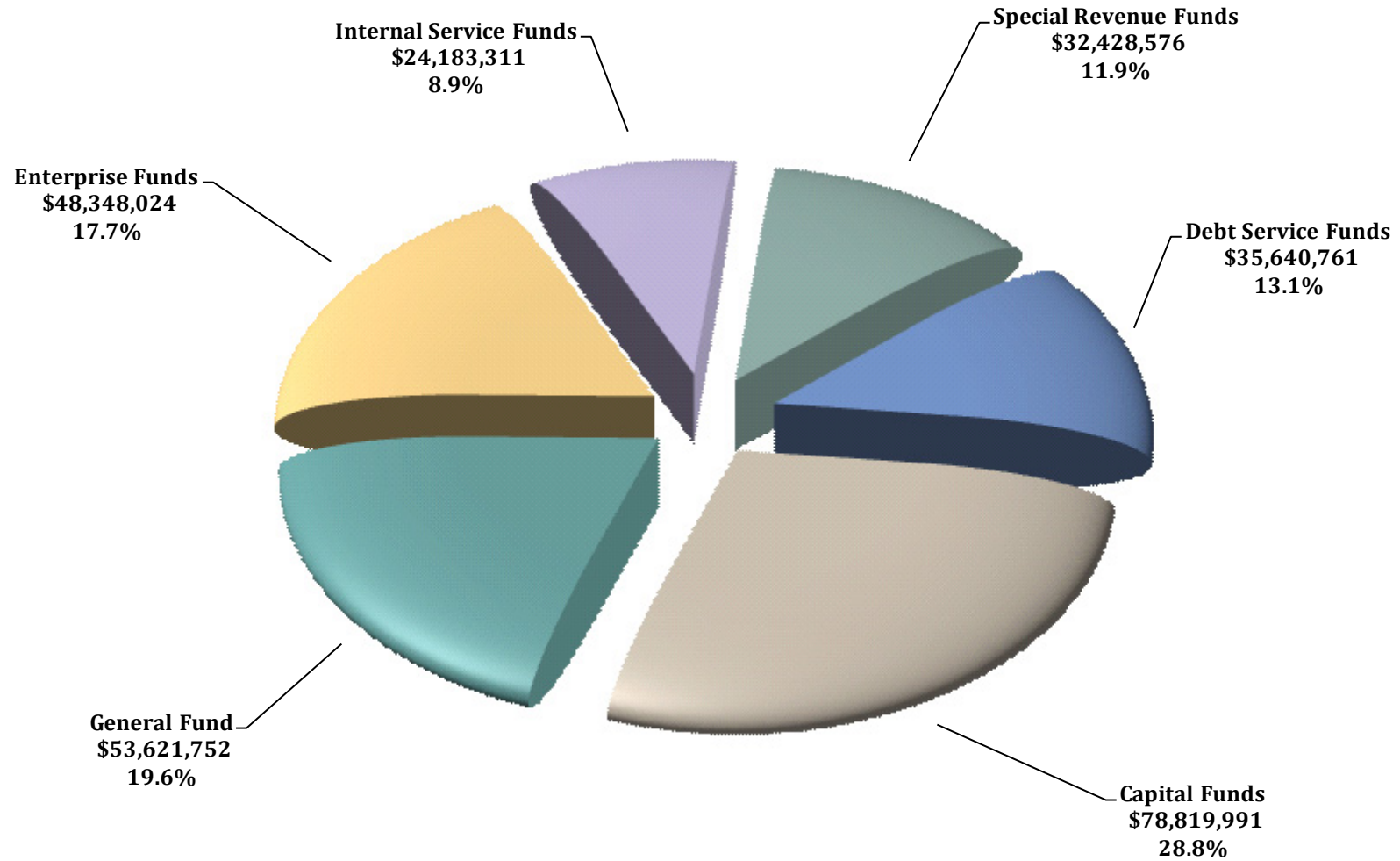
Total General Fund Expenditures

Total General Fund expenditures include personnel services, supplies and services and internal services, as well as operational transfers. Non-operating transfers, including funding for CIP projects, are not included in these totals, as the variation from one year to the next would diminish any value derived from analyzing the trends.

Total expenditures on a per capita basis will increase from the FY 2015/16 projection of \$772 to \$889 per capita in FY 2017/18. This increase is mainly due to the increase in services the City will provide in opening the dispatch center, increasing OPEB costs and payments required under the Successor Agency Payment Plan.

FY 2016/17 CITYWIDE EXPENDITURES BY FUND TYPE

\$273,042,415



CITYWIDE EXPENDITURES

The table below is a summary of the City’s expenditures by fund type. General Fund expenditures are discussed in detail beginning on page 93. The expenditures in the Water and Wastewater Enterprise Funds show annual fluctuations due primarily to variances in funding of capital costs. The Water Enterprise capital funding drops by \$3 million in FY 2016/17 compared to the FY 2015/16 budget and increases in FY 2017/18 by \$3.8 million. The Wastewater Enterprise capital funding decreases in FY 2016/17 by \$5.8 million and then remains consistent through FY 2017/18. In addition to capital funding variances, the Water Enterprise FY 2015/16 budget includes \$3 million in drought related expenditures, such as conservation rebates and incentive program costs, not expected to reoccur in the two-year budget period.

Special Revenue Funds include development impact fees, which are used to fund capital expenditures. Several large projects were funded with development impact fees in FY 2015/16 including the dispatch center, two non-potable water projects and the initial funding of the WWTP Expansion – Phase II.

Expenditures in the Capital Funds are highly variable from one year to the next, depending upon the volume and type of projects currently under construction. For example, the FY 2016/17 budget includes \$34.8 million for the WWTP Expansion – Phase II, a non-recurring outlay of funds.

	FY 2014/15 Actual	FY 2015/16 Projected	FY 2016/17 Budget	FY 2017/18 Budget
General Fund	\$ 43,929,121	\$ 45,559,078	\$ 53,621,752	\$ 53,468,686
Enterprise Funds	44,811,771	55,544,635	48,348,024	54,265,427
Internal Service Funds	11,025,793	18,165,890	24,183,311	21,053,371
Special Revenue Funds	28,718,756	38,134,571	32,428,576	28,594,866
Debt Service Funds	112,214,582	35,323,246	35,640,761	35,855,157
Capital Funds	22,624,339	14,677,903	78,819,991	29,805,723
Total Expenditures	\$ 263,324,362	\$ 207,405,323	\$ 273,042,415	\$ 223,043,230

EXPENDITURE SUMMARY BY FUND

Fund #	Fund Name	2014/15 Actual	2015/16 Budget	2015/16 Projected	2016/17 Budget	Budget % Change	2017/18 Budget	Budget % Change
GENERAL FUND								
100	General Fund	\$ 43,929,121	\$ 47,207,486	\$ 45,559,078	\$ 53,621,752	13.59%	\$ 53,468,686	-0.29%
	Total General Fund	43,929,121	47,207,486	45,559,078	53,621,752	13.59%	53,468,686	-0.29%
ENTERPRISE FUNDS								
540,543	Solid Waste Enterprise	10,463,239	12,098,722	11,679,341	12,089,007	-0.08%	12,428,004	2.80%
560,563	Water Enterprise	21,666,578	29,649,712	25,696,722	23,485,377	-20.79%	28,682,026	22.13%
590,593	Wastewater Enterprise	11,563,567	17,131,639	16,912,246	11,014,152	-35.71%	11,754,036	6.72%
501	City Rentals Enterprise	463,591	496,747	490,128	497,929	0.24%	496,812	-0.22%
510,511,513	Housing Enterprise	654,796	878,676	766,198	1,261,559	43.57%	904,549	-28.30%
	Total Enterprise Funds	44,811,771	60,255,496	55,544,635	48,348,024	-19.76%	54,265,427	12.24%
INTERNAL SERVICE FUNDS								
700	Emergency Preparedness	3,632	441,932	402,381	2,593,000	486.74%	0	-100.00%
701	Information Services	1,849,587	2,183,216	1,989,074	2,258,356	3.44%	2,544,916	12.69%
702	Equipment Replacement	1,194,742	4,233,352	3,354,050	3,778,223	-10.75%	2,903,415	-23.15%
703	Information Systems Replacement	506,436	1,194,135	1,182,875	1,076,027	-9.89%	913,217	-15.13%
704	Facilities Replacement	196,292	284,087	281,287	653,956	130.20%	363,803	-44.37%
705	Tuition	11,063	37,562	26,962	27,472	-26.86%	27,552	0.29%
706	Fleet Maintenance Services	1,276,522	1,401,901	1,329,390	1,423,066	1.51%	1,457,132	2.39%
707	Facilities Maintenance Service	1,602,359	1,889,254	1,696,382	2,141,313	13.34%	2,195,241	2.52%
708	Parks and LLAD Replacement	685,303	996,760	724,200	1,404,161	40.87%	740,321	-47.28%
709	Insurance	934,729	1,072,377	971,365	1,169,363	9.04%	1,224,596	4.72%
710	Pension/OPEB Obligation	2,765,128	8,169,549	6,207,924	7,658,374	-6.26%	8,683,178	13.38%
	Total Internal Service Funds	11,025,793	21,904,125	18,165,890	24,183,311	10.41%	21,053,371	-12.94%

EXPENDITURE SUMMARY BY FUND (Continued)

Fund #	Fund Name	2014/15 Actual	2015/16 Budget	2015/16 Projected	2016/17 Budget	Budget % Change	2017/18 Budget	Budget % Change
SPECIAL REVENUE FUNDS								
203-208	Gas Tax	\$ 1,559,704	\$ 1,173,300	\$ 1,173,300	\$ 1,243,627	5.99%	\$ 1,320,305	6.17%
214	SB1186 Disability Access	8	3,550	3,375	5,150	45.07%	5,150	0.00%
216	Police Grants	173,630	162,578	131,500	261,537	60.87%	261,537	0.00%
217	Grants	0	3,581,000	334,458	3,006,431	-16.04%	0	-100.00%
219	Economic Development Grant	139,466	250,500	177,146	200,300	-20.04%	200,300	0.00%
220	Infrastructure Improvements	6	50	10	50	0.00%	50	0.00%
230	Citywide Park Assessment District	2,735,745	2,929,281	2,718,818	2,933,667	0.15%	3,046,851	3.86%
231	Community Facilities District #2	584,123	595,806	594,791	604,700	1.49%	620,000	2.53%
232	Community Facilities District #3	2,609,611	1,972,767	1,970,720	2,574,483	30.50%	2,091,398	-18.76%
233,235	Community Facilities District #4	1,703,995	2,414,614	2,411,240	2,305,083	-4.54%	2,484,662	7.79%
234	Community Facilities District #5	543,310	363,926	355,990	409,828	12.61%	459,777	12.19%
250	Water Facility Fee	2,550,812	2,528,847	2,087,336	2,588,555	2.36%	2,368,415	-8.50%
251	Roadway Facility Fee	3,775,206	3,312,054	3,113,118	1,898,401	-42.68%	1,914,005	0.82%
252	Parks and Trails Facility Fee	2,080,986	1,532,123	1,275,113	1,243,029	-18.87%	880,935	-29.13%
255	Wastewater Facility Fee	1,657,490	6,659,930	6,558,371	1,450,685	-78.22%	1,581,713	9.03%
256	Community Facility Fee	702,139	2,687,161	2,677,161	1,028,100	-61.74%	1,068,307	3.91%
257	Fire Facility Fee	4,186	3,506,000	3,504,312	7,300	-99.79%	7,500	2.74%
261	Facility Fee Administration	250,957	601,400	601,400	451,500	-24.93%	301,600	-33.20%
262	Agriculture Land Administration	40,928	87,272	28,222	47,452	-45.63%	48,496	2.20%
263	Agriculture Land Acquisition	36,782	15,800	15,800	35,700	125.95%	35,700	0.00%
264	First-Time Homebuyer	35,222	800	800	135,900	16887.50%	135,900	0.00%
265	Affordable Housing In-Lieu Fee	532,522	685,615	594,856	639,480	-6.73%	631,125	-1.31%
267	Public Art Administration	591	1,300	800	52,500	3938.46%	52,500	0.00%
268	Public Art Acquisition	10,991	27,828	23,436	201,850	625.35%	201,850	0.00%
269	Parking In-Lieu	29	100	100	50	-50.00%	50	0.00%
270	Arts Commission	290	650	650	4,238	552.00%	0	-100.00%
280	Asset Forfeiture	31,020	35,100	30,025	30,050	-14.39%	30,050	0.00%
281	Abandoned Vehicle Abatement	95,046	149,866	149,766	110,200	-26.47%	113,200	2.72%
285	PEG Media	855	26,000	1,000	25,900	-0.38%	26,000	0.39%
286	Parks Advertising	19,044	19,100	19,100	19,200	0.52%	19,200	0.00%
293	Measure C/J	1,230,477	779,671	778,761	1,099,900	41.07%	805,100	-26.80%
302	City Low Income Housing	50,434	10,100	27	8,200	-18.81%	8,300	1.22%
6xx	Landscape and Lighting Assessment Districts	5,563,151	7,747,346	6,803,069	7,805,530	0.75%	7,874,890	0.89%
Total Special Revenue Funds		28,718,756	43,861,435	38,134,571	32,428,576	-26.07%	28,594,866	-11.82%

EXPENDITURE SUMMARY BY FUND (Continued)

Fund #	Fund Name	2014/15 Actual	2015/16 Budget	2015/16 Projected	2016/17 Budget	Budget % Change	2017/18 Budget	Budget % Change
DEBT SERVICE FUNDS								
<i>City Debt Obligations</i>								
445	Capital Improvement Revenue Refunding Bonds Series 2012	\$ 2,182,704	\$ 2,183,559	\$ 2,182,815	\$ 2,166,528	-0.78%	\$ 2,161,306	-0.24%
448	General Obligation Bonds Series 2002	428,877	450,813	450,328	474,599	5.28%	496,623	4.64%
461	2009 Civic Center Project Lease Revenue Bonds	5,120,144	5,389,846	5,385,916	5,391,288	0.03%	5,369,320	-0.41%
466	2015 Lease Financing	0	108,114	108,113	708,844	555.64%	796,332	12.34%
	Total City Debt Obligations	<u>7,731,725</u>	<u>8,132,332</u>	<u>8,127,172</u>	<u>8,741,259</u>	7.49%	<u>8,823,581</u>	0.94%
<i>Assessment Districts</i>								
436	2014 A & B Refinance	3,095,662	7,714,667	7,662,824	7,143,369	-7.41%	7,154,584	0.16%
437	2012 A Refinance	2,741,335	2,744,472	2,744,333	2,750,945	0.24%	2,793,276	1.54%
438	Capital Improvement Financing Program 2003-1	1,257,311	1,265,179	1,264,903	1,269,841	0.37%	1,268,915	-0.07%
439	Capital Improvement Financing Program 2002-1	1,201,528	1,214,475	1,214,393	1,211,823	-0.22%	1,211,549	-0.02%
441	Capital Improvement Financing Program 94-1	26,156,547	2,855,352	2,706,974	2,762,656	-3.25%	2,760,961	-0.06%
442	Capital Improvement Financing Program 98-1	697,616	697,826	697,731	702,869	0.72%	703,413	0.08%
443	Capital Improvement Financing Program 99-1	640,572	644,594	644,594	649,224	0.72%	646,809	-0.37%
444	Capital Improvement Financing Program 2000-01	10,009,067	970,172	894,742	926,389	-4.51%	928,185	0.19%
449	Capital Improvement Financing Program 2004-1	1,565,798	1,570,754	1,569,767	1,574,666	0.25%	1,571,302	-0.21%
460	Randy Way Assessment District	56,543	60,985	60,984	59,730	-2.06%	63,792	6.80%
462	2006 A & B Refinance Bonds	2,768,262	2,773,182	2,771,173	2,779,198	0.22%	2,771,207	-0.29%
463	Capital Improvement Financing Program 2006-1	16,043,759	1,165,275	1,039,901	1,103,363	-5.31%	1,106,078	0.25%
464	Capital Improvement Financing Program 2005-1	36,789,373	2,744,300	2,398,814	2,570,317	-6.34%	2,574,348	0.16%
465	96R Assessment District	1,459,484	1,550,202	1,524,941	1,395,112	-10.00%	1,477,157	5.88%
	Total Assessment Districts	<u>104,482,857</u>	<u>27,971,435</u>	<u>27,196,074</u>	<u>26,899,502</u>	-3.83%	<u>27,031,576</u>	0.49%
	Total Debt Service Funds	<u>112,214,582</u>	<u>36,103,767</u>	<u>35,323,246</u>	<u>35,640,761</u>	-1.28%	<u>35,855,157</u>	0.60%

EXPENDITURE SUMMARY BY FUND (Continued)

Fund #	Fund Name	2014/15 Actual	2015/16 Budget	2015/16 Projected	2016/17 Budget	Budget % Change	2017/18 Budget	Budget % Change
CAPITAL FUNDS								
336	Roadway Improvements	\$ 2,371,361	\$ 8,380,125	\$ 943,271	\$ 7,710,912	-7.99%	\$ 1,772,182	-77.02%
337	Community Facilities Improvements	785,893	13,649,546	2,237,707	10,561,753	-22.62%	10,106,644	-4.31%
352	Parks and Trails Improvements	764,230	984,153	58,563	1,306,323	32.74%	161,954	-87.60%
361	Civic Center Project Lease Revenue Bond Acquisition	7,290	1,164,057	792,459	1,565,926	34.52%	5,355,165	241.98%
366	2015 Lease Financing	0	220,750	220,749	4,526,659	1950.58%	1,873,441	-58.61%
380	Civic Center Capital Improvement Financing Program	1,818,235	2,073,931	2,067,873	1,436,467	-30.74%	1,368,199	-4.75%
381	City Capital Improvement Financing Program	180,000	100	100	229,203	229103.00%	291,562	27.21%
391	Drainage Improvements	1	244	0	0	-100.00%	0	0.00%
392	Capital Infrastructure	771,987	3,357,124	3,236,150	47,400	-98.59%	253,783	435.41%
393	Vineyards Projects	2,214	2,500	2,500	2,500	0.00%	2,500	0.00%
394	Vineyards Event Center Projects	51,363	396,662	396,216	1,449,182	265.34%	1,801,118	24.29%
542	Solid Waste Improvements	12,432,082	39,901	40,507	0	-100.00%	0	0.00%
562	Water Improvements	307,061	4,956,844	3,433,432	3,000,776	-39.46%	6,155,876	105.14%
592	Wastewater Improvements	3,132,622	16,067,617	1,248,376	46,982,890	192.41%	663,299	-98.59%
	Total Capital Funds	<u>22,624,339</u>	<u>51,293,554</u>	<u>14,677,903</u>	<u>78,819,991</u>	53.66%	<u>29,805,723</u>	-62.19%
TOTAL FUNDS		<u>\$ 263,324,362</u>	<u>\$ 260,625,863</u>	<u>\$ 207,405,323</u>	<u>\$ 273,042,415</u>	4.76%	<u>\$ 223,043,230</u>	-18.31%

INTRODUCTION TO PERFORMANCE BUDGETS

On June 9, 2015, City Council directed staff to move forward with the framework for a Strategic Plan. The Strategic Plan incorporates six focus areas identified in the City’s General Plan – 1) Infrastructure; 2) Public Safety; 3) Economic Development; 4) Land Use Planning; 5) Community and Neighborhood Services and the 6) Fiscal Stability and Operational Management. On February 16, 2016, City Council adopted the Strategic Plan for FY 2016/17 and FY 2017/18 to align with the City’s two-year Operating Budget.

The Strategic Plan consists of six focus areas, goals for each of those areas and specific initiatives to achieve the goals. The department budgets in this section list, where applicable, the initiatives and corresponding target for completion for FY 2016/17 and FY 2017/18. Please refer to the Strategic Plan section, beginning on page 16, for information on the focus areas and Goals.

The table below represents the performance budgets funding sources, by City department, for FY 2016/17 as well as the associated full-time employees (FTEs).

Department	2016/17 Fund Type				Total	Full-Time Employees
	General Fund	Enterprise	Special Revenue	Internal Service		
Legislative	\$ 459,242	\$ 0	\$ 0	\$ 0	\$ 459,242	0.50
City Manager	2,333,563	0	0	0	2,333,563	7.50
City Attorney	1,239,366	0	0	0	1,239,366	4.00
Administrative Services	2,990,461	2,866,183	0	2,258,356	8,115,000	34.00
Community Development	3,806,921	670,980	0	0	4,477,901	18.00
Parks and Recreation	5,745,409	0	1,094,986	937,993	7,778,388	24.00
Police	23,199,961	0	0	0	23,199,961	95.00
Public Works	6,822,296	41,786,068	0	2,243,171	50,851,535	100.00
Total	\$ 46,597,219	\$ 45,323,231	\$ 1,094,986	\$ 5,439,520	\$ 98,454,956	283.00
Full-Time Employees	180.99	73.23	4.99	23.79	283.00	

LEGISLATIVE



Mayor

Robert Taylor
*Term Expires
November 2016*

Vice Mayor

Joel R. Bryant
*Term Expires
November 2018*

Council Member

Steve Barr
*Term Expires
November 2018*

Council Member

Gene Clare
*Term Expires
November 2016*

Council Member

Erick
Stonebarger
*Term Expires
November 2016*

LEGISLATIVE

The Legislative Department is comprised of the members of the City Council, which is the policy-making body for the City, as well as the City’s Commissions and Committees. Implementation of City Council policy is accomplished through the adoption of ordinances, policies and resolutions; the approval of contracts and agreements and adoption of the City budget. The City Council is composed of a directly elected Mayor and four City Council members elected at-large. The City Council is also responsible for appointing members to the following City Commissions and Committees: Brentwood Advisory Neighborhood Committee (BANC); Planning Commission; Park and Recreation Commission; Youth Commission and Arts Commission.

DEPARTMENT BUDGET SUMMARY

Expenditures by Division		2014/15	2015/16	2015/16	2016/17	2017/18
Division #	Division Name	Actual	Budget	Projected	Budget	Budget
General Fund						
100-1201	City Council	\$ 400,304	\$ 451,099	\$ 443,994	\$ 409,948	\$ 424,173
100-1414	BANC	961	1,000	1,000	2,000	2,000
100-2202	Planning Commission	27,683	32,969	32,916	34,312	34,325
100-5106	Park and Recreation Commission	6,746	7,986	7,914	7,982	7,988
100-5107	Youth Commission	1,462	4,379	3,697	4,400	4,400
100-5109	Arts Commission	0	0	0	600	600
	Total	<u>\$ 437,156</u>	<u>\$ 497,433</u>	<u>\$ 489,521</u>	<u>\$ 459,242</u>	<u>\$ 473,486</u>
	Annual Percentage Change			11.98%	-7.68%	3.10%

LEGISLATIVE

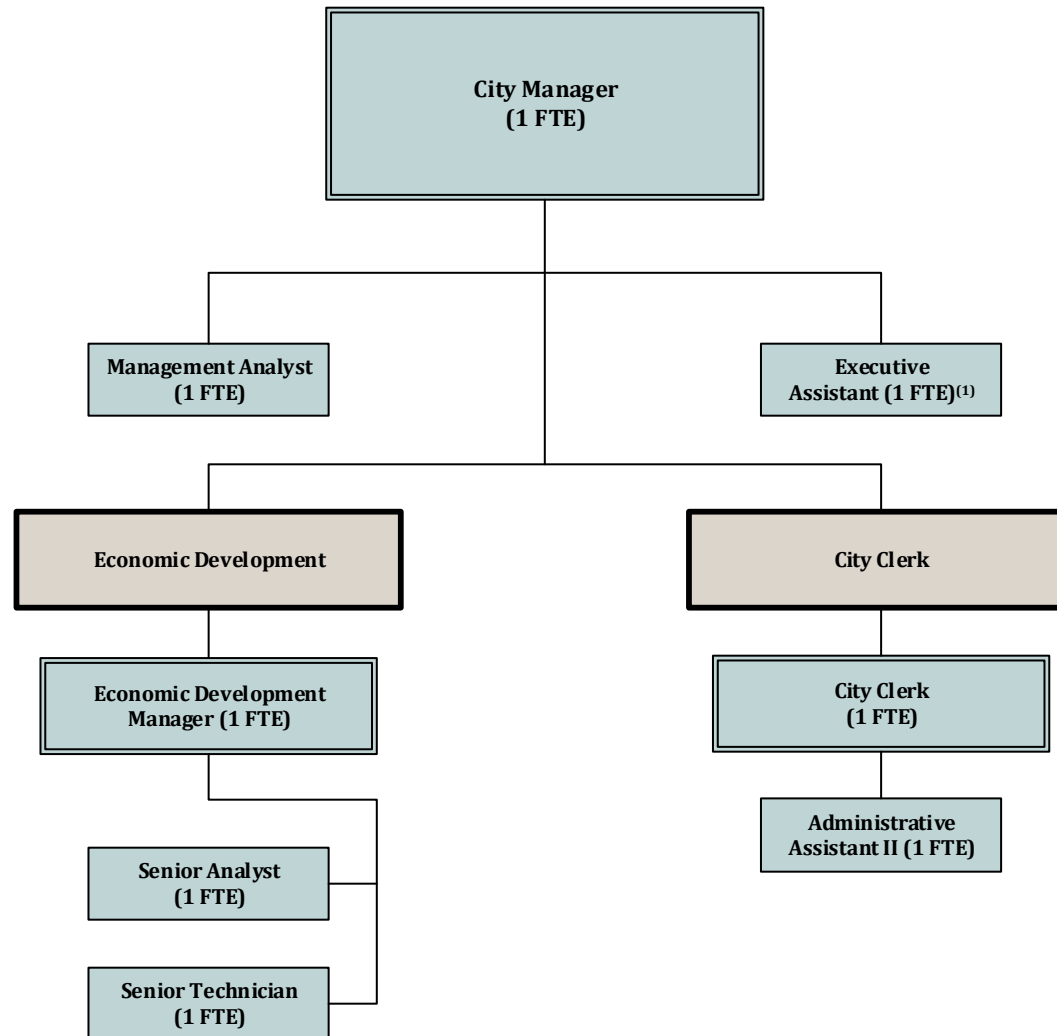
Expenditures by Category	2014/15 Actual	2015/16 Budget	2015/16 Projected	2016/17 Budget	2017/18 Budget
Personnel Services	\$ 271,911	\$ 300,500	\$ 297,899	\$ 236,872	\$ 235,998
Supplies and Services	43,359	62,208	56,897	69,650	69,800
Internal Services	121,886	134,725	134,725	152,720	167,688
Total	<u>\$ 437,156</u>	<u>\$ 497,433</u>	<u>\$ 489,521</u>	<u>\$ 459,242</u>	<u>\$ 473,486</u>
Total Budgeted Full-Time Employees	1.00	1.00	1.00	0.50	0.50
Total Elected and Appointed Employees	40.00	40.00	40.00	40.00	40.00

Expenditure Analysis

- Personnel** As part of the two-year budget process, departments are asked to make staff allocation adjustments to reflect the services or programs they will be supporting. The change in FY 2016/17 is the result of reallocation of staff and not a decrease in Citywide full-time employees.
- Supplies and Services** The increase in the Supplies and Services budget, for both FY 2016/17 and FY 2017/18, is due to the increased cost of dues and memberships in organizations which provide training and development.
- Internal Services** Increases in Internal Service costs are primarily due to increases in OPEB as the City progresses towards the City Council’s goal of reaching 85% funding of the City’s ARC.

CITY MANAGER

8 FTEs



(1) Executive Assistant (1 FTE) is allocated 0.5 FTE to Legislative and 0.5 FTE to City Manager.

CITY MANAGER

Mission Statement

Provide exceptional service to the citizens of Brentwood while implementing Brentwood’s vision and values as determined by the City Council and the community.

The City of Brentwood operates under the City Manager form of government. Under policy direction of the City Council, the City Manager serves as the Chief Administrative Officer of the City; assumes full responsibility for planning, administering, directing, overseeing and evaluating the activities and operations of all City departments.

The **City Manager** carries out City Council direction for the following Departments: Administrative Services; Community Development; Parks and Recreation; Police and Public Works – Engineering and Operations.

Economic Development provides the following services: City Marketing Programs/Partnerships, Business Attraction/Retention Programs and Agricultural Preservation Program.

The **City Clerk** is responsible for preparation of agendas and minutes; ensuring compliance with legal noticing requirements; serving as the Elections Official for the conduct of general municipal and special elections; responding to requests for public records; maintenance of the City's Municipal Code and management of the Citywide records management program. The City Clerk is also the filing officer for Political Reform Act documents and serves as the manager for Passport Services.

CITY MANAGER

Strategic Initiatives

Goal	Strategic Initiative	FY 2016/17 Target	FY 2017/18 Target
3.1.a.	Work within the boundary of the Downtown core and identify key opportunity sites	70%	100%
3.1.b.	Explore a sustainable business structure and income source for the Downtown	75%	100%
3.1.c.	Develop a Beautification Program for Downtown	50%	100%
3.2.a.	Update the Economic Development Strategy	50%	100%
3.3.a.	Create marketing materials that are tailored to specific industries and sectors	75%	100%
3.3.b.	Improve the overall identity and signage of the City	50%	100%
3.3.c.	Identify potential incentives that facilitate commerce	-	100%
3.4.a.	Coordinate a year-round calendar of special events that focuses on all of Brentwood	50%	100%
3.4.b.	Develop the “Better in Brentwood” Marketing Program	50%	100%
3.4.c.	Establish and implement a Citywide Banner Program	40%	100%
6.3.b.	Implement a Citywide Social Media Program	100%	-

CITY MANAGER

Key Accomplishments for FY 2014/15 - 2015/16

- Prepared two-year Strategic Plan for City Council which was adopted in February 2016
- Worked on preparation and approval of recommendations for temporary funding strategies on behalf of the Fire Task Force
- Researched and implemented an agenda management system which automates the workflow process for the preparation and publication of staff reports
- Facilitated the sale of the City's final remaining one acre parcel at Sunset Industrial Complex
- Completed three Façade Grant Improvements in the Downtown

CITY MANAGER

DEPARTMENT BUDGET SUMMARY

Expenditures by Division		2014/15	2015/16	2015/16	2016/17	2017/18
Division #	Division Name	Actual	Budget	Projected	Budget	Budget
General Fund						
100-1202	City Manager	\$ 762,410	\$ 667,765	\$ 620,414	\$ 721,635	\$ 744,025
100-1204	Economic Development	800,123	910,688	788,382	1,126,316	1,127,527
100-1205	City Clerk	301,465	421,148	380,429	485,612	445,107
	Total	<u>\$ 1,863,998</u>	<u>\$ 1,999,601</u>	<u>\$ 1,789,225</u>	<u>\$ 2,333,563</u>	<u>\$ 2,316,659</u>
	Annual Percentage Change			-4.01%	16.70%	-0.72%
Expenditures by Category		2014/15	2015/16	2015/16	2016/17	2017/18
		Actual	Budget	Projected	Budget	Budget
	Personnel Services	\$ 1,312,244	\$ 1,412,915	\$ 1,243,327	\$ 1,415,668	\$ 1,458,626
	Supplies and Services	280,208	294,688	253,900	595,939	512,856
	Internal Services	271,546	291,998	291,998	321,956	345,177
	Total	<u>\$ 1,863,998</u>	<u>\$ 1,999,601</u>	<u>\$ 1,789,225</u>	<u>\$ 2,333,563</u>	<u>\$ 2,316,659</u>
	Total Budgeted Full-Time Employees	8.00	7.55	7.55	7.50	7.50

CITY MANAGER

Expenditure Analysis

Personnel

During FY 2014/15, the City Manager (formerly City Administration) and Administrative Services (formerly Finance and Information Systems) departments underwent a reorganization which resulted in the reduction of one full-time position Citywide in FY 2015/16.

During FY 2015/16, the City Manager and Community Development departments underwent a reorganization, shifting the Economic Development division from Community Development into the City Manager department. In addition, as part of the two-year budget process, departments are asked to make staff allocation adjustments to reflect the services or programs they will be supporting. The change in the FY 2016/17 budget is a combination of the reorganizations and reallocation of staff and not an increase in Citywide full-time employees.

Supplies and Services

The increase in the Supplies and Services budget is due almost entirely to the cost of the Economic Development Strategic Initiatives in the two-year budget period. These costs total \$269,000 in FY 2016/17 and \$247,000 in FY 2017/18. The budgets include the cost of implementing the following Strategic Initiatives: The Downtown Core Boundary; Downtown Beautification; Downtown Business Structure and Income Source; Economic Development Strategy; “Better in Brentwood” Marketing Program and the Citywide Social Media Program.

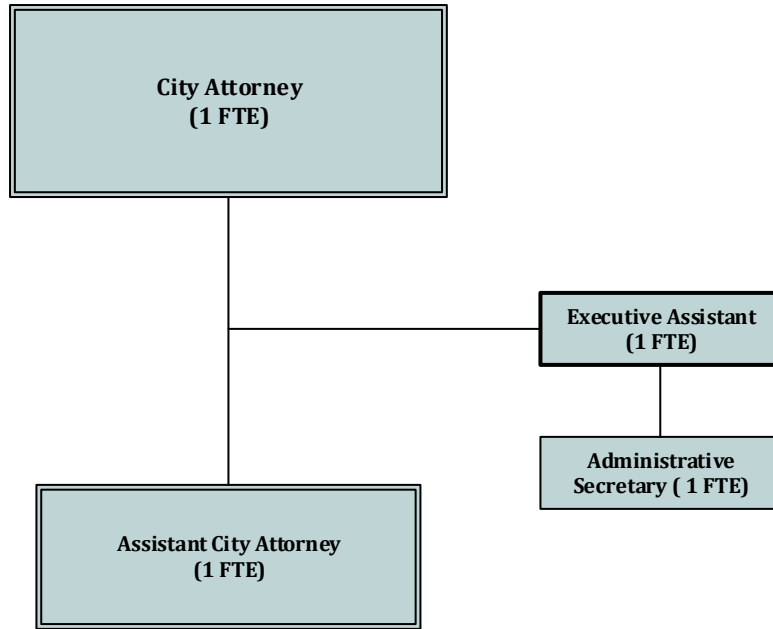
Also included in the FY 2016/17 budget are the costs associated with the November 2016 election. Excluding Strategic Initiatives and the election costs, all other Supplies and Services expenditures have increased just 2%.

Internal Services

Increases in Internal Service costs are primarily due to increases in OPEB as the City progresses towards the City Council’s goal of reaching 85% funding of the City’s ARC.

CITY ATTORNEY

4 FTEs



CITY ATTORNEY

Mission Statement

To provide ethical and effective legal counsel to City officials and employees for the benefit of the people of Brentwood.

The City Attorney serves as the legal counsel of the City government under the direction of the City Council. Among other duties, the City Attorney provides legal advice to the Mayor, City Council, City commissions and employees; reviews and prepares ordinances, resolutions, contracts, leases and other legal documents; provides legal assistance concerning City operations and procedures; represents the City in litigation, administrative hearings and other legal matters; oversees work done by outside counsel on behalf of the City and prosecutes violations of the Municipal Code.

Specific areas of the law that are addressed by the attorneys in the City Attorney’s Office include: Administrative; Code Enforcement; Constitutional; Employment; Environmental and Land Use/Real Estate.

Key Accomplishments for FY 2014/15 – 2015/16

- Updated the City’s standard public works contract templates and provided staff with training on use of the documents
- Drafted, reviewed and/or revised ordinances, resolutions, staff reports and policies pertaining to the City’s response to the drought
- Participated on the staff team that streamlined the special events permitting process
- Drafted or revised several quality of life ordinances including those related to aggressive panhandling, massage and curfew
- Prepared the City’s Social Media Policy

CITY ATTORNEY

DEPARTMENT BUDGET SUMMARY

Expenditures by Division		2014/15	2015/16	2015/16	2016/17	2017/18
Division #	Division Name	Actual	Budget	Projected	Budget	Budget
General Fund						
100-1203	City Attorney	\$ 947,668	\$ 1,112,477	\$ 1,084,260	\$ 1,239,366	\$ 1,261,986
	Total	<u>\$ 947,668</u>	<u>\$ 1,112,477</u>	<u>\$ 1,084,260</u>	<u>\$ 1,239,366</u>	<u>\$ 1,261,986</u>
	Annual Percentage Change			14.41%	11.41%	1.83%
Expenditures by Category		2014/15	2015/16	2015/16	2016/17	2017/18
		Actual	Budget	Projected	Budget	Budget
	Personnel Services	\$ 728,346	\$ 789,708	\$ 772,831	\$ 813,306	\$ 838,388
	Supplies and Services	85,298	178,640	167,300	253,900	239,000
	Internal Services	134,024	144,129	144,129	172,160	184,598
	Total	<u>\$ 947,668</u>	<u>\$ 1,112,477</u>	<u>\$ 1,084,260</u>	<u>\$ 1,239,366</u>	<u>\$ 1,261,986</u>
	Total Budgeted Full-Time Employees	4.00	4.00	4.00	4.00	4.00

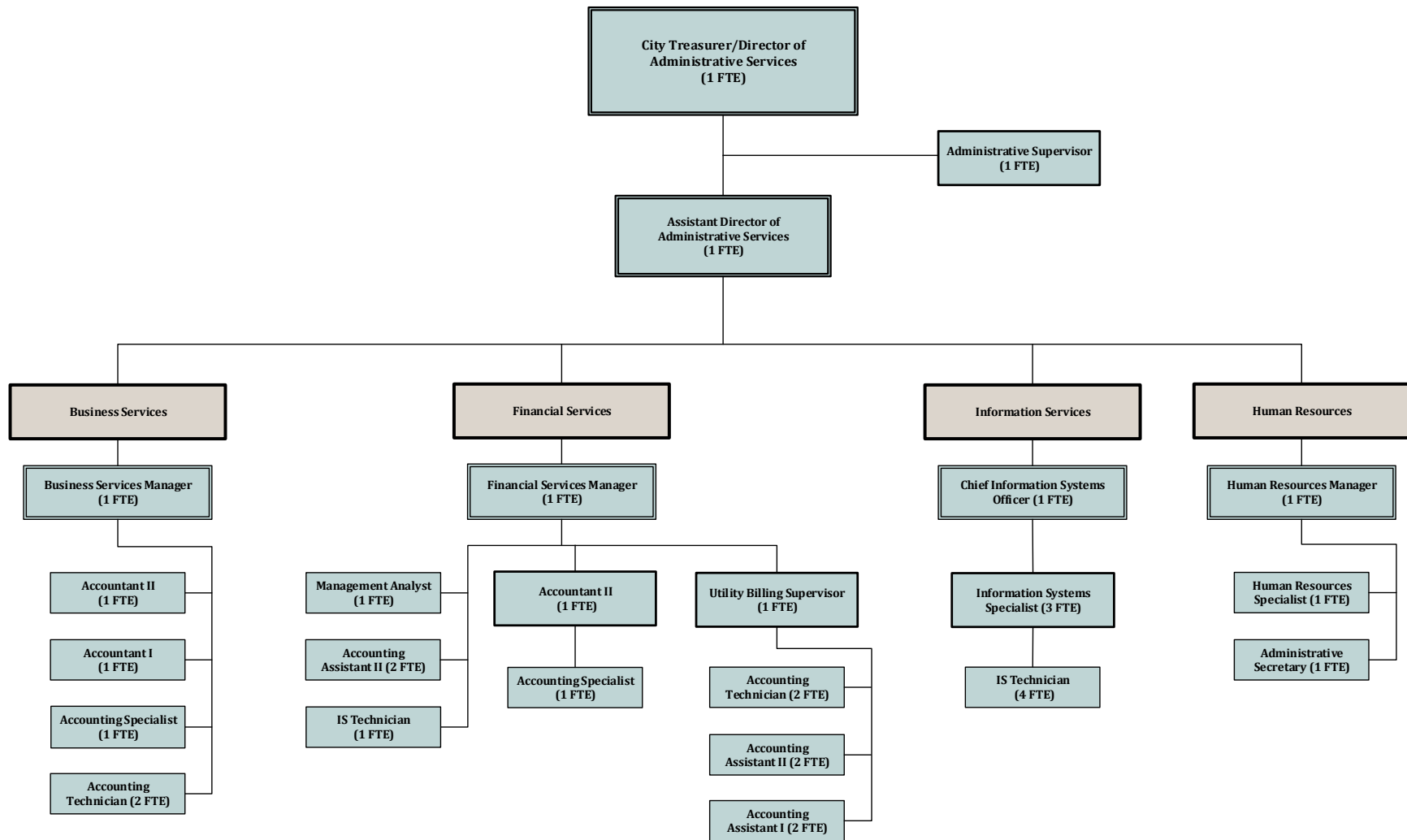
CITY ATTORNEY

Expenditure Analysis

Personnel	No FTE changes.
Supplies and Services	Increases in Supplies and Services are primarily associated with legal costs which may be incurred as part of the implementation of Citywide Strategic Initiatives. These costs total \$70,000 in FY 2016/17 and \$50,000 in FY 2017/18. Excluding Strategic Initiatives legal costs, all other Supplies and Services expenditures have increased just 3% in each fiscal year.
Internal Services	Increases in Internal Service costs are primarily due to increases in OPEB as the City progresses towards City Council’s goal of reaching 85% funding of the City’s ARC.

ADMINISTRATIVE SERVICES

34 FTEs



ADMINISTRATIVE SERVICES

Mission Statement

We deliver trust - providing resources today to ensure a flourishing tomorrow.

The Administrative Services Department oversees the financial and administrative services of the City, including budgeting, accounting, cash management, utility billing, human resources and risk management, as well as the information technology needs of the City. The department consists of Business Services, Financial Services, Human Resources and Information Services.

The four components provide the following services:

- **Business Services** – Assessment District; Asset Management; Bond Administration; Grant Tracking; Budget in Brief; Capital Improvement Program; Combined Community Facilities District Report; Comprehensive Annual Financial Report; Cost Allocation Plan; Debt Service; Financial Dashboard; Independent Financial Audit; General Fund Fiscal Model; Investments; Public Facilities Fee Report and Operations Budget
- **Financial Services** – Accounts Payable; Accounts Receivable; Business Licenses; Cash Receipts; Payroll; Purchasing; Utility Billing and Council/Administrative Policies
- **Human Resources** – Recruitment and Selection; Classification; Salary and Benefits; Workers’ Compensation; Performance Evaluations; Labor Relations; Organizational Development and Risk Management
- **Information Services** – Client-Server Management; Desktop Support; Network Management; Systems and Programming; PBX and Phone Systems Support; Web Administration; Cellular Management; 911 Systems; System Security Management; Desktop Support and Wi-Fi

ADMINISTRATIVE SERVICES

Strategic Initiatives

Goal	Strategic Initiative	FY 2016/17 Target	FY 2017/18 Target
6.1.a.	Establish a Citywide customer service training program	50%	100%
6.1.b.	Establish a Citywide work force training and development program	50%	100%
6.2.a.	Implement a performance-based budget	100%	-
6.3.a.	Expand Wi-Fi to Sunset Park and Corporate Yard	100%	-
6.3.c.	Implement Voice Over Internet Protocol (VoIP) phone system	100%	-

ADMINISTRATIVE SERVICES

Key Accomplishments for FY 2014/15 – 2015/16

- Received the Excellence in Capital Budgeting Award from the CSMFO for the FY 2014/15 Capital Improvement Program Budget
- Received the Excellence in Financial Reporting from the GFOA for the Comprehensive Annual Financial Report Fiscal Year Ended June 30, 2014
- Received the Distinguished Budget Presentation Award from the GFOA for the 2014/15 Operating Budget
- Received the Excellence in Operating Budgeting from the CSMFO for the FY 2014/15 Operating Budget
- Successfully transitioned to an online applicant management and personnel action tracking system for Human Resources
- Implemented HdL Prime for Business License renewal which allows for greater capabilities and flexibility for the user
- Upgraded financial software to OneSolution for increased Citywide efficiency
- Expanded the City’s current Wi-Fi Program to the Downtown Area and Police Department

ADMINISTRATIVE SERVICES

DEPARTMENT BUDGET SUMMARY

Expenditures by Division		2014/15	2015/16	2015/16	2016/17	2017/18
Division #	Division Name	Actual	Budget	Projected	Budget	Budget
General Fund						
100-1206	Human Resources	\$ 745,151	\$ 771,166	\$ 750,837	\$ 788,082	\$ 728,840
100-1303	Business Services	939,848	1,068,113	1,047,802	1,227,695	1,324,730
100-1304	Financial Services	911,984	1,008,508	981,447	974,684	1,062,724
Enterprise Funds						
540-5302	Solid Waste Utility Billing	898,170	968,435	920,365	969,171	1,002,902
560-5502	Water Utility Billing	922,362	1,055,525	1,019,263	994,386	1,028,318
590-5802	Wastewater Utility Billing	769,998	888,894	838,305	902,626	934,634
Internal Service Fund						
701-7101	Information Services	1,849,587	2,183,216	1,989,074	2,258,356	2,544,916
	Total	<u>\$ 7,037,100</u>	<u>\$ 7,943,857</u>	<u>\$ 7,547,093</u>	<u>\$ 8,115,000</u>	<u>\$ 8,627,064</u>
	Annual Percentage Change			7.25%	2.15%	6.31%

ADMINISTRATIVE SERVICES

Expenditures by Category	2014/15 Actual	2015/16 Budget	2015/16 Projected	2016/17 Budget	2017/18 Budget
Personnel Services	\$ 4,516,051	\$ 4,720,219	\$ 4,655,737	\$ 4,831,948	\$ 5,195,563
Supplies and Services	1,501,948	1,857,253	1,791,733	1,922,045	1,960,940
Internal Services	1,019,101	1,365,948	1,099,186	1,361,007	1,470,561
Capital Outlay and Transfers Out	0	437	437	0	0
Total	<u>\$ 7,037,100</u>	<u>\$ 7,943,857</u>	<u>\$ 7,547,093</u>	<u>\$ 8,115,000</u>	<u>\$ 8,627,064</u>
Total Budgeted Full-Time Employees	33.50	34.00	34.00	34.00	34.00

ADMINISTRATIVE SERVICES

Expenditure Analysis

- Personnel** In May 2015, City Council authorized the City to proceed with the opening of a dispatch center and in July 2015, authorized the addition of one full-time position. One Information Services GIS Coordinator was hired during FY 2015/16 to help facilitate the startup of the dispatch center. Also during FY 2014/15, the City Manager (formerly City Administration) and Administrative Services (formerly Finance and Information Systems) departments underwent a reorganization and these changes resulted in the reduction of one full-time position Citywide in FY 2015/16.

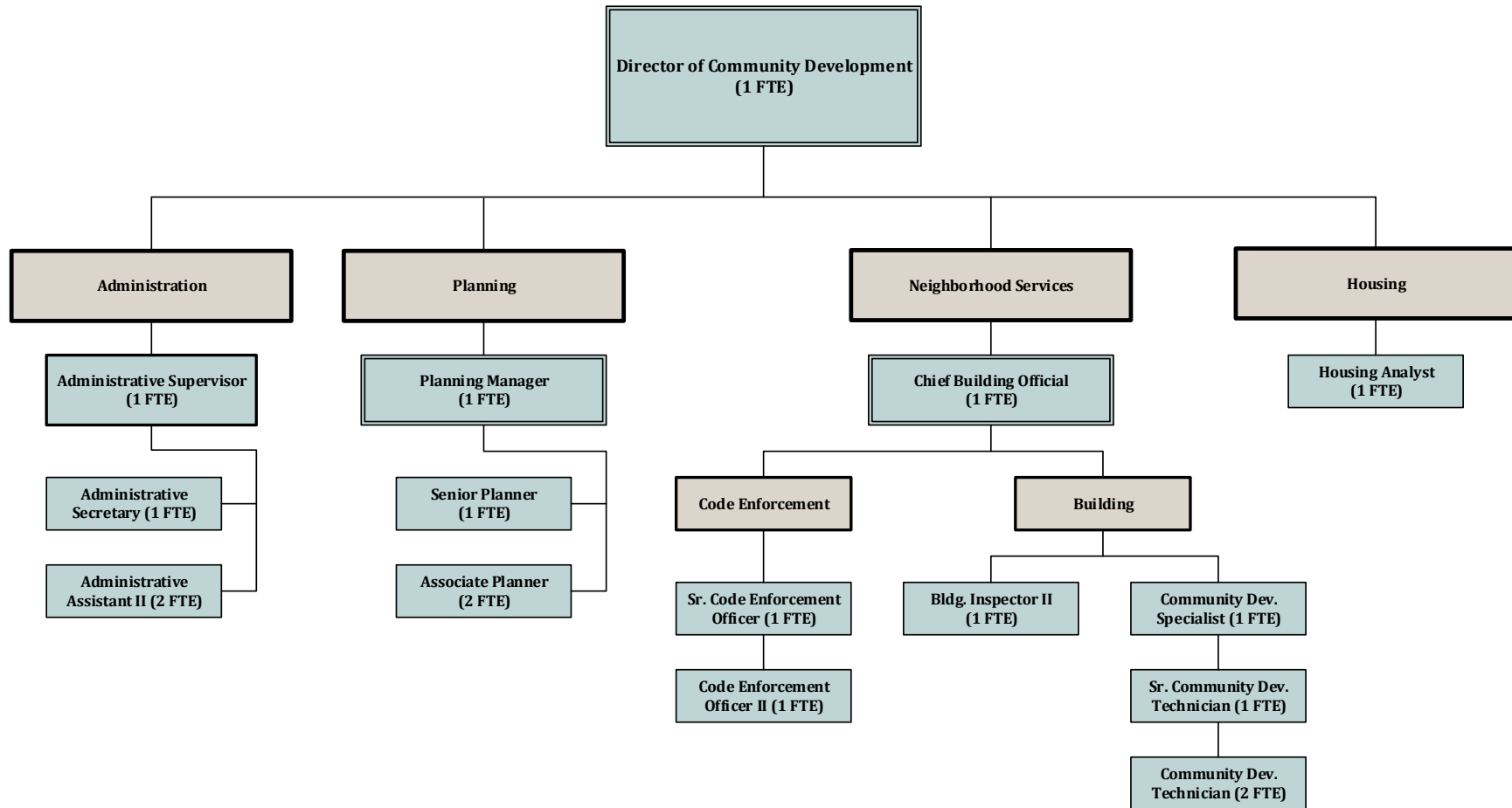
- Supplies and Services** Increases in Supplies and Services are due almost entirely to the implementation of Strategic Initiatives in the two-year budget period. These costs total \$90,000 in FY 2016/17 and \$60,000 in FY 2017/18. The budgets include the cost of implementing a Citywide Customer Service Training Program and a Citywide Workforce and Development Program. Excluding Strategic Initiatives costs, all other Supplies and Services have increased just 1% in FY 2016/17 and 3% in FY 2017/18.

- Internal Services** Increases in Internal Service costs are primarily due to increases in OPEB as the City progresses towards City Council’s goal of reaching 85% funding of the City’s ARC.

- Capital Outlay and Transfers Out** No significant changes.

COMMUNITY DEVELOPMENT

18 FTEs



COMMUNITY DEVELOPMENT

Mission Statement

Dedicated to the development of an exceptional community.

The Community Development Department is responsible for implementing City Council policies related to planning, zoning, code enforcement, building and housing. The Department also oversees the building and development of residential and non-residential projects, ensuring that these projects protect and meet the requirements of public health and safety.

The three components of Community Development provide the following services:

- **Neighborhood Services** – Building Permits; Plan Review Inspections; Code Enforcement and Public Nuisance Abatement
- **Planning** – General Plan; Specific Plans; Zoning Ordinance; Environmental Review; Design Review and Land Development
- **Administration** – One Stop Permit Center; Passport Application Processing and Affordable Housing Programs

COMMUNITY DEVELOPMENT

Strategic Initiatives

Goal	Strategic Initiative	FY 2016/17 Target	FY 2017/18 Target
4.1.a.	Prepare a community build-out plan for the phasing of future development	45%	100%
4.1.b.	Prepare a specific plan for General Plan Priority Area 1	55%	100%
4.1.d.	Work with the City of Antioch to prepare an updated boundary agreement	40%	100%
4.1.e.	Work with the school districts to prepare a plan for future school sites	40%	100%
4.1.f.	Prepare a plan for future disposition or development of City-owned parcels	-	100%

COMMUNITY DEVELOPMENT

Key Accomplishments for FY 2014/15 - 2015/16

- Oversaw completion of the comprehensive General Plan Update, adopted by the City Council on July 22, 2014
- Implemented paperless Planning Commission agenda packets
- Established an online appointment scheduling system for passport processing; processed 1,682 passport applications in FY 2014/15 and as of January 1, 2016, processed 521 passport applications for FY 2015/16

COMMUNITY DEVELOPMENT

DEPARTMENT BUDGET SUMMARY

Expenditures by Division		2014/15	2015/16	2015/16	2016/17	2017/18
Division #	Division Name	Actual	Budget	Projected	Budget	Budget
General Fund						
100-2101	Building	\$ 2,024,084	\$ 2,211,047	\$ 2,159,162	\$ 2,405,142	\$ 2,397,834
100-2201	Planning	1,197,114	1,392,497	1,364,946	1,401,779	1,524,561
Enterprise Funds						
510-5010	Housing Administration	484,921	681,651	588,756	670,980	662,425
	Total	<u>\$ 3,706,119</u>	<u>\$ 4,285,195</u>	<u>\$ 4,112,864</u>	<u>\$ 4,477,901</u>	<u>\$ 4,584,820</u>
	Annual Percentage Change			10.97%	4.50%	2.39%
Expenditures by Category		2014/15	2015/16	2015/16	2016/17	2017/18
		Actual	Budget	Projected	Budget	Budget
	Personnel Services	\$ 2,157,670	\$ 2,583,414	\$ 2,495,767	\$ 2,833,253	\$ 2,913,209
	Supplies and Services	886,365	969,891	908,100	865,834	837,448
	Internal Services	662,084	731,890	708,997	778,814	834,163
	Total	<u>\$ 3,706,119</u>	<u>\$ 4,285,195</u>	<u>\$ 4,112,864</u>	<u>\$ 4,477,901</u>	<u>\$ 4,584,820</u>
	Total Budgeted Full-Time Employees	17.50	17.45	17.45	18.00	18.00

COMMUNITY DEVELOPMENT

Expenditure Analysis

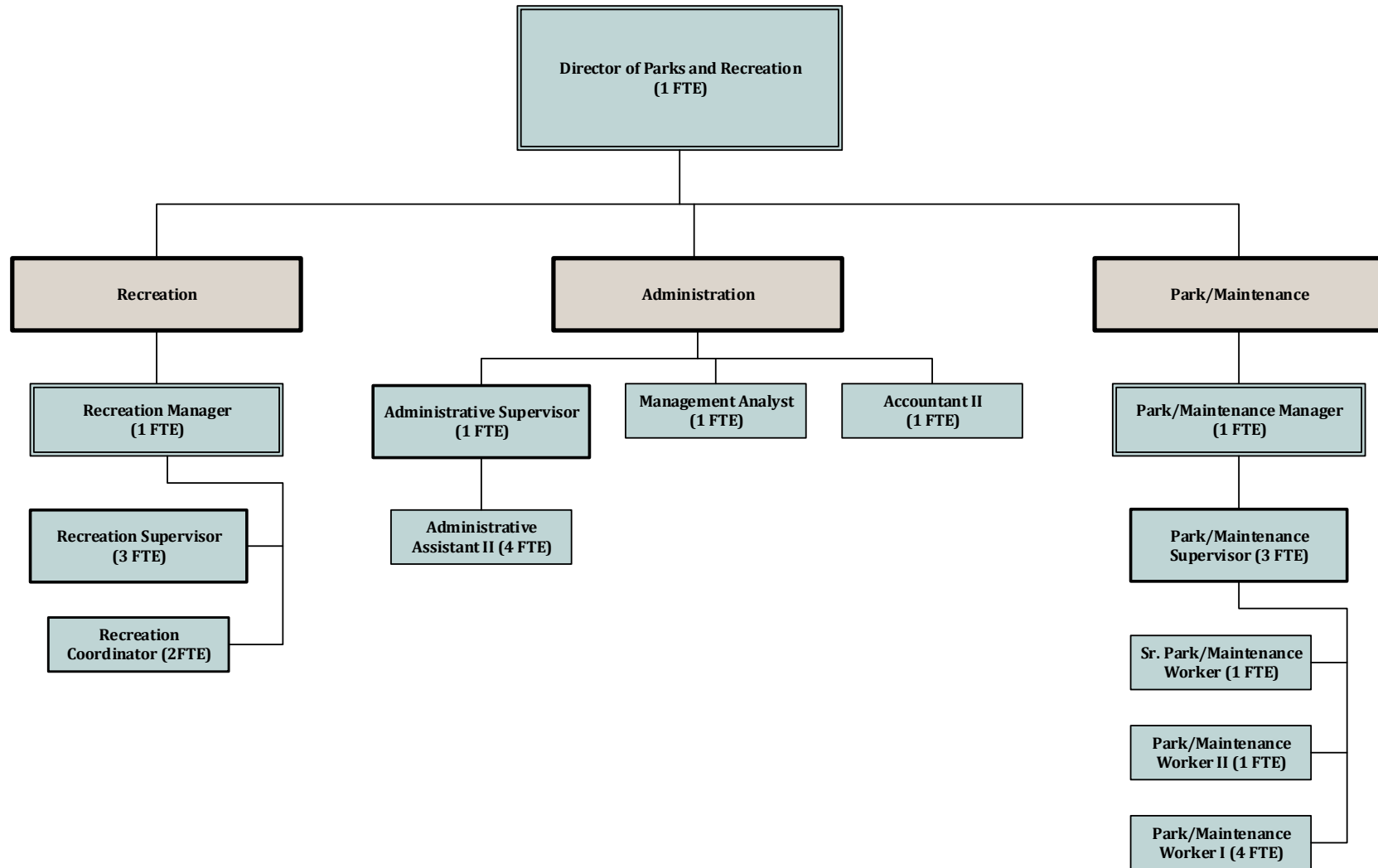
- Personnel** During FY 2015/16, the City Manager and Community Development departments underwent a reorganization, shifting the Economic Development division from Community Development into the City Manager department. In addition, as part of the two-year budget process, departments are asked to make staff allocation adjustments to reflect the services or programs they will be supporting. The change in the FY 2016/17 budget is a combination of the reorganization and reallocation of staff and not an increase in Citywide full-time employees.

- Supplies and Services** The decrease in Supplies and Services is due to the reduction in contractual services which will result from filling a vacant position in the Building Division in FY 2016/17. This will result in an overall savings of approximately \$80,000 in contractual services as compared to FY 2015/16.

- Internal Services** Increases in Internal Service costs are primarily due to increases in OPEB as the City progresses towards City Council’s goal of reaching 85% funding of the City’s ARC.

PARKS AND RECREATION

24 FTEs



PARKS AND RECREATION

Mission Statement

Creating joyful community experiences through people, parks and programs.

The Parks and Recreation Department is dedicated to the wellbeing and quality of life in Brentwood. The department provides the best in programs, parks and services at a great value to residents. Brentwood has 208 developed acres of parkland, 65 award winning parks and facilities, 17.5 miles of beautiful trails and 13 miles of bike lanes. There are over 100 recreational activities and events offered for people of all ages and interests.

The three components of Parks and Recreation provide the following services:

- **Recreation** – Recreation Administration; Youth Commission; Arts Commission; Brentwood Advisory Neighborhood Committee; City Pool; Community Center; Senior Center; Special Events; Special Classes and Youth and Adult Sports Programs
- **Park/Maintenance** – Park and Recreation Commission; Landscape; Irrigation Control; Play Structures; Open Space Weed Abatement and Tree Inventory Program
- **Administration** – Parks and Recreation Administration

PARKS AND RECREATION

Strategic Initiatives

Goal	Strategic Initiative	FY 2016/17 Target	FY 2017/18 Target
5.1.a.	Update the 2002 Parks, Trails and Recreation Master Plan	80%	100%
5.1.b.	Prepare a plan for development of a regional multi-purpose park and recreational facility	80%	100%
5.1.c.	Continue to work with strategic partners to support the development of local and regional recreation amenities: Vineyards Event Center, Marsh Creek State Park and Three Creeks Restoration Project	50%	100%
5.2.a.	Update the Joint Use Facilities Agreement with the school districts	10%	100%
5.2.b.	Implement the recreation registration software	80%	100%
5.2.c.	Explore partnerships with community service providers to expand opportunities for recreation, community events, education, cultural arts and social resources	60%	100%

PARKS AND RECREATION

Key Accomplishments for FY 2014/15 - 2015/16

- Recognized as a KaBOOM! “Playful City USA” for the eighth consecutive year
- Gateway Program Internships through a Memorandum of Understanding between LUHSD and the City of Brentwood; Gateway students provided 982 volunteer hours of service
- Balfour Road Public Art project installation of Brian Keith’s “Playful Winds” two bronze sculptures “First Flight” and “A Princess Journey”
- Received the 2014 Platinum International Aquatic Safety Award from Jeff Ellis & Associates; the Brentwood Family Aquatic Complex has attained three silver and two gold awards in the last five years
- The Gold Lifeguard Award was given to Kyle Miller by Jeff Ellis & Associates; this is the third time, in the 13 years the facility has been in operation, one of our staff has received this prestigious award
- Special Event Permit Application Process applications were transitioned into the Parks and Recreation Department in May 2015. Seventeen (17) applications were processed
- Completed the Liberty High School Public Art and Design Academy (PADA) “Sunflowers” Mosaic Mural Project and four tunnel murals along the Marsh Creek Trail
- Offered the following special programs and events: Youth in Government; Starry Nights in Brentwood Concert Series; Movies in the Park; Scarecrows in the Park; Annual Christmas Tree Lighting Ceremony and Letters to Santa
- Conducted an Aquatics and Athletic Fields Fee Analysis with Management Partners
- Recognized as Tree City USA and hosted an Arbor Day tree planting project
- Installed shade structures at Sunset Athletic Park, Oak Meadow Park, Balfour Guthrie Park, Veterans Park, Blue Goose Park and Wheatfield Park
- Received the Merit Award of Excellence from the National Association of Landscape Professionals for a commitment to improve the environment by enhancing the worlds landscape, was received by the City of Brentwood and Terracare Associates as a joint venture
- Completed request for proposals for city wide landscape maintenance, open space weed abatement and janitorial contracts

PARKS AND RECREATION

DEPARTMENT BUDGET SUMMARY

Expenditures by Division		2014/15	2015/16	2015/16	2016/17	2017/18
Division #	Division Name	Actual	Budget	Projected	Budget	Budget
General Fund						
100-5101	Parks and Recreation Administration	\$ 1,744,906	\$ 1,924,763	\$ 1,814,632	\$ 2,044,052	\$ 2,123,445
100-5102	City Pool	775,929	817,229	776,518	844,413	868,843
100-5110	Community Center	520,890	554,129	542,860	575,564	589,264
100-5111	Senior Programs	217,844	216,441	207,263	227,073	234,705
100-5112	Brentwood Senior Activity Center	218,530	240,301	228,659	251,729	256,598
100-62xx	Sports Programs	263,484	327,316	291,018	339,779	344,373
100-63xx	Recreation Programs	257,230	375,705	265,416	326,131	333,521
100-1602	Landscape Operations	1,015,430	1,125,284	1,070,115	1,136,668	1,181,275
Special Revenue Fund						
230-2501	Citywide Park Assessment District	1,243,887	1,094,094	1,029,511	1,094,986	1,120,809
Internal Service Fund						
707-7701	Facilities Maintenance - Parks	800,894	958,638	829,930	937,993	973,158
	Total	<u>\$ 7,059,024</u>	<u>\$ 7,633,900</u>	<u>\$ 7,055,922</u>	<u>\$ 7,778,388</u>	<u>\$ 8,025,991</u>
	Annual Percentage Change			-0.04%	1.89%	3.18%

PARKS AND RECREATION

Expenditures by Category	2014/15 Actual	2015/16 Budget	2015/16 Projected	2016/17 Budget	2017/18 Budget
Personnel Services	\$ 3,445,133	\$ 3,858,254	\$ 3,547,936	\$ 3,879,911	\$ 4,020,207
Supplies and Services	1,809,633	2,191,644	1,980,722	2,132,043	2,173,320
Internal Services	1,803,456	1,557,234	1,510,695	1,743,934	1,829,964
Capital Outlay and Transfers Out	802	26,768	16,569	22,500	2,500
Total	<u>\$ 7,059,024</u>	<u>\$ 7,633,900</u>	<u>\$ 7,055,922</u>	<u>\$ 7,778,388</u>	<u>\$ 8,025,991</u>
Total Budgeted Full-Time Employees	24.00	24.00	24.00	24.00	24.00

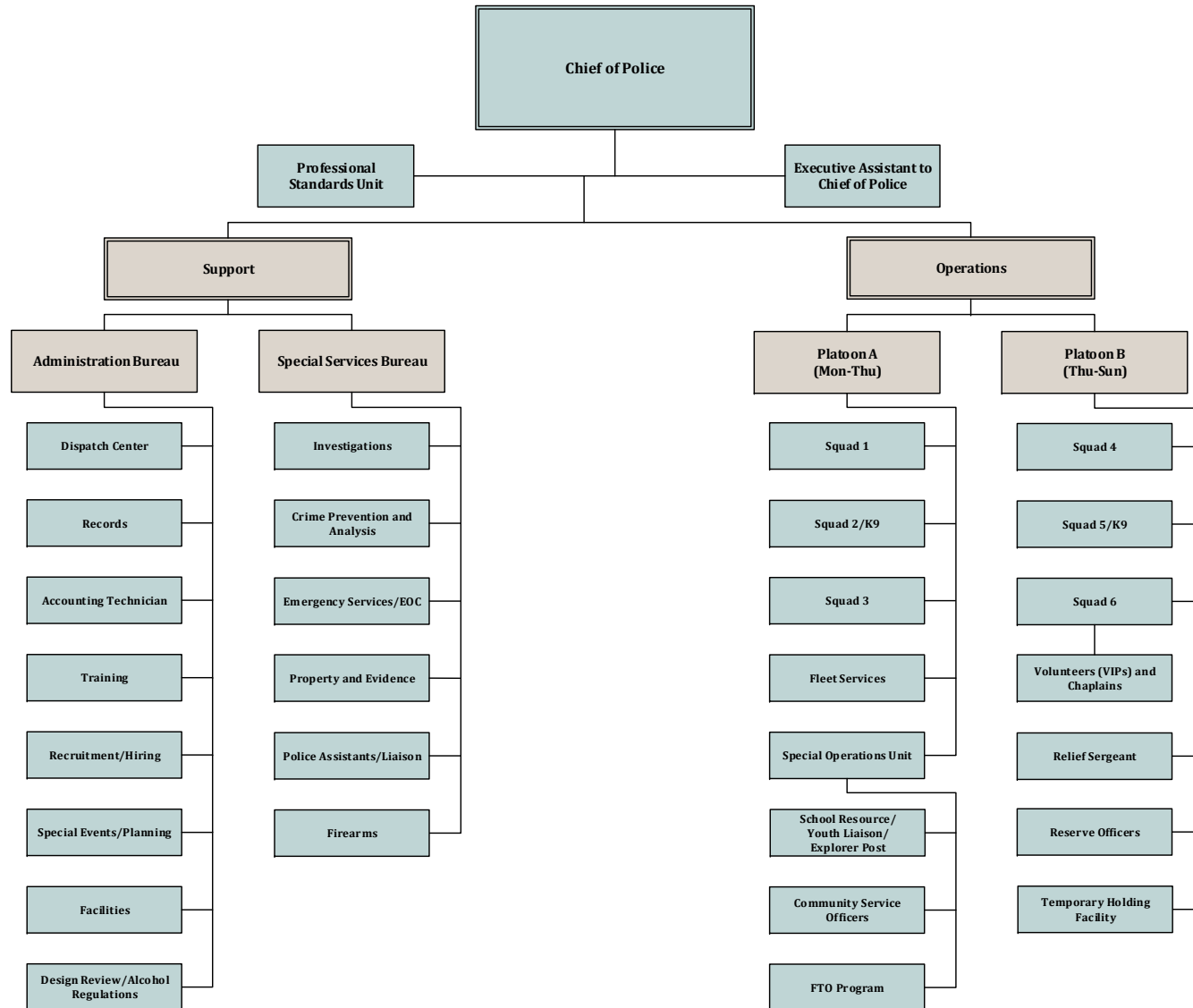
PARKS AND RECREATION

Expenditure Analysis

Personnel	No FTE changes.
Supplies and Services	<p>The FY 2016/17 Supplies and Services budgets decrease approximately 5% for the Parks and Recreation Administration, Sports and Recreation Programs and Landscape Operations divisions. Reductions are attributable to the following: reduced fuel costs for City vehicles because of lower gasoline prices; eliminating facility costs allocated to Recreation programs; reduction in water costs due to water conservation and savings in landscape maintenance contract costs.</p> <p>The FY 2016/17 Supplies and Services budget increased approximately 7% for the Facilities Maintenance – Parks division due to an increase in janitorial maintenance contract costs.</p> <p>The FY 2017/18 Supplies and Services budget for all divisions increased 2%, a standard increase for Supplies and Services.</p>
Internal Services	Increases in Internal Service costs are primarily due to increases in OPEB as the City progresses towards City Council’s goal of reaching 85% funding of the City’s ARC.
Capital Outlay and Transfers Out	No significant changes.

POLICE

95 FTEs



POLICE

Mission Statement

To protect and enhance the quality of life in our community through uncompromised dedication, professionalism, integrity and innovative police services.

Established in 1948, the Brentwood Police Department services an area of approximately 14.8 square miles. The Police Department has divided the City into four separate, geographical policing beats. The department currently is allocated 66 police officers, 17 civilian support staff and 12 dispatch personnel. In addition to permanent full time staff, there are four per diem support personnel, and approximately 20 volunteers and chaplains, who are citizens of the community and assist with day-to-day operations.

The **Police Department** provides the following services: Administration; Investigations; Records; Community Services and Patrol (including School Resource, K-9, Traffic, Parking Enforcement and Reserve Officers). Brentwood Police dispatching services for the City of Brentwood will start in the spring of 2017. The Police Department has the following volunteer programs: Police Activities League and Explorer Post (youth), Volunteers In Police Services (adults) and Chaplains. The following programs are also provided by the Police Department: Neighborhood Watch; Red Ribbon Week; National Night Out; Vacation Watch; Tell-A-Cop; Operation Identification; Every Fifteen Minutes and Community Emergency Response Team.

POLICE

Strategic Initiatives

Goal	Strategic Initiative	FY 2016/17 Target	FY 2017/18 Target
2.1.a.	Establish a new Police Dispatch/Communications Center for Brentwood	100%	-
2.1.b.	Update the existing Computer Aided Dispatch (CAD) and Records Management System (RMS) platform	100%	-
2.2.a.	Develop a comprehensive public education and communication plan	100%	-
2.2.b.	Design a data-driven traffic enforcement plan to reduce traffic collisions	-	100%
2.3.a.	Increase the number of Neighborhood Watch participants in Brentwood	100%	-
2.3.b.	Hold four crime prevention seminars throughout the City	100%	-
2.3.c.	Acquire and install License Plate Reader Cameras	100%	-
2.4.a.	Design and implement a communication strategy to increase community awareness and engagement	100%	-
2.4.b.	Design and implement a media strategy	-	100%
2.4.c.	Conduct one Citizens Academy	-	100%
2.5.a.	Conduct one emergency/disaster table top exercise that involves the activation of the Emergency Operations Center (EOC)	100%	-
2.5.b.	Increase public access to disaster preparedness information	-	100%
2.5.c.	Conduct one joint training exercise between police and fire for the management of a critical incident involving hazardous materials	-	100%

POLICE

Key Accomplishments for FY 2014/15 - 2015/16

- Achieved full staffing and filled vacant special assignment positions
- Increased training opportunities for all personnel
- Improved efficiency through completed implementation of District Attorney direct file program
- Improved personnel retention

POLICE

DEPARTMENT BUDGET SUMMARY

Expenditures by Division		2014/15	2015/16	2015/16	2016/17	2017/18
Division #	Division Name	Actual	Budget	Projected	Budget	Budget
General Fund						
100-1501	Police Department	\$ 18,113,068	\$ 20,172,268	\$ 19,608,827	\$ 21,216,855	\$ 21,321,223
100-1511	Police Dispatch Center	0	500,000	444,142	1,983,106	2,700,000
	Total	<u>\$ 18,113,068</u>	<u>\$ 20,672,268</u>	<u>\$ 20,052,969</u>	<u>\$ 23,199,961</u>	<u>\$ 24,021,223</u>

Annual Percentage Change: 10.71% (2015/16 vs 2014/15), 12.23% (2016/17 vs 2015/16), 3.54% (2017/18 vs 2016/17)

Expenditures by Category		2014/15	2015/16	2015/16	2016/17	2017/18
		Actual	Budget	Projected	Budget	Budget
	Personnel Services	\$ 12,892,518	\$ 14,714,108	\$ 14,139,723	\$ 16,361,485	\$ 17,355,731
	Supplies and Services	2,468,472	2,906,869	2,887,985	3,003,529	2,296,708
	Internal Services	2,723,354	2,965,066	2,965,066	3,824,747	4,358,584
	Capital Outlay and Transfers Out	28,724	86,225	60,195	10,200	10,200
	Total	<u>\$ 18,113,068</u>	<u>\$ 20,672,268</u>	<u>\$ 20,052,969</u>	<u>\$ 23,199,961</u>	<u>\$ 24,021,223</u>

Total Budgeted Full-Time Employees: 83.00 (2014/15), 85.00 (2015/16), 85.00 (2015/16 Projected), 95.00 (2016/17), 95.00 (2017/18)

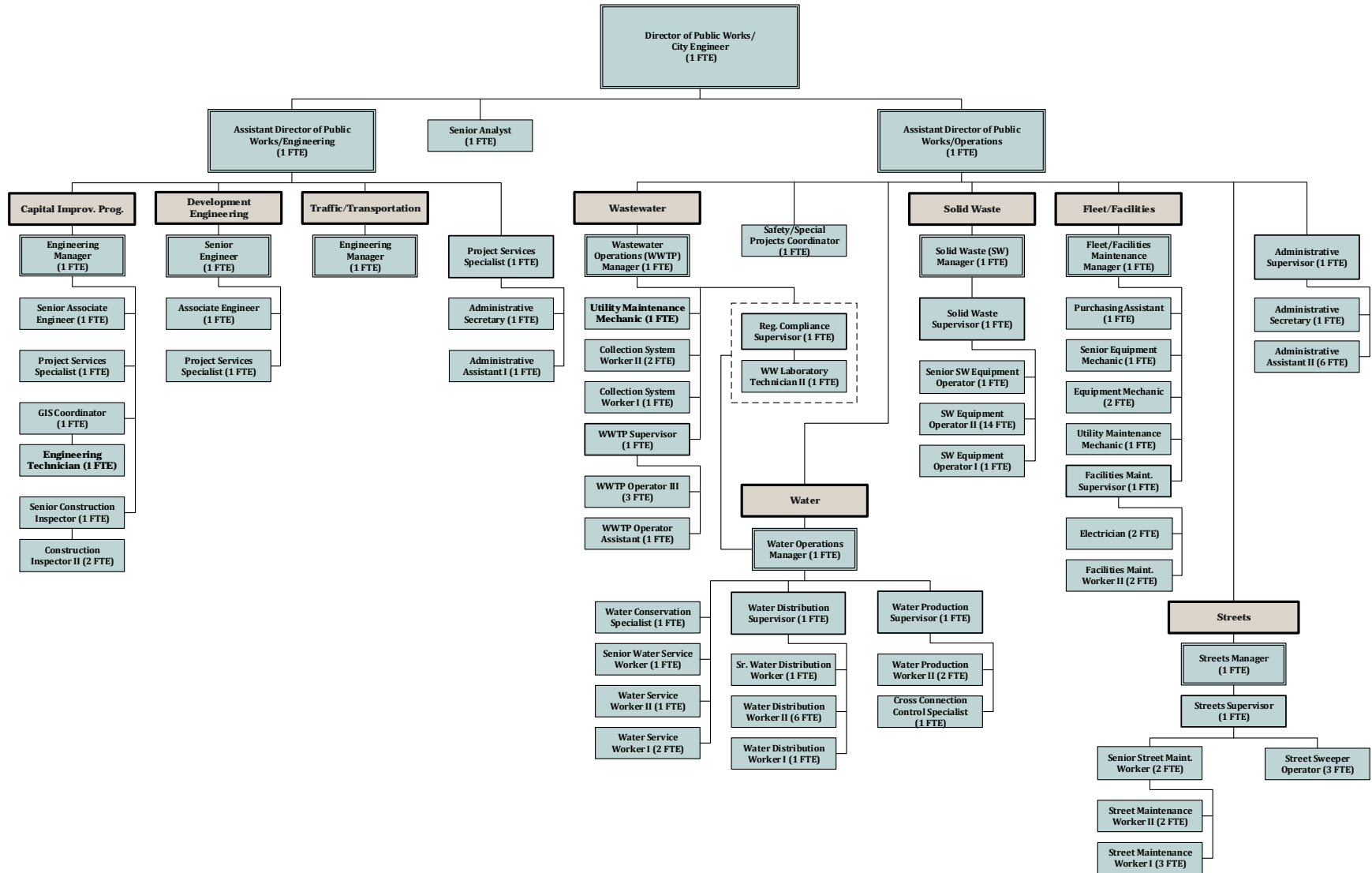
POLICE

Expenditure Analysis

Personnel	In May 2015, City Council authorized the City to proceed with the opening of a dispatch center and in July 2015, authorized the addition of 12 full-time employees. Two Dispatch Supervisors were hired in FY 2015/16 to help facilitate the startup of the dispatch center. The remaining 10 Dispatcher employees will be hired in FY 2016/17 to support the dispatch center, which is expected to be operational by late FY 2016/17.
Supplies and Services	<p>The FY 2016/17 Supplies and Services budget increased by approximately \$97,000 or 3%. The City has historically contracted for dispatch services with the City of Antioch. The budget increase is a combination of cost increases of approximately \$300,000 required for the new dispatch center operations, offset by a decrease in dispatch service contract costs. The City will realize budget savings of approximately \$233,000 in FY 2016/17 from the cancellation of the dispatch service contract. The remaining increase in the budget for FY 2016/17 for all other Supplies and Services is less than 1%.</p> <p>The FY 2017/18 Supplies and Services budget will decrease by approximately \$707,000 or 23%. This decrease is a combination of contract budget savings of approximately \$663,000, from the cancellation of dispatch services, offset by other cost increases in all other Supplies and Services of less than 2%.</p> <p>Included in the cost of all other Supplies and Services are budgeted expenditures for Strategic Initiatives which total \$20,000 in FY 2016/17 and \$30,000 in FY 2017/18. The expenditures include the cost of implementing Public Safety Initiatives for Crime Prevention Seminars, a Public Communication Strategy, Data Driven Traffic Enforcement Plan and increasing Public Access to Disaster Information.</p>
Internal Services	Increases in Internal Service costs are primarily due to increases in OPEB as the City progresses towards City Council’s goal of reaching 85% funding of the City’s ARC.
Capital Outlay and Transfers Out	No significant changes.

PUBLIC WORKS

100 FTEs



PUBLIC WORKS

Mission Statement

To provide the highest quality essential services and infrastructure, in a timely and cost-effective manner, to enhance the community's quality of life.

The Public Works Department oversees all aspects of the City's infrastructure and facilities via Engineering and Operations. **Engineering** includes the Capital Improvement Program, Development and Traffic and Transportation and is responsible for the design, development and construction of private and public works infrastructure and facilities. **Operations** includes Water, Solid Waste (Garbage), Wastewater (Sewer), Fleet/Facilities Maintenance and Street Maintenance and is responsible for the operation and maintenance of all City public works infrastructure.

Public Works provide the following services:

- **Engineering** – Infrastructure Master Plan; Project Management and Administration; CIP Project Design and Estimates; Construction Inspection; Development Plan and Review; Grading and Encroachment Permits; Stormwater Permit Coordination and Inspection; Geographic Information System (GIS); Traffic Alerts; Traffic Control Plan; Traffic Signals and Transportation Permits
- **Operations** – Vehicle, Equipment and Facilities Maintenance and Repair; Streetlight Maintenance and Repair; Garbage, Recycle and Greenwaste Collection and Transfer; Neighborhood Clean-up Events; Street Maintenance; Street Sweeping; Graffiti Removal; Wastewater Collection System Maintenance and Upgrades; Sewer System Management Plan; Storm Drain Maintenance; Wastewater Treatment Plant Operations and Maintenance; Recycled Water Fill Station; Non-Potable Water System; Urban Water Management Plan; Water Production and Distribution; Water Conservation Education and Community Outreach and Regulatory Compliance

PUBLIC WORKS

Strategic Initiatives

Goal	Strategic Initiative	FY 2016/17 Target	FY 2017/18 Target
1.1.a.	Investing in Regional Transportation - Measure J Extension: Potential Measure J extension proposal to fund future regional transportation projects such as the State Route 239/Tri-Link connector to Tracy; State Route 4; eBART extension and Vasco Road	50%	100%
1.1.b.	State Route 4/Balfour Road Interchange: Collaborate with partnering agencies and stakeholders to help secure funding and provide support to facilitate commencement of project construction	50%	100%
1.2.a.	Water Supply and Water Plans: City has secured water supply to serve the build out population. Update Water Master Plan (2006) and Urban Water Management Plan (2010) ("Water Plans") to be in compliance with State requirements	75%	100%
1.2.b.	Bay Delta Conservation Plan (BDCP) and Related Issues: Monitor and collaborate with other stakeholders on the BDCP/Cal Water Fix project and related issues. Protect City's water supply and quality interests from BDCP project impacts	50%	100%
1.2.c.	Water Conservation Program and State Mandate: Administer and monitor the Water Conservation Program to stay in compliance with State-mandated reduction of potable water consumption	50%	100%
1.2.d.	Wastewater System and Wastewater Plans: Ensure availability of wastewater collection and treatment system for the General Plan build-out population. Update Wastewater Collection System Master Plan (2010) and Sewer System Management Plan (2013 Revision) ("Wastewater Plans") to be in compliance with State requirements	75%	100%
1.2.e.	Recycled Water System and Financing: Secure additional funding sources to expand the recycled water system including construction of recycled water storage and distribution lines	100% Design 50% Const.	100% Const.

PUBLIC WORKS

Strategic Initiatives (continued)

Goal	Strategic Initiative	FY 2016/17 Target	FY 2017/18 Target
1.2.f.	Wastewater Treatment Plant Expansion: To accommodate new developments per General Plan, commence design and construction of Wastewater Treatment Plant expansion	100% Design	50% Const.
1.2.g.	Solid Waste Hauling and Disposal Services: Secure long-term hauling and disposal service agreement to provide solid waste services at competitive cost	25%	100%
1.3.a.	Roadway Improvements for Priority Area 1 (PA1) per General Plan Vision: Coordinate the design and construction of roadway improvements, including bike lanes, with stakeholders to induce the development of PA1 per the General Plan vision	100% Design	50% Const.
1.3.b.	Brentwood Blvd. (North) Annexation Area Improvements: Coordinate the Brentwood Blvd. improvements with potential development projects in the northeast Brentwood annexation area	-	25% ⁽¹⁾
1.4.a.	City's Development Fee Program (DFP) Update: Administer and monitor the Development Fee Program to ensure new developments pay their share for new infrastructure and provide necessary funding	-	100%
1.4.b.	Enterprise Rate Studies for Water and Wastewater due to Drought Impacts: Analyze the drought impacts on Water and Wastewater enterprise revenues and update the City's Water and Wastewater Rate Studies	100%	-
1.4.c.	State and Federal Grant and Loan Opportunities: Proactively pursue State and Federal grant/loan opportunities to fund major CIP projects such as roadways; Water and Wastewater Treatment Plant expansions; recycled water system; solar energy systems, etc.	50%	100%

(1) Dependent upon development of adjacent properties.

PUBLIC WORKS

Key Accomplishments for FY 2014/15 – 2015/16

- Implemented online registration process for Neighborhood Cleanup Events, utilized by approximately 3,000 residents
- Completed comprehensive update of the Development Fee Program
- City Council approved reimbursement agreement with developer for widening Heidorn Ranch Road from EBMUD Mokelumne Aqueduct to future extension of Sand Creek Road to induce development of PA-1 per the General Plan
- Received Metropolitan Transportation Commission award for best roads in Bay Area for 6th consecutive year
- Partnered with regional transportation agencies for completion of construction of SR 4 Sand Creek Road interchange
- Constructed Brentwood Boulevard median landscape improvements from Grant Street to Lone Tree Way
- Submitted comments to the State of California on the draft Bay Delta Conservation Plan (BDCP) Environmental Impact Report (EIR) and hired consultant team of subject matter experts to coordinate Brentwood’s interests related to impacts of BDCP/Cal Water Fix
- City Council approved agreement with Contra Costa Water District for buy-in capacity to convey water from the Delta to the Brentwood Water Treatment Plant
- Acquired abandoned PG&E gas pipeline along Fairview Avenue for expansion of the City’s non-potable water system
- Awarded \$299,431 from State Department of Water Resources to help fund construction of non-potable water line on Grant Street from O’Hara Avenue to Fairview Avenue
- Applied for State Revolving Fund to subsidize construction of several non-potable water projects, including the non-potable water storage facility and non-potable water mains on Fairview Avenue and Sand Creek Road
- Completed design of Non-Potable Storage Facility (recycled water storage and pump station)
- Opened the residential Recycled Water Fill Station and distributed over 15,000,000 gallons of free recycled water
- Supplied over 134 million gallons of recycled water to parks, landscape medians, and schools Citywide
- Constructed overflow parking lot (215 stalls) at Sunset Park Athletic Complex on the former Solid Waste Transfer Station site
- Launched Water Softener Removal/Replacement Incentive Program to help reduce City’s chloride levels; removed over 1,900 water softeners
- Constructed solar facilities at the Police Station, Aquatic Center and Wastewater Treatment Plant
- Participated in an energy reduction program and received \$25,000 to offset expenses

PUBLIC WORKS

DEPARTMENT BUDGET SUMMARY

Expenditures by Division		2014/15	2015/16	2015/16	2016/17	2017/18
Division #	Division Name	Actual	Budget	Projected	Budget	Budget
General Fund						
100-1603	Streets	\$ 2,814,945	\$ 3,089,622	\$ 3,026,734	\$ 3,319,904	\$ 3,455,419
100-2301	Engineering Division	1,428,556	1,539,632	1,430,098	1,620,875	1,684,880
100-2303	Transportation	549,286	651,223	617,380	692,642	714,023
100-3601	CIP Administration	763,307	1,108,770	972,326	1,188,875	1,230,054
Enterprise Funds						
540-5301	Solid Waste Operations	8,309,394	9,469,668	9,130,739	9,410,493	9,648,965
540-5303	Solid Waste Transfer Station	1,218,714	1,460,619	1,428,237	1,509,343	1,576,137
560-5501	Water Operations	19,006,792	23,961,724	22,879,496	20,533,010	25,273,646
560-5504	Non Potable	394,442	672,153	537,653	526,696	545,739
590-5801	Wastewater Operations	10,536,912	14,921,644	14,781,217	9,583,059	9,756,938
590-5803	Wastewater Lateral Maintenance	212,669	238,301	209,924	223,467	237,638
Internal Service Fund						
706-7601	Fleet Maintenance Services	1,276,522	1,401,901	1,329,390	1,423,066	1,457,132
707-7702	Facilities Maintenance - Public Works	730,584	815,533	751,369	820,105	838,734
	Total	<u>\$ 47,242,123</u>	<u>\$ 59,330,790</u>	<u>\$ 57,094,563</u>	<u>\$ 50,851,535</u>	<u>\$ 56,419,305</u>
	Annual Percentage Change			20.86%	-14.29%	10.95%

PUBLIC WORKS

Expenditures by Category	2014/15 Actual	2015/16 Budget	2015/16 Projected	2016/17 Budget	2017/18 Budget
Personnel Services	\$ 12,567,901	\$ 13,564,670	\$ 13,276,470	\$ 14,129,467	\$ 14,574,922
Supplies and Services	23,775,615	30,351,102	29,300,164	27,903,124	28,366,616
Internal Services	4,741,620	5,867,440	4,972,152	5,734,308	6,051,494
Capital Outlay and Transfers Out	6,156,987	9,547,578	9,545,777	3,084,636	7,426,273
Total	<u>\$ 47,242,123</u>	<u>\$ 59,330,790</u>	<u>\$ 57,094,563</u>	<u>\$ 50,851,535</u>	<u>\$ 56,419,305</u>
Total Budgeted Full-Time Employees	99.00	100.00	100.00	100.00	100.00

PUBLIC WORKS

Expenditure Analysis

Personnel	No FTE changes.
Supplies and Services	<p>During FY 2015/16, the Supplies and Services budget was nearly 12% greater than FY 2014/15 due to one-time expenditures related to the drought. In response to the State’s water reduction mandate, the City implemented a Water Conservation Program (“Program”) which included incentives and rebates for City water customers. While the City has been successful in meeting the mandated water reductions, Program expenses related to rebates and conservation incentives were more than initially projected. In mid-FY 2015/16, changes were made to the Program which reduced customer water use rebates and, at the end of February 2016, water reduction rebates were eliminated.</p> <p>In the two-year budget period, Supplies and Services include the cost of Strategic Initiatives which total \$360,000 in FY 2016/17 and \$110,000 in FY 2017/18. These expenditures are included for the implementation of the solid waste hauling and disposal agreement, master plan updates for the water and wastewater collection systems and the Bay Delta Conservation Plan (BDCP)/Cal Water Fix. Excluding Strategic Initiative costs, all other Supplies and Services costs increased just 3% in FY 2016/17 and 2% in FY 2017/18.</p>
Internal Services	Increases in Internal Service costs are primarily due to increases in OPEB as the City progresses towards City Council’s goal of reaching 85% funding of the City’s ARC.
Capital Outlay and Transfers Out	FY 2016/17 shows significant decreases in Capital Outlay and Transfers Out compared to FY 2015/16 due primarily to reduced funding of wastewater and water capital projects by \$5.7 million and \$710,000 respectively. The subsequent budget increase in FY 2017/18 is due to an increase in water capital projects funding of \$3 million along with a one-time Water Bond debt service payment increase to be paid utilizing debt service reserve funds.

RESOLUTION NO. 2016-77

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BRENTWOOD AMENDING THE 2015/16 OPERATING BUDGET, ADOPTING THE 2016/17 – 2017/18 OPERATING BUDGET AND ESTABLISHING JOB CLASSIFICATIONS, JOB DESCRIPTIONS AND SALARY RANGES FOR THE DIRECTOR OF HUMAN RESOURCES/RISK MANAGER AND TWO LIMITED SERVICE CLASSIFICATIONS

WHEREAS, the City Council of the City of Brentwood has reviewed the financial condition of the City of Brentwood; and

WHEREAS, the proposed 2016/17 - 2017/18 Operating Budget was reviewed by the CIP/Operating Budget Ad Hoc Committee on April 14, 2016; and

WHEREAS, a draft of the proposed 2016/17 – 2017/18 Operating Budget was presented to the City Council for review, direction and comment on May 10, 2016; and

WHEREAS, the City departments have submitted requests for appropriations to fund the departmental programs to provide services for the City of Brentwood; and

WHEREAS, the City Council has reviewed these specific departmental requests and discussed City priorities for the expenditure of City funds at the City Council meeting on May 10, 2016; and

WHEREAS, the two year Operating Budget adheres to City Council’s Strategic Plan Goals and Objectives and does not commit to spending more than a realistic estimate of revenues; and

WHEREAS, the addition of ten new police dispatcher positions for FY 2016/17, approved by Council in FY 2015/16 are incorporated into this Operating Budget; and

WHEREAS, the General Fund is budgeted to maintain 30% undesignated reserves for each year of the Operating Budget; and

WHEREAS, the creation of a Director of Human Resources/Risk Manager classification will promote higher quality and greater efficiency in the City; and

WHEREAS, funding from the vacant Assistant Administrative Services Director position will be used to offset the costs of the Director of Human Resources/Risk Manager position for the upcoming two years, with funding for the Assistant position to be potentially considered in the following two year budget cycle.

NOW, THEREFORE BE IT RESOLVED that the City Council of the City of Brentwood hereby

1. Adopts the revenues and appropriations as detailed in the 2016/17 - 2017/18 Operating Budget for the City of Brentwood as presented by the City Manager, and amends fund balance restrictions and commitments, as follows:

	<u>FY 2015/16</u>	<u>FY 2016/17</u>	<u>FY 2017/18</u>
Restricted:			
RDA Escrow Reserve	\$92,426	\$92,426	\$0
Committed:			
General Plan Update	\$100,000	\$200,000	\$300,000
Dispatch Operations	\$1,250,000	\$0	\$0
Capital Projects	\$714,667	\$0	\$0
Future Strategic Initiatives	\$0	\$842,000	\$350,000
Successor Agency Payment Plan	\$7,201,678	\$6,187,960	\$5,108,713
Total Committed	<u>\$9,266,345</u>	<u>\$7,229,960</u>	<u>\$5,758,713</u>
Total Committed and Restricted	<u>\$9,358,771</u>	<u>\$7,322,386</u>	<u>\$5,758,713</u>

2. Authorizes the transfer of \$3 million from the Pension/OPEB Obligation Fund to the General Fund to be committed in the fund balance of the General Fund at June 30, 2016 for the Successor Agency Payment Plan and amends the FY 2015/16 budget to allow for the transfer of funds from the Pension/OPEB Obligation Fund to the General Fund.

3. Authorize the immediate commitment of \$2.7 million in the Water Replacement Fund for the purpose of Rate Stabilization. At June 30, 2016, once the amount of the transfer required to meet debt coverage requirements is calculated and the transfer to the Water Enterprise Fund completed, the commitment in the Water Replacement Fund will be reduced to zero.

RESOLUTION NO. 2016-77 (Continued)

4. Authorize the following job classifications, job descriptions and salary ranges, as reflected below and in the attached Exhibit "A", Exhibit "B" and Exhibit "C".

Director of Human Resources/Risk Manager	\$12,750.99 – \$15,498.91 / month
Office Assistant	\$18.00 – \$27.40 / hour
General Laborer	\$18.00 – \$27.66 / hour

5. Authorize the amendment of the City’s Compensation Plan to include the Director of Human Resources/Risk Manager classification at the salary range of \$12,750.99 – \$15,498.91 /month.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Brentwood at its regular meeting on June 14, 2016 by the following vote:

AYES: Barr, Bryant, Clare, Taylor
NOES: None
ABSENT: Stonebarger
ABSTAIN: None

Robert Taylor
 Robert Taylor
 Mayor

ATTEST:

Margaret Wimberly
 Margaret Wimberly, MMC
 City Clerk

RESOLUTION NO. 2016-63

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BRENTWOOD ADOPTING THE 2016/17 PROPOSITION 4 APPROPRIATION LIMIT USING THE CHANGE IN THE STATE PER CAPITA INCOME OF 5.37% AS THE COST-OF-LIVING FACTOR AND THE CHANGE IN CITY POPULATION FACTOR OF 3.00% TO CALCULATE THE LIMIT.

WHEREAS, the Department of Finance staff have notified the City of the change in the California per capita personal income and the change in the local assessment roll due to local nonresidential construction in which the City has the option to use the greater percentage change, which change is an increase of 5.37% in California per capita personal income, and;

WHEREAS, the Department of Finance staff have notified the City of the change in population of the City and the entire Contra Costa County in which the City has the option to use the greater percentage change, which change is an increase of 3.00% for the City population for the prior calendar year, and;

WHEREAS, On May 27, 2015 the City Council approved Resolution No. 2015-74 adopting the 2015/16 Proposition 4 Appropriations Limit, and;

WHEREAS, pursuant to California Constitution Article XIII B, Section 1 and Government Code sections 7900 et seq., and pursuant to the guidelines set forth by Proposition 111, the City appropriations limit must be adjusted for changes from the base year of 1986-87 to the fiscal year ending June 30, 2017.

NOW, THEREFORE BE IT RESOLVED that the City Council of the City of Brentwood, adopt the Appropriations Limit for the City of Brentwood for fiscal year ending June 30, 2017 of \$73,563,579, using the change in State per capita income of 5.37% as the cost-of-living factor and the change in the City population factor of 3.00% to calculate the Limit.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Brentwood at a regular meeting held on May 24, 2016 by the following vote:

- AYES: Barr, Bryant, Clare, Stonebarger, Taylor
- NOES: None
- ABSENT: None
- ABSTAIN: None

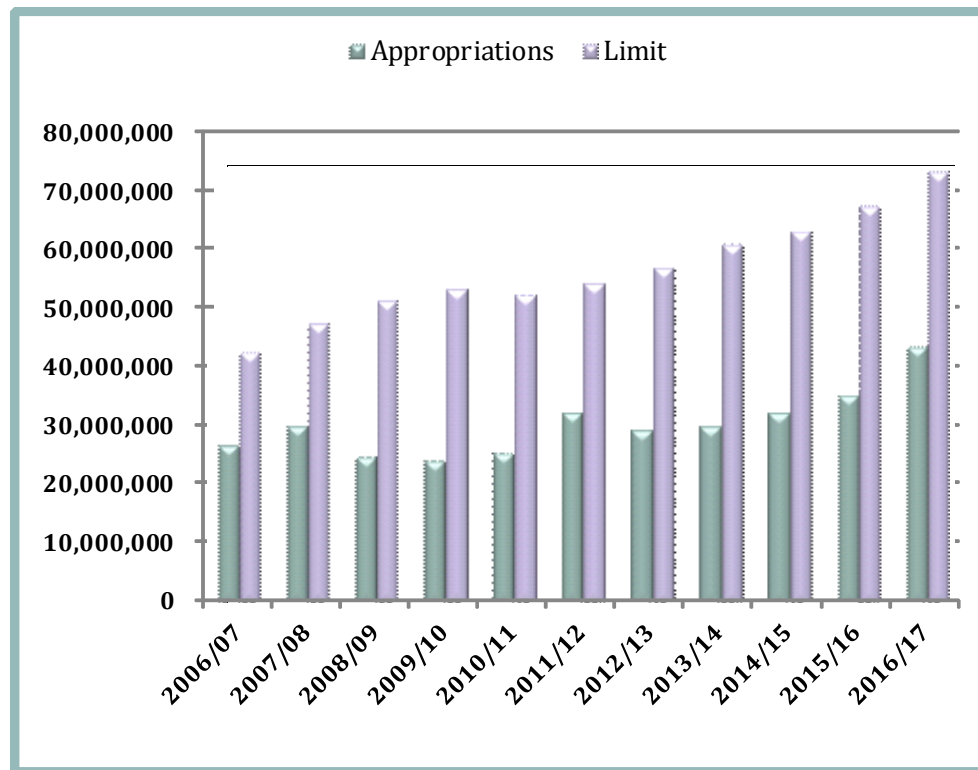
Robert Taylor
Robert Taylor
Mayor

ATTEST:

Margaret Wimberly
Margaret Wimberly, MMC
City Clerk

CONSTITUTIONAL SPENDING LIMITS

Commonly referred to as the Gann Limit, this was a ballot initiative adopted in 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 California’s State Constitution as Article XIII (B). The limit changes annually and is different for every city. Each year’s limit is based on the amount of tax proceeds that were authorized to be spent in FY 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 DOF’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. The following chart depicts the City’s historical Gann Limits and the appropriations subject to the limit.



CONSTITUTIONAL SPENDING LIMITS (Continued)

The City’s limit is calculated each year and is established by a resolution of the City Council prior to, or concurrently with, the adoption of the annual Operating Budget. The Article XIII (B) limit for FY 2016/17 has been calculated to be \$73,563,579. This amount was calculated by taking the prior year’s limitation and adjusting it by the percentage increase in non-residential new construction and the percentage increase in the City’s population. The Article XIII (B) limit is not a restricting factor for the City of Brentwood. This is due to the combination of high population growth and reduced Operating Budget appropriations during the past several years. This factor will continue to be monitored annually and budget adjustments will be recommended if they are required in future years.

**Article XIII (B) Appropriations Limit for the City of Brentwood
For Fiscal Year 2016/17**

Appropriations Limit for Fiscal Year 2015/16	<u>\$67,781,105</u>
Population in January 2015	57,072
Population in January 2016	58,784
Percentage Increase in Population - City	3.00%
Percentage Increase in Non-residential New Construction	0.20%
Factor to be applied to Prior Year (Population Factor x New Construction Factor)	<u>1.085311000</u>
Appropriations Limit for Fiscal Years 2016/17	<u>\$73,563,579</u>

PERSONNEL SUMMARY BY DEPARTMENT

	2014/15 Approved	2015/16 Approved	2016/17 Budget	2017/18 Budget
Legislative				
Executive Assistant	1.00	1.00	0.50	0.50
Legislative FTE Total	1.00	1.00	0.50	0.50
City Manager				
<i>City Manager</i>				
City Manager	1.00	1.00	1.00	1.00
Assistant City Manager	0.50	0.00	0.00	0.00
Administrative Assistant II	0.50	0.00	0.00	0.00
Executive Assistant	0.00	0.00	0.50	0.50
Management Analyst	1.00	1.00	1.00	1.00
City Manager FTE Total	3.00	2.00	2.50	2.50
<i>Economic Development</i>				
Director of Community Development	0.25	0.10	0.00	0.00
Administrative Assistant II	0.20	0.20	0.00	0.00
Administrative Supervisor	0.25	0.25	0.00	0.00
Economic Development Manager	1.00	1.00	1.00	1.00
Senior Analyst	0.90	1.00	1.00	1.00
Senior Technician	0.90	1.00	1.00	1.00
Economic Development FTE Total	3.50	3.55	3.00	3.00
<i>City Clerk</i>				
Administrative Assistant II	0.50	1.00	1.00	1.00
City Clerk	1.00	1.00	1.00	1.00
City Clerk FTE Total	1.50	2.00	2.00	2.00
City Manager FTE Total	8.00	7.55	7.50	7.50
City Attorney				
City Attorney	1.00	1.00	1.00	1.00
Assistant City Attorney	1.00	1.00	1.00	1.00
Administrative Assistant II	1.00	0.00	0.00	0.00
Administrative Secretary	0.00	1.00	1.00	1.00
Executive Assistant	1.00	1.00	1.00	1.00
City Attorney FTE Total	4.00	4.00	4.00	4.00

PERSONNEL SUMMARY BY DEPARTMENT (Continued)

	2014/15 Approved	2015/16 Approved	2016/17 Budget	2017/18 Budget
<u>Administrative Services</u>				
<i>Human Resources</i>				
Administrative Assistant II	1.00	0.00	0.00	0.00
Administrative Secretary	0.00	1.00	1.00	1.00
Assistant City Manager	0.50	0.00	0.00	0.00
Human Resources Manager	1.00	1.00	1.00	1.00
Human Resources Specialist	1.00	1.00	1.00	1.00
Human Resources FTE Total	3.50	3.00	3.00	3.00
<i>Business Services</i>				
Director of Administrative Services	0.25	0.25	0.25	0.25
Assistant Director of Administrative Services	0.25	0.25	0.25	0.25
Accountant I	1.70	1.00	1.00	1.00
Accountant II	0.00	0.70	0.45	0.45
Accounting Assistant I	1.25	0.00	0.00	0.00
Accounting Assistant II	0.00	0.75	0.00	0.00
Accounting Manager	0.85	0.85	0.85	0.85
Accounting Specialist	0.00	1.00	1.00	1.00
Accounting Technician	1.05	0.50	1.60	1.60
Administrative Supervisor	0.25	0.25	0.20	0.20
Information Systems Technician	0.00	0.05	0.05	0.05
Business Services FTE Total	5.60	5.60	5.65	5.65
<i>Financial Services</i>				
Director of Administrative Services	0.25	0.25	0.25	0.25
Assistant Director of Administrative Services	0.25	0.25	0.25	0.25
Accountant II	0.00	1.00	1.00	1.00
Accounting Assistant II	1.15	1.15	1.55	1.55
Accounting Manager	0.00	0.10	0.10	0.10
Accounting Specialist	1.00	1.00	1.00	1.00
Accounting Technician	1.40	0.40	0.00	0.00
Administrative Supervisor	0.25	0.25	0.20	0.20
Chief Financial Operations Officer	0.10	0.00	0.00	0.00
Management Analyst	0.70	0.70	0.70	0.70
Financial Services FTE Total	5.10	5.10	5.05	5.05

PERSONNEL SUMMARY BY DEPARTMENT (Continued)

	2014/15 Approved	2015/16 Approved	2016/17 Budget	2017/18 Budget
<i>Information Services</i>				
Director of Administrative Services	0.25	0.25	0.25	0.25
Assistant Director of Administrative Services	0.25	0.25	0.25	0.25
Accounting Assistant I	0.35	0.00	0.00	0.00
Accounting Assistant II	0.35	0.45	0.35	0.35
Accounting Manager	0.00	0.15	0.15	0.15
Accounting Technician	0.80	0.25	0.25	0.25
Administrative Supervisor	0.20	0.20	0.30	0.30
Chief Financial Operations Officer	0.15	0.00	0.00	0.00
Chief Information Systems Officer	1.00	1.00	1.00	1.00
Information Systems Specialist	2.00	2.00	2.00	2.00
Information Systems Specialist (GIS)	0.00	1.00	1.00	1.00
Information Systems Technician	3.00	4.80	4.80	4.80
Management Analyst	0.30	0.30	0.30	0.30
Technical Assistant I	1.00	0.00	0.00	0.00
Information Services FTE Total	9.65	10.65	10.65	10.65
<i>Solid Waste Utility Billing</i>				
Director of Administrative Services	0.10	0.10	0.10	0.10
Assistant Director of Administrative Services	0.09	0.09	0.09	0.09
Accountant I	0.10	0.00	0.00	0.00
Accountant II	0.00	0.10	0.20	0.20
Accounting Assistant I	1.14	0.66	0.66	0.66
Accounting Assistant II	0.17	0.55	0.70	0.70
Accounting Manager	0.05	0.30	0.30	0.30
Accounting Specialist	0.35	0.35	0.33	0.33
Accounting Technician	0.91	0.96	0.71	0.71
Administrative Supervisor	0.10	0.10	0.10	0.10
Chief Financial Operations Officer	0.25	0.00	0.00	0.00
Information Systems Technician	0.00	0.05	0.05	0.05
Solid Waste Utility Billing FTE Total	3.26	3.26	3.24	3.24

PERSONNEL SUMMARY BY DEPARTMENT (Continued)

	2014/15 Approved	2015/16 Approved	2016/17 Budget	2017/18 Budget
<i>Water Utility Billing</i>				
Director of Administrative Services	0.10	0.10	0.10	0.10
Assistant Director of Administrative Services	0.08	0.08	0.08	0.08
Accountant I	0.10	0.00	0.00	0.00
Accountant II	0.00	0.10	0.20	0.20
Accounting Assistant I	1.17	0.68	0.68	0.68
Accounting Assistant II	0.17	0.56	0.71	0.71
Accounting Manager	0.05	0.30	0.30	0.30
Accounting Specialist	0.40	0.40	0.34	0.34
Accounting Technician	0.93	0.98	0.73	0.73
Administrative Supervisor	0.10	0.10	0.10	0.10
Chief Financial Operations Officer	0.25	0.00	0.00	0.00
Information Systems Technician	0.00	0.05	0.05	0.05
Water Utility Billing FTE Total	3.35	3.35	3.29	3.29
<i>Wastewater Waste Utility Billing</i>				
Director of Administrative Services	0.05	0.05	0.05	0.05
Assistant Director of Administrative Services	0.08	0.08	0.08	0.08
Accountant I	0.10	0.00	0.00	0.00
Accountant II	0.00	0.10	0.15	0.15
Accounting Assistant I	1.09	0.66	0.66	0.66
Accounting Assistant II	0.16	0.54	0.69	0.69
Accounting Manager	0.05	0.30	0.30	0.30
Accounting Specialist	0.25	0.25	0.33	0.33
Accounting Technician	0.91	0.91	0.71	0.71
Administrative Supervisor	0.10	0.10	0.10	0.10
Chief Financial Operations Officer	0.25	0.00	0.00	0.00
Information Systems Technician	0.00	0.05	0.05	0.05
Wastewater Waste Utility Billing FTE Total	3.04	3.04	3.12	3.12
Administrative Services FTE Total	33.50	34.00	34.00	34.00

PERSONNEL SUMMARY BY DEPARTMENT (Continued)

	2014/15 Approved	2015/16 Approved	2016/17 Budget	2017/18 Budget
Community Development				
<i>Building</i>				
Director of Community Development	0.25	0.30	0.34	0.34
Administrative Assistant II	0.90	0.90	0.96	0.96
Administrative Supervisor	0.25	0.25	0.34	0.34
Building Inspector II	1.00	1.00	1.00	1.00
Chief Building Official	0.80	0.80	0.80	0.80
Code Enforcement Officer I	1.00	0.00	0.00	0.00
Code Enforcement Officer II	1.00	1.00	1.00	1.00
Community Development Specialist	1.00	1.00	1.00	1.00
Community Development Technician	0.15	1.15	1.85	1.85
Housing Analyst	0.00	0.10	0.10	0.10
Senior Code Enforcement Officer	1.00	1.00	1.00	1.00
Senior Community Development Technician	1.10	0.00	0.00	0.00
Senior Technician	0.00	1.00	1.00	1.00
Building FTE Total	8.45	8.50	9.39	9.39
<i>Planning</i>				
Director of Community Development	0.25	0.30	0.33	0.33
Administrative Assistant II	0.90	0.90	0.94	0.94
Administrative Secretary	1.00	1.00	1.00	1.00
Administrative Supervisor	0.25	0.25	0.33	0.33
Assistant Planner	1.00	0.00	0.00	0.00
Associate Planner	1.00	2.00	2.00	2.00
Community Development Technician	0.85	0.85	0.15	0.15
Planning Manager	0.85	0.85	0.95	0.95
Senior Community Development Analyst	0.10	0.00	0.00	0.00
Senior Planner	1.00	1.00	1.00	1.00
Planning FTE Total	7.20	7.15	6.70	6.70

PERSONNEL SUMMARY BY DEPARTMENT (Continued)

	2014/15 Approved	2015/16 Approved	2016/17 Budget	2017/18 Budget
<i>Housing Administration</i>				
Director of Community Development	0.25	0.30	0.33	0.33
Administrative Assistant II	0.00	0.00	0.10	0.10
Administrative Supervisor	0.25	0.25	0.33	0.33
Chief Building Official	0.20	0.20	0.20	0.20
Housing Analyst	0.00	0.90	0.90	0.90
Planning Manager	0.15	0.15	0.05	0.05
Senior Community Development Technician	1.00	0.00	0.00	0.00
<i>Housing Administration FTE Total</i>	1.85	1.80	1.91	1.91
Community Development FTE Total	17.50	17.45	18.00	18.00
<u>Parks and Recreation</u>				
<i>Recreation Administration</i>				
Director of Parks and Recreation	0.85	0.85	0.85	0.85
Accountant II	0.30	0.30	0.30	0.30
Administrative Assistant II	3.00	3.00	3.00	3.00
Administrative Supervisor	1.00	1.00	1.00	1.00
Management Analyst	0.85	0.85	0.85	0.85
Recreation Coordinator	1.00	2.00	2.00	2.00
Recreation Manager	1.00	1.00	1.00	1.00
Recreation Supervisor	3.00	2.00	2.00	2.00
<i>Recreation Administration FTE Total</i>	11.00	11.00	11.00	11.00
<i>City Pool</i>				
Administrative Assistant II	0.25	0.25	0.25	0.25
Park/Maintenance Supervisor	0.25	0.25	0.25	0.25
<i>City Pool FTE Total</i>	0.50	0.50	0.50	0.50

PERSONNEL SUMMARY BY DEPARTMENT (Continued)

	2014/15 Approved	2015/16 Approved	2016/17 Budget	2017/18 Budget
<i>Citywide Park Assessment District</i>				
Director of Parks and Recreation	0.05	0.05	0.05	0.05
Accountant II	0.30	0.30	0.30	0.30
Administrative Assistant II	0.25	0.25	0.25	0.25
Park/Maintenance Manager	0.34	0.34	0.34	0.34
Park/Maintenance Supervisor	0.65	0.65	0.65	0.65
Park/Maintenance Worker I	1.75	1.70	1.70	1.70
Park/Maintenance Worker II	1.00	1.00	1.00	1.00
Senior Park/Maintenance Worker	0.70	0.70	0.70	0.70
Citywide Park Assessment District FTE Total	5.04	4.99	4.99	4.99
<i>Senior Programs</i>				
Recreation Supervisor	1.00	1.00	1.00	1.00
Senior Programs FTE Total	1.00	1.00	1.00	1.00
<i>Landscape Operations</i>				
Director of Parks and Recreation	0.10	0.10	0.10	0.10
Accountant II	0.40	0.40	0.40	0.40
Administrative Assistant II	0.25	0.25	0.25	0.25
Management Analyst	0.15	0.15	0.15	0.15
Park/Maintenance Manager	0.33	0.33	0.33	0.33
Park/Maintenance Supervisor	1.10	1.10	1.10	1.10
Park/Maintenance Worker I	0.25	0.30	0.30	0.30
Park/Maintenance Worker II	0.00	0.00	0.00	0.00
Senior Park/Maintenance Worker	0.30	0.30	0.30	0.30
Landscape Operations FTE Total	2.88	2.93	2.93	2.93

PERSONNEL SUMMARY BY DEPARTMENT (Continued)

	2014/15 Approved	2015/16 Approved	2016/17 Budget	2017/18 Budget
<i>Facilities Maintenance Services</i>				
Administrative Assistant II	0.25	0.25	0.25	0.25
Park/Maintenance Manager	0.33	0.33	0.33	0.33
Park/Maintenance Supervisor	1.00	1.00	1.00	1.00
Park/Maintenance Worker I	0.00	2.00	2.00	2.00
Park/Maintenance Worker II	2.00	0.00	0.00	0.00
Facilities Maintenance Services FTE Total	3.58	3.58	3.58	3.58
Parks and Recreation FTE Total	24.00	24.00	24.00	24.00
Police				
<i>Police</i>				
Police Chief	1.00	1.00	1.00	1.00
Accounting Technician	1.00	1.00	1.00	1.00
Administrative Assistant II	1.00	1.00	1.00	1.00
Community Service Officer I	4.00	4.00	4.00	4.00
Executive Assistant	1.00	1.00	1.00	1.00
Police Captain	2.00	2.00	2.00	2.00
Police Lieutenant	3.00	4.00	4.00	4.00
Police Officer	44.00	36.00	36.00	36.00
Police Officer - Special Assignment	6.00	13.00	13.00	13.00
Police Records Clerk I	0.00	2.00	2.00	2.00
Police Records Clerk II	6.00	4.00	4.00	4.00
Records Supervisor	1.00	1.00	1.00	1.00
Senior Community Service Officer	3.00	3.00	3.00	3.00
Sergeant	7.00	7.00	7.00	7.00
Sergeant - Special Assignment	3.00	3.00	3.00	3.00
Police FTE Total	83.00	83.00	83.00	83.00
<i>Police Dispatch Services</i>				
Dispatch Supervisor	0.00	2.00	2.00	2.00
Dispatcher	0.00	0.00	10.00	10.00
Police Dispatch Services FTE Total	0.00	2.00	12.00	12.00
Police FTE Total	83.00	85.00	95.00	95.00

PERSONNEL SUMMARY BY DEPARTMENT (Continued)

	2014/15 Approved	2015/16 Approved	2016/17 Budget	2017/18 Budget
Public Works				
<i>Street Maintenance</i>				
Director of Public Works/City Engineer	0.05	0.05	0.05	0.05
Assistant Director Public Works/Engineering	0.05	0.05	0.05	0.05
Assistant Director Public Works/Operations	0.20	0.20	0.10	0.10
Administrative Assistant I	0.50	0.00	0.00	0.00
Administrative Assistant II	0.00	0.50	1.00	1.00
Administrative Supervisor	0.20	0.20	0.20	0.20
Electrician	1.00	1.00	1.00	1.00
Management Analyst	0.06	0.00	0.00	0.00
Project Services Specialist	0.06	0.06	0.06	0.06
Purchasing Assistant	0.20	0.20	0.20	0.20
Safety/Special Projects Coordinator	0.20	0.20	0.20	0.20
Senior Analyst	0.00	0.06	0.00	0.00
Senior Street Maintenance Worker	2.00	2.00	2.00	2.00
Street Maintenance Worker I	2.00	3.00	3.00	3.00
Street Maintenance Worker II	3.00	2.00	2.00	2.00
Street Sweeper Operator	3.00	3.00	3.00	3.00
Streets Manager	1.00	1.00	1.00	1.00
Streets Supervisor	1.00	1.00	1.00	1.00
Street Maintenance FTE Total	14.52	14.52	14.86	14.86
<i>Development Engineering</i>				
Director of Public Works/City Engineer	0.06	0.06	0.06	0.06
Assistant Director Public Works/Engineering	0.18	0.18	0.18	0.18
Administrative Assistant I	0.75	0.75	0.75	0.75
Administrative Secretary	0.30	0.30	0.30	0.30
Administrative Supervisor	0.62	0.00	0.00	0.00
Associate Engineer	0.50	0.50	0.50	0.50
Construction Inspector II	1.30	1.30	1.30	1.30
Engineering Manager	0.80	0.00	0.00	0.00
Engineering Technician	0.35	0.35	0.35	0.35
Management Analyst	0.22	0.00	0.00	0.00
Project Services Specialist	0.27	1.49	1.47	1.47
Senior Analyst	0.00	0.22	0.25	0.25
Senior Construction Inspector	0.80	0.80	0.80	0.80
Senior Engineer	0.00	0.80	0.80	0.80
Technical Assistant II	0.60	0.00	0.00	0.00
Development Engineering FTE Total	6.75	6.75	6.76	6.76

PERSONNEL SUMMARY BY DEPARTMENT (Continued)

	2014/15 Approved	2015/16 Approved	2016/17 Budget	2017/18 Budget
<i>Traffic and Transportation</i>				
Director of Public Works/City Engineer	0.05	0.05	0.05	0.05
Assistant Director Public Works/Engineering	0.05	0.05	0.05	0.05
Administrative Assistant I	0.25	0.25	0.25	0.25
Administrative Secretary	0.30	0.30	0.30	0.30
Administrative Supervisor	0.02	0.00	0.00	0.00
Engineering Manager	1.00	1.00	1.00	1.00
Engineering Technician	0.35	0.35	0.35	0.35
Management Analyst	0.05	0.00	0.00	0.00
Project Services Specialist	0.00	0.27	0.27	0.27
Senior Analyst	0.00	0.05	0.10	0.10
Technical Assistant II	0.25	0.00	0.00	0.00
Traffic and Transportation FTE Total	2.32	2.32	2.37	2.37
<i>CIP Administration</i>				
Director of Public Works/City Engineer	0.10	0.10	0.10	0.10
Assistant Director Public Works/Engineering	0.40	0.40	0.40	0.40
Administrative Secretary	0.40	0.40	0.40	0.40
Administrative Supervisor	0.30	0.00	0.00	0.00
Associate Engineer	0.50	1.50	1.50	1.50
Construction Inspector II	0.50	0.50	0.50	0.50
Engineering Manager	0.40	0.20	0.20	0.20
Engineering Technician	0.30	0.30	0.30	0.30
Project Services Specialist	0.35	0.80	0.73	0.73
Senior Analyst	0.00	0.00	0.05	0.05
Senior Construction Inspector	0.20	0.20	0.20	0.20
Senior Engineer	1.00	0.20	0.20	0.20
Technical Assistant II	0.15	0.00	0.00	0.00
CIP Administration FTE Total	4.60	4.60	4.58	4.58
<i>City Pool</i>				
Facilities Maintenance Worker II	0.15	0.15	0.20	0.20
City Pool FTE Total	0.15	0.15	0.20	0.20

PERSONNEL SUMMARY BY DEPARTMENT (Continued)

	2014/15 Approved	2015/16 Approved	2016/17 Budget	2017/18 Budget
<i>Solid Waste Operations</i>				
Director of Public Works/City Engineer	0.22	0.22	0.22	0.22
Assistant Director Public Works/Engineering	0.10	0.10	0.10	0.10
Assistant Director Public Works/Operations	0.20	0.20	0.20	0.20
Administrative Assistant I	0.25	0.00	0.00	0.00
Administrative Assistant II	3.00	3.25	2.60	2.60
Administrative Supervisor	0.18	0.16	0.16	0.16
Management Analyst	0.20	0.00	0.00	0.00
Project Services Specialist	0.10	0.12	0.15	0.15
Purchasing Assistant	0.16	0.16	0.16	0.16
Safety/Special Projects Coordinator	0.16	0.16	0.16	0.16
Senior Analyst	0.00	0.20	0.20	0.20
Senior Solid Waste Equipment Operator	0.80	0.80	0.80	0.80
Solid Waste Equipment Operator I	2.00	1.00	1.00	1.00
Solid Waste Equipment Operator II	12.00	13.00	13.00	13.00
Solid Waste Manager	0.80	0.80	0.80	0.80
Solid Waste Supervisor	0.80	0.80	0.80	0.80
Solid Waste Operations FTE Total	20.97	20.97	20.35	20.35
<i>Solid Waste Transfer Station</i>				
Assistant Director Public Works/Operations	0.05	0.05	0.05	0.05
Administrative Assistant II	0.50	0.50	0.40	0.40
Administrative Supervisor	0.04	0.04	0.04	0.04
Purchasing Assistant	0.04	0.04	0.04	0.04
Safety/Special Projects Coordinator	0.04	0.04	0.04	0.04
Senior Solid Waste Equipment Operator	0.20	0.20	0.20	0.20
Solid Waste Equipment Operator II	1.00	1.00	1.00	1.00
Solid Waste Manager	0.20	0.20	0.20	0.20
Solid Waste Supervisor	0.20	0.20	0.20	0.20
Solid Waste Transfer Station FTE Total	2.27	2.27	2.17	2.17

PERSONNEL SUMMARY BY DEPARTMENT (Continued)

	2014/15 Approved	2015/16 Approved	2016/17 Budget	2017/18 Budget
<i>Water Operations</i>				
Director of Public Works/City Engineer	0.30	0.30	0.30	0.30
Assistant Director Public Works/Engineering	0.10	0.10	0.10	0.10
Assistant Director Public Works/Operations	0.25	0.25	0.25	0.25
Administrative Assistant II	1.00	0.00	0.00	0.00
Administrative Secretary	0.00	1.00	1.00	1.00
Administrative Supervisor	0.22	0.20	0.20	0.20
Cross Connection Control Specialist	1.00	1.00	1.00	1.00
Electrician	0.50	0.50	0.50	0.50
Engineering Manager	0.40	0.40	0.40	0.40
Management Analyst	0.25	0.00	0.00	0.00
Project Services Specialist	0.10	0.12	0.15	0.15
Purchasing Assistant	0.20	0.20	0.20	0.20
Regulatory Compliance Supervisor	0.50	0.50	0.50	0.50
Safety/Special Projects Coordinator	0.20	0.20	0.20	0.20
Senior Analyst	0.00	0.25	0.20	0.20
Senior Water Distribution Worker	1.00	1.00	1.00	1.00
Senior Water Service Worker	1.00	1.00	1.00	1.00
Wastewater Lab Technician II	0.50	0.50	0.50	0.50
Water Distribution Supervisor	1.00	1.00	1.00	1.00
Water Distribution Worker I	0.00	1.00	1.00	1.00
Water Distribution Worker II	6.00	6.00	6.00	6.00
Water Operations Manager	1.00	1.00	1.00	1.00
Water Production Supervisor	1.00	1.00	1.00	1.00
Water Production Worker II	2.00	2.00	2.00	2.00
Water Service Worker I	0.00	2.00	2.00	2.00
Water Service Worker II	3.00	1.00	1.00	1.00
Water Operations FTE Total	21.52	22.52	22.50	22.50
<i>Non-Potable Water</i>				
Water Conservation Specialist	0.70	0.70	0.70	0.70
Non-Potable Water FTE Total	0.70	0.70	0.70	0.70

PERSONNEL SUMMARY BY DEPARTMENT (Continued)

	2014/15 Approved	2015/16 Approved	2016/17 Budget	2017/18 Budget
<i>Wastewater Operations</i>				
Director of Public Works/City Engineer	0.20	0.20	0.20	0.20
Assistant Director Public Works/Engineering	0.10	0.10	0.10	0.10
Assistant Director Public Works/Operations	0.25	0.25	0.30	0.30
Administrative Assistant II	0.50	0.50	1.00	1.00
Administrative Supervisor	0.22	0.20	0.20	0.20
Collection Systems Worker I	0.50	0.50	0.00	0.00
Collection Systems Worker II	3.00	2.00	2.00	2.00
Construction Inspector II	0.20	0.20	0.20	0.20
Electrician	0.50	0.50	0.50	0.50
Engineering Manager	0.40	0.40	0.40	0.40
Management Analyst	0.20	0.00	0.00	0.00
Project Services Specialist	0.10	0.12	0.15	0.15
Purchasing Assistant	0.20	0.20	0.20	0.20
Regulatory Compliance Supervisor	0.00	0.00	0.50	0.50
Safety/Special Projects Coordinator	0.20	0.20	0.20	0.20
Senior Analyst	0.00	0.20	0.20	0.20
Utilities Maintenance Mechanic	1.00	2.00	2.00	2.00
Wastewater Lab Technician II	0.50	0.50	0.50	0.50
Wastewater Operations Manager	1.00	1.00	1.00	1.00
Wastewater Treatment Assistant	1.00	1.00	1.00	1.00
Wastewater Treatment Operator III	3.00	3.00	3.00	3.00
Wastewater Treatment Operator Supervisor	1.00	1.00	1.00	1.00
Water Conservation Specialist	0.30	0.30	0.30	0.30
Wastewater Operations FTE Total	14.37	14.37	14.95	14.95
<i>Wastewater Lateral Maintenance</i>				
Collection Systems Worker I	0.50	0.50	1.00	1.00
Regulatory Compliance Supervisor	0.50	0.50	0.00	0.00
Wastewater Lateral Maintenance FTE Total	1.00	1.00	1.00	1.00

PERSONNEL SUMMARY BY DEPARTMENT (Continued)

	2014/15 Approved	2015/16 Approved	2016/17 Budget	2017/18 Budget
<i>Fleet Maintenance Services</i>				
Director of Public Works/City Engineer	0.02	0.02	0.02	0.02
Assistant Director Public Works/Engineering	0.02	0.02	0.02	0.02
Assistant Director Public Works/Operations	0.05	0.05	0.05	0.05
Administrative Assistant II	0.50	0.50	0.50	0.50
Administrative Supervisor	0.10	0.10	0.10	0.10
Equipment Mechanic	2.00	2.00	2.00	2.00
Fleet/Facilities Manager	0.75	0.75	0.75	0.75
Management Analyst	0.02	0.00	0.00	0.00
Project Services Specialist	0.02	0.02	0.02	0.02
Purchasing Assistant	0.10	0.10	0.10	0.10
Safety/Special Projects Coordinator	0.10	0.10	0.10	0.10
Senior Analyst	0.00	0.02	0.00	0.00
Senior Equipment Mechanic	1.00	1.00	1.00	1.00
<i>Fleet Maintenance Services FTE Total</i>	4.68	4.68	4.66	4.66
<i>Facilities Maintenance Services</i>				
Assistant Director Public Works/Operations	0.00	0.00	0.05	0.05
Administrative Assistant I	0.25	0.00	0.00	0.00
Administrative Assistant II	0.50	0.75	0.50	0.50
Administrative Supervisor	0.10	0.10	0.10	0.10
Facilities Maintenance Supervisor	1.00	1.00	1.00	1.00
Facilities Maintenance Worker II	1.85	1.85	1.80	1.80
Fleet/Facilities Manager	0.25	0.25	0.25	0.25
Purchasing Assistant	0.10	0.10	0.10	0.10
Safety/Special Projects Coordinator	0.10	0.10	0.10	0.10
<i>Facilities Maintenance Services FTE Total</i>	4.15	4.15	3.90	3.90
<i>Information Services</i>				
GIS Coordinator	1.00	1.00	1.00	1.00
<i>Information Services FTE Total</i>	1.00	1.00	1.00	1.00
Public Works FTE Total	99.00	100.00	100.00	100.00

PERSONNEL SUMMARY BY DEPARTMENT (Continued)

	2014/15 Approved	2015/16 Approved	2016/17 Budget	2017/18 Budget
Legislative - Elected and Appointed Employees				
City Council				
Mayor	1.00	1.00	1.00	1.00
Vice Mayor	1.00	1.00	1.00	1.00
Council Member	3.00	3.00	3.00	3.00
Art Commissioners	5.00	5.00	5.00	5.00
Brentwood Advisory Neighborhood Committee	10.00	10.00	10.00	10.00
Park and Recreation Commissioners	5.00	5.00	5.00	5.00
Planning Commissioners	5.00	5.00	5.00	5.00
Youth Commissioners	10.00	10.00	10.00	10.00
Legislative - Elected and Appointed Total	40.00	40.00	40.00	40.00
TOTAL AUTHORIZED FULL-TIME EMPLOYEES	270.00	273.00	283.00⁽¹⁾	283.00
TOTAL ELECTED AND APPOINTED EMPLOYEES	40.00	40.00	40.00	40.00
GRAND TOTALS	310.00	313.00	323.00	323.00

(1) If City Council approval is received, funding from the vacant Assistant Administrative Services Director position will be used to offset the costs of a Director of Human Resources/Risk Manager position for the upcoming two fiscal years, with funding for the Assistant Administrative Services Director position to be potentially considered in the following two-year budget cycle.

Total Authorized New Personnel Requests (Included in Full-Time Employee Count Above)			
Department	Division	2016/17 Budget	2017/18 Budget
Police	Dispatch	10.00	-

FUND EXPENDITURE SUMMARY BY DIVISION

Fund #	Fund Name	2014/15 Actual	2015/16 Budget	2015/16 Projected	2016/17 Budget	% Change	2017/18 Budget	% Change
100 - GENERAL FUND								
100-1101	General Fund Transfers	\$ 4,983,808	2,203,459	\$ 2,835,462	\$ 3,639,503	65.17%	\$ 2,213,579	-39.18%
100-1201	City Council	400,304	451,099	443,994	409,948	-9.12%	424,173	3.47%
100-1202	City Manager	762,410	667,765	620,414	721,635	8.07%	744,025	3.10%
100-1203	City Attorney	947,668	1,112,477	1,084,260	1,239,366	11.41%	1,261,986	1.83%
100-1204	Economic Development	800,123	910,688	788,382	1,126,316	23.68%	1,127,527	0.11%
100-1205	City Clerk	301,465	421,148	380,429	485,612	15.31%	445,107	-8.34%
100-1206	Human Resources	745,151	771,166	750,837	788,082	2.19%	728,840	-7.52%
100-1303	Business Services	939,848	1,068,113	1,047,802	1,227,695	14.94%	1,324,730	7.90%
100-1304	Financial Services	911,984	1,008,508	981,447	974,684	-3.35%	1,062,724	9.03%
100-1305	Successor Agency	27,769	430,000	377,797	1,240,819	188.56%	1,304,413	5.13%
100-1403	Library	246,605	261,404	261,353	264,717	1.27%	467,256	76.51%
100-1404	Downtown Fountain and Lights	4,119	9,468	4,168	0	-100.00%	0	0.00%
100-1409	Women's Club	9,135	9,490	9,344	10,930	15.17%	11,041	1.02%
100-1413	Delta Community Services	24,000	24,000	24,000	24,000	0.00%	24,000	0.00%
100-1414	Brentwood Advisory Neighborhood Committee	961	1,000	1,000	2,000	100.00%	2,000	0.00%
100-1416	Youth Diversion Program	896	1,000	1,000	1,000	0.00%	1,000	0.00%
100-1417	Senior Nutrition Program	20,000	20,000	20,000	20,000	0.00%	20,000	0.00%
100-1418	Animal Services	282,906	304,360	304,360	324,270	6.54%	330,756	2.00%
100-1501	Police Department	18,113,068	20,172,268	19,608,827	21,216,855	5.18%	21,321,223	0.49%
100-1511	Police Dispatch Center	0	500,000	444,142	1,983,106	296.62%	2,700,000	36.15%
100-1602	Landscape Operations	1,015,430	1,125,284	1,070,115	1,136,668	1.01%	1,181,275	3.92%
100-1603	Streets	2,814,945	3,089,622	3,026,734	3,319,904	7.45%	3,455,419	4.08%
100-1701	Non-Departmental	579,475	1,240,780	758,406	1,499,294	20.83%	968,198	-35.42%
100-2101	Building	2,024,084	2,211,047	2,159,162	2,405,142	8.78%	2,397,834	-0.30%
100-2201	Planning	1,197,114	1,392,497	1,364,946	1,401,779	0.67%	1,524,561	8.76%
100-2202	Planning Commission	27,683	32,969	32,916	34,312	4.07%	34,325	0.04%
100-2301	Engineering Division	1,428,556	1,539,632	1,430,098	1,620,875	5.28%	1,684,880	3.95%
100-2303	Transportation	549,286	651,223	617,380	692,642	6.36%	714,023	3.09%
100-3601	CIP Administration	763,307	1,108,770	972,326	1,188,875	7.22%	1,230,054	3.46%
100-5101	Parks and Recreation Administration	1,744,906	1,924,763	1,814,632	2,044,052	6.20%	2,123,445	3.88%
100-5102	City Pool	775,929	817,229	776,518	844,413	3.33%	868,843	2.89%
100-5106	Park and Recreation Commission	6,746	7,986	7,914	7,982	-0.05%	7,988	0.08%
100-5107	Youth Commission	1,462	4,379	3,697	4,400	0.48%	4,400	0.00%
100-5109	Art Commission	0	0	0	600	100.00%	600	0.00%
100-5110	Community Center	520,890	554,129	542,860	575,564	3.87%	589,264	2.38%
100-5111	Senior Programs	217,844	216,441	207,263	227,073	4.91%	234,705	3.36%
100-5112	Brentwood Senior Activity Center	218,530	240,301	228,659	251,729	4.76%	256,598	1.93%
100-62xx	Sports Programs	263,484	327,316	291,018	339,779	3.81%	344,373	1.35%
100-63xx	Recreation Programs	257,230	375,705	265,416	326,131	-13.19%	333,521	2.27%
Total General Fund		43,929,121	47,207,486	45,559,078	53,621,752	13.59%	53,468,686	-0.29%

FUND EXPENDITURE SUMMARY BY DIVISION (Continued)

Fund #	Fund Name	2014/15 Actual	2015/16 Budget	2015/16 Projected	2016/17 Budget	% Change	2017/18 Budget	% Change
ENTERPRISE FUNDS								
540, 543 - Solid Waste								
540-5301	Solid Waste Operations	\$ 8,309,394	9,469,668	\$ 9,130,739	\$ 9,410,493	-0.62%	\$ 9,648,965	2.53%
540-5302	Solid Waste Utility Billing	898,170	968,435	920,365	969,171	0.08%	1,002,902	3.48%
540-5303	Solid Waste Transfer Station	1,218,714	1,460,619	1,428,237	1,509,343	3.34%	1,576,137	4.43%
543-5350	Solid Waste Replacement	36,961	200,000	200,000	200,000	0.00%	200,000	0.00%
	Total Solid Waste	<u>10,463,239</u>	<u>12,098,722</u>	<u>11,679,341</u>	<u>12,089,007</u>	-0.08%	<u>12,428,004</u>	2.80%
560, 563 - Water								
560-5501	Water Operations	19,006,792	23,961,724	22,879,496	20,533,010	-14.31%	25,273,646	23.09%
560-5502	Water Utility Billing	922,362	1,055,525	1,019,263	994,386	-5.79%	1,028,318	3.41%
560-5504	Water Non Potable	394,442	672,153	537,653	526,696	-21.64%	545,739	3.62%
563-5550	Water Replacement	1,342,982	3,960,310	1,260,310	1,431,285	-63.86%	1,834,323	28.16%
	Total Water	<u>21,666,578</u>	<u>29,649,712</u>	<u>25,696,722</u>	<u>23,485,377</u>	-20.79%	<u>28,682,026</u>	22.13%
590, 593 - Wastewater								
590-5801	Wastewater Operations	10,536,912	14,921,644	14,781,217	9,583,059	-35.78%	9,756,938	1.81%
590-5802	Wastewater Utility Billing	769,998	888,894	838,305	902,626	1.54%	934,634	3.55%
590-5803	Wastewater Lateral Maintenance	212,669	238,301	209,924	223,467	-6.22%	237,638	6.34%
593-5850	Wastewater Replacement	43,988	1,082,800	1,082,800	305,000	-71.83%	824,826	170.43%
	Total Wastewater	<u>11,563,567</u>	<u>17,131,639</u>	<u>16,912,246</u>	<u>11,014,152</u>	-35.71%	<u>11,754,036</u>	6.72%
501 - City Rentals								
501-5001	Sand Creek Property Common Area Maintenance	389,203	411,472	409,128	411,029	-0.11%	407,925	-0.76%
501-5002	Sand Creek Property Rental	74,388	85,275	81,000	86,900	1.91%	88,887	2.29%
	Total City Rentals	<u>463,591</u>	<u>496,747</u>	<u>490,128</u>	<u>497,929</u>	0.24%	<u>496,812</u>	-0.22%
510, 511, 513 - Housing								
510-5010	Housing Administration	484,921	681,651	588,756	670,980	-1.57%	662,425	-1.28%
510-5011	Housing Rental	169,875	169,025	149,442	350,000	107.07%	0	-100.00%
511-5100	Housing Rental Units	0	0	0	190,579	100.00%	192,124	0.81%
513-5050	Housing Replacement	0	28,000	28,000	50,000	78.57%	50,000	0.00%
	Total Housing	<u>654,796</u>	<u>878,676</u>	<u>766,198</u>	<u>1,261,559</u>	43.57%	<u>904,549</u>	-28.30%
	Total Enterprise Funds	<u>44,811,771</u>	<u>60,255,496</u>	<u>55,544,635</u>	<u>48,348,024</u>	-19.76%	<u>54,265,427</u>	12.24%

FUND EXPENDITURE SUMMARY BY DIVISION (Continued)

Fund #	Fund Name	2014/15 Actual	2015/16 Budget	2015/16 Projected	2016/17 Budget	% Change	2017/18 Budget	% Change
INTERNAL SERVICE FUNDS								
700-7001	Emergency Preparedness	\$ 3,632	441,932	\$ 402,381	\$ 2,593,000	486.74%	\$ 0	-100.00%
701-7101	Information Services	1,849,587	2,183,216	1,989,074	2,258,356	3.44%	2,544,916	12.69%
702-7201	Equipment Replacement	1,194,742	4,233,352	3,354,050	3,778,223	-10.75%	2,903,415	-23.15%
703-7301	Information Systems Replacement	506,436	1,194,135	1,182,875	1,076,027	-9.89%	913,217	-15.13%
704 - Facilities Replacement								
704-7401	City Hall Facilities Replacement	87,544	41,542	38,742	628,599	1413.16%	329,564	-47.57%
704-7418	City Soundwall Replacement	8,475	20,000	20,000	20,000	0.00%	20,000	0.00%
704-7419	BUSD Joint Use Agreement	100,273	177,545	177,545	5,357	-96.98%	14,239	165.80%
704-7421	Community Center Facilities Replacement	0	5,000	5,000	0	-100.00%	0	0.00%
704-7422	Senior Activity Center Facilities Replacement	0	40,000	40,000	0	-100.00%	0	0.00%
	Total Facilities Replacement	<u>196,292</u>	<u>284,087</u>	<u>281,287</u>	<u>653,956</u>	<u>130.20%</u>	<u>363,803</u>	<u>-44.37%</u>
705-7501	Tuition	11,063	37,562	26,962	27,472	-26.86%	27,552	0.29%
706-7601	Fleet Maintenance Services	1,276,522	1,401,901	1,329,390	1,423,066	1.51%	1,457,132	2.39%
707 - Facilities Maintenance Service								
707-7701	Facilities Maintenance - Parks	800,894	958,638	829,930	937,993	-2.15%	973,158	3.75%
707-7702	Facilities Maintenance - Public Works	730,584	815,533	751,369	820,105	0.56%	838,734	2.27%
707-7703	Facilities Maintenance - Information Services	70,881	115,083	115,083	383,215	232.99%	383,349	0.03%
	Total Facilities Maintenance Service	<u>1,602,359</u>	<u>1,889,254</u>	<u>1,696,382</u>	<u>2,141,313</u>	<u>13.34%</u>	<u>2,195,241</u>	<u>2.52%</u>
708 - Parks and LLAD Replacement								
708-7800	Citywide Parks Replacement	253,170	458,133	307,757	798,570	74.31%	202,964	-74.58%
708-7801	LLAD Replacement Administration	20,836	83,978	53,825	123,900	47.54%	149,300	20.50%
708-7802	94-1 Brentwood Country Club Replacement	0	20,765	1,920	63,089	203.82%	0	-100.00%
708-7803	95-5 California Spirit and Glory Replacement	56,111	0	0	25,625	100.00%	0	-100.00%
708-7804	95-6 Gerry Ranch Replacement	0	0	0	1,948	100.00%	0	-100.00%
708-7805	95-2 Hawthorn Replacement	13,043	14,422	14,422	600	-95.84%	0	-100.00%
708-7806	95-7 SPA D Replacement	0	3,565	3,565	42,849	1101.94%	0	-100.00%
708-7807	95-8 Garin Ranch Replacement	8,788	42,144	41,230	21,200	-49.70%	0	-100.00%
708-7809	97-1 Brentwood Lakes Replacement	0	1,080	1,080	0	-100.00%	0	0.00%
708-7812	98-3 Solana Replacement	0	0	0	1,101	100.00%	0	-100.00%
708-7813	98-4 Birchwood Estates Replacement	0	2,496	2,496	200	-91.99%	0	-100.00%
708-7814	99-3 SPA L Replacement	12,514	52,145	52,145	17,840	-65.79%	79,910	347.93%
708-7815	99-4 California Grove Replacement	0	0	0	0	0.00%	5,655	100.00%
708-7816	99-5 Deer Creek Replacement	0	2,400	2,400	112,653	4593.88%	0	-100.00%
708-7818	99-7 Termo Replacement	0	0	0	19,600	100.00%	20,407	4.12%
708-7819	99-8 Gerry Property Replacement	0	0	0	0	0.00%	10,818	100.00%
708-7820	99-9 Richmond American Replacement	24,153	0	0	12,912	100.00%	1,750	-86.45%

FUND EXPENDITURE SUMMARY BY DIVISION (Continued)

Fund #	Fund Name	2014/15 Actual	2015/16 Budget	2015/16 Projected	2016/17 Budget	% Change	2017/18 Budget	% Change
INTERNAL SERVICE FUNDS (Continued)								
708 - Parks and LLD Replacement (Continued)								
708-7822	00-3 California Orchard Replacement	\$ 0	0	\$ 0	\$ 0	0.00%	\$ 19,669	100.00%
708-7823	00-4 Brentwood Park Replacement	0	0	0	0	0.00%	22,128	100.00%
708-7824	01-1 Laird Project Replacement	0	0	0	0	0.00%	9,589	100.00%
708-7825	02-2 Oak Street Replacement	20,036	600	600	1,750	191.67%	0	-100.00%
708-7826	02-3 Apricot Way Replacement	9,076	200,000	200,000	31,250	-84.38%	4,555	-85.42%
708-7827	02-4 Braddock and Logan Replacement	0	0	0	6,816	100.00%	0	-100.00%
708-7828	02-5 Sand Creek and Brentwood Blvd Replacement	0	1,020	1,020	0	-100.00%	0	0.00%
708-7830	02-7 San Jose and Sand Creek Replacement	0	0	0	3,598	100.00%	0	-100.00%
708-7835	02-12 Sunset Industrial Replacement	0	0	0	9,440	100.00%	0	-100.00%
708-7836	02-13 Stonehaven Replacement	0	22,000	22,000	5,221	-76.27%	0	-100.00%
708-7837	03-2 Meritage Lone Tree Replacement	267,576	76,940	10,740	43,075	-44.01%	205,681	377.50%
708-7838	03-3 Brookdale Court Replacement	0	0	0	20,828	100.00%	3,500	-83.20%
708-7840	03-5 West Summerset Replacement	0	2,200	0	0	-100.00%	875	100.00%
708-7846	06-2 Palmilla Replacement	0	11,672	7,800	33,873	190.21%	3,520	-89.61%
708-7848	06-4 Villa Amador Replacement	0	0	0	6,223	100.00%	0	-100.00%
708-7849	06-5 Barrington Replacement	0	1,200	1,200	0	-100.00%	0	0.00%
	Total Parks and LLAD Replacement	<u>685,303</u>	<u>996,760</u>	<u>724,200</u>	<u>1,404,161</u>	<u>40.87%</u>	<u>740,321</u>	<u>-47.28%</u>
709 - Insurance								
709-7902	Legal Matters	89,461	50,000	75,000	50,000	0.00%	50,000	0.00%
709-7903	Property and Flood Insurance	845,268	1,022,377	896,365	1,119,363	9.49%	1,174,596	4.93%
	Total Insurance	<u>934,729</u>	<u>1,072,377</u>	<u>971,365</u>	<u>1,169,363</u>	<u>9.04%</u>	<u>1,224,596</u>	<u>4.72%</u>
710 - Pension/OPEB Obligation								
710-7110	General Fund Pension/OPEB Obligation	185,158	4,749,207	3,163,582	3,652,839	-23.09%	4,109,959	12.51%
710-7901	Citywide Pension/OPEB Obligation	2,579,970	3,420,342	3,044,342	4,005,535	17.11%	4,573,219	14.17%
	Total Pension/OPED Obligation	<u>2,765,128</u>	<u>8,169,549</u>	<u>6,207,924</u>	<u>7,658,374</u>	<u>-6.26%</u>	<u>8,683,178</u>	<u>13.38%</u>
	Total Internal Service Funds	<u>11,025,793</u>	<u>21,904,125</u>	<u>18,165,890</u>	<u>24,183,311</u>	<u>10.41%</u>	<u>21,053,371</u>	<u>-12.94%</u>

FUND EXPENDITURE SUMMARY BY DIVISION (Continued)

Fund #	Fund Name	2014/15 Actual	2015/16 Budget	2015/16 Projected	2016/17 Budget	% Change	2017/18 Budget	% Change
SPECIAL REVENUE FUNDS								
203-208 - Gas Tax								
203-0001	2105 Highway Users Tax	\$ 398,740	315,896	\$ 315,896	\$ 376,161	19.08%	\$ 398,592	5.96%
205-0001	2106 Highway Users Tax	223,730	166,155	166,155	179,539	8.06%	186,252	3.74%
206-0001	2107 Highway Users Tax	360,734	427,822	427,822	535,144	25.09%	573,305	7.13%
207-0001	2107.5 Highway Users Tax	7,515	15,037	15,037	7,732	-48.58%	7,546	-2.41%
208-0001	2103 Highway Users Tax	568,985	248,390	248,390	145,051	-41.60%	154,610	6.59%
	Total Gas Tax	<u>1,559,704</u>	<u>1,173,300</u>	<u>1,173,300</u>	<u>1,243,627</u>	5.99%	<u>1,320,305</u>	6.17%
214-0001	SB1186 Disability Access	8	3,550	3,375	5,150	45.07%	5,150	0.00%
216 - Police Grants								
216-0001	Police Grants Administration	188	300	0	200	-33.33%	200	0.00%
216-15050	Supplemental Law Enforcement Services Fund (SLESF)	158,994	125,000	125,000	125,000	0.00%	125,000	0.00%
216-15140	OTS Sobriety Checkpoint	4,459	11,250	0	130,237	1057.66%	130,237	0.00%
216-15180	Every 15 Minutes	9,989	10,000	6,000	6,000	-40.00%	6,000	0.00%
216-15190	Neighborhood Watch	0	854	500	100	-88.29%	100	0.00%
216-15210	DOJ InterAgency LAP	0	15,174	0	0	-100.00%	0	0.00%
	Total Police Grants	<u>173,630</u>	<u>162,578</u>	<u>131,500</u>	<u>261,537</u>	60.87%	<u>261,537</u>	0.00%
217 - Grants								
217-18050	MPA Risk Control Services Grant	0	15,000	7,500	0	-100.00%	0	0.00%
217-18111	MTC - Bike/Pedestrian Safety	0	46,000	36,958	0	-100.00%	0	0.00%
217-18170	One Bay Area Grant (OBAG)	0	290,000	290,000	0	-100.00%	0	0.00%
217-18180	Federal Highway Admin (FHA) Earmark Funds	0	735,000	0	735,000	0.00%	0	-100.00%
217-18190	State Water Resource Control Board (SWRCB)	0	2,495,000	0	2,271,431	-8.96%	0	-100.00%
	Total Grants	<u>0</u>	<u>3,581,000</u>	<u>334,458</u>	<u>3,006,431</u>	-16.04%	<u>0</u>	-100.00%
219-xxxx	Economic Development Grant	139,466	250,500	177,146	200,300	-20.04%	200,300	0.00%
220-0001	Infrastructure Improvements	6	50	10	50	0.00%	50	0.00%
230 - Citywide Park Assessment District								
230-2501	98-1 Citywide Park Administration	1,243,887	1,094,094	1,029,511	1,094,986	0.08%	1,120,809	2.36%
230-2502	98-1 Assessment Apple Hill Park	41,397	42,560	38,703	43,303	1.75%	45,212	4.41%
230-2504	98-1 Assessment Creekside Park	67,028	80,942	71,922	80,123	-1.01%	84,441	5.39%
230-2505	98-1 Assessment Summerwood Park	52,302	69,711	64,265	70,986	1.83%	75,435	6.27%
230-2506	98-1 Assessment Garin Park	41,128	48,335	54,234	51,001	5.52%	53,481	4.86%
230-2507	98-1 Assessment Spirit & Glory Park	20,727	28,917	23,920	26,515	-8.31%	28,029	5.71%
230-2508	98-1 Assessment McClarren Park	27,424	39,328	29,513	33,531	-14.74%	35,143	4.81%
230-2509	98-1 Assessment Veteran Park & Pool	107,060	129,695	122,945	137,827	6.27%	145,323	5.44%
230-2510	98-1 Assessment Loma Vista Park	47,643	67,407	51,304	56,867	-15.64%	59,988	5.49%
230-2511	98-1 Assessment Sunset Park	428,772	528,304	519,498	531,626	0.63%	554,068	4.22%
230-2512	98-1 Assessment Marsh Creek Staging	7,709	9,679	8,593	8,915	-7.89%	9,312	4.45%
230-2513	98-1 Assessment City Park	42,591	64,125	52,375	69,790	8.83%	72,312	3.61%

FUND EXPENDITURE SUMMARY BY DIVISION (Continued)

Fund #	Fund Name	2014/15 Actual	2015/16 Budget	2015/16 Projected	2016/17 Budget	% Change	2017/18 Budget	% Change
SPECIAL REVENUE FUNDS (Continued)								
230 - Citywide Park Assessment District (Continued)								
230-2514	98-1 Assessment Curtis Park	\$ 3,685	4,757	\$ 3,924	\$ 4,753	-0.08%	\$ 4,934	3.81%
230-2515	98-1 Assessment Windsor Way	6,284	6,958	6,054	6,990	0.46%	7,296	4.38%
230-2516	98-1 Assessment Homecoming Park	12,579	16,919	15,550	16,583	-1.99%	17,469	5.34%
230-2517	98-1 Assessment Marsh Creek Vista	5,497	7,805	5,730	6,744	-13.59%	7,050	4.54%
230-2518	98-1 Assessment CA Orchard Park	53,475	52,290	51,672	56,630	8.30%	59,431	4.95%
230-2519	98-1 Assessment Miwok Park	96,813	125,838	116,705	125,949	0.09%	133,414	5.93%
230-2520	98-1 Assessment Summerset	80,071	99,720	91,300	104,011	4.30%	108,333	4.16%
230-2521	98-1 Assessment Arbor View Park	59,398	84,636	54,673	64,111	-24.25%	67,280	4.94%
230-2522	98-1 Assessment Lake Park	13,077	17,396	14,179	15,696	-9.77%	16,502	5.14%
230-2523	98-1 Assessment Balfour Guthrie Park	53,575	57,324	58,215	65,940	15.03%	68,979	4.61%
230-2524	98-1 Assessment Skate Park	7,445	8,386	6,473	8,027	-4.28%	8,268	3.00%
230-2525	98-1 Assessment Walnut Park	45,426	55,692	52,903	58,987	5.92%	61,850	4.85%
230-2530	98-1 Assessment Oak Meadow Park	105,886	110,717	113,001	124,141	12.12%	129,751	4.52%
230-2531	98-1 Assessment Sand Creek Soccer	5,070	10,204	3,262	4,295	-57.91%	4,424	3.00%
230-2533	98-1 Assessment King Park	59,796	67,542	58,394	65,340	-3.26%	68,317	4.56%
	Total Citywide Park Assessment District	2,735,745	2,929,281	2,718,818	2,933,667	0.15%	3,046,851	3.86%
231-0001	Community Facilities District #2	584,123	595,806	594,791	604,700	1.49%	620,000	2.53%
232-0001	Community Facilities District #3	2,609,611	1,972,767	1,970,720	2,574,483	30.50%	2,091,398	-18.76%
233, 235 - Community Facilities District #4								
233-0001	Community Facility District #4 - Services	1,396,925	2,079,625	2,077,751	1,969,400	-5.30%	2,149,800	9.16%
235-0001	Community Facilities District #4 - Facilities	307,070	334,989	333,489	335,683	0.21%	334,862	-0.24%
	Total Community Facilities District #4	1,703,995	2,414,614	2,411,240	2,305,083	-4.54%	2,484,662	7.79%
234-0001	Community Facilities District #5	543,310	363,926	355,990	409,828	12.61%	459,777	12.19%
250-0001	Water Facility Fee	2,550,812	2,528,847	2,087,336	2,588,555	2.36%	2,368,415	-8.50%
251-0001	Roadway Facility Fee	3,775,206	3,312,054	3,113,118	1,898,401	-42.68%	1,914,005	0.82%
252-0001	Parks and Trails Facility Fee	2,080,986	1,532,123	1,275,113	1,243,029	-18.87%	880,935	-29.13%
255-0001	Wastewater Facility Fee	1,657,490	6,659,930	6,558,371	1,450,685	-78.22%	1,581,713	9.03%
256-0001	Community Facility Fee	702,139	2,687,161	2,677,161	1,028,100	-61.74%	1,068,307	3.91%
257-0001	Fire Facility Fee	4,186	3,506,000	3,504,312	7,300	-99.79%	7,500	2.74%
261-0001	Facility Fee Administrative	250,957	601,400	601,400	451,500	-24.93%	301,600	-33.20%
262-0001	Agriculture Land Administration	40,928	87,272	28,222	47,452	-45.63%	48,496	2.20%
263-0001	Agriculture Land Acquisition	36,782	15,800	15,800	35,700	125.95%	35,700	0.00%
264-0001	First-Time Homebuyer	35,222	800	800	135,900	16887.50%	135,900	0.00%
265-0001	Affordable Housing In-Lieu Fee	532,522	685,615	594,856	639,480	-6.73%	631,125	-1.31%
267-0001	Public Art Administration	591	1,300	800	52,500	3938.46%	52,500	0.00%
268-0001	Public Art Acquisition	10,991	27,828	23,436	201,850	625.35%	201,850	0.00%
269-0001	Parking In-Lieu	29	100	100	50	-50.00%	50	0.00%
270-0001	Arts Commission	290	650	650	4,238	552.00%	0	-100.00%
280-xxxx	Asset Forfeiture	31,020	35,100	30,025	30,050	-14.39%	30,050	0.00%
281-0001	Abandoned Vehicle Abatement	95,046	149,866	149,766	110,200	-26.47%	113,200	2.72%
285-0001	PEG Media	855	26,000	1,000	25,900	-0.38%	26,000	0.39%

FUND EXPENDITURE SUMMARY BY DIVISION (Continued)

Fund #	Fund Name	2014/15 Actual	2015/16 Budget	2015/16 Projected	2016/17 Budget	% Change	2017/18 Budget	% Change
SPECIAL REVENUE FUNDS (Continued)								
286-0001	Parks Advertising	\$ 19,044	19,100	\$ 19,100	\$ 19,200	0.52%	\$ 19,200	0.00%
293-0001	Measure C / J Funds	1,230,477	779,671	778,761	1,099,900	41.07%	805,100	-26.80%
302-0001	City Low Income Housing	50,434	10,100	27	8,200	-18.81%	8,300	1.22%
6xx - Landscape and Lighting Assessment Districts (LLAD)								
600-6101	94-1 Brentwood Country Club	565,100	683,883	683,715	688,653	0.70%	672,630	-2.33%
603-6101	95-5 California Spirit and Glory	85,980	111,053	108,632	98,118	-11.65%	101,624	3.57%
604-6101	95-6 Gerry Ranch	10,980	16,418	14,083	17,592	7.15%	17,353	-1.36%
605-6101	95-2 Hawthorn	90,422	104,810	91,200	105,864	1.01%	106,151	0.27%
606-6101	95-7 SPA D	73,733	100,647	92,816	110,455	9.74%	109,145	-1.19%
607-6101	95-8 Garin Ranch	172,665	233,309	214,556	217,760	-6.66%	218,347	0.27%
609-6101	97-1 Brentwood Lakes	221,568	218,317	203,759	244,707	12.09%	243,497	-0.49%
611-6101	98-5 Arroyo Seco	10,559	11,806	10,668	14,235	20.57%	13,889	-2.43%
612-6101	98-3 Solana	22,363	29,061	27,631	30,159	3.78%	30,063	-0.32%
613-6101	98-4 Birchwood Estates	13,675	24,814	22,713	19,354	-22.00%	19,736	1.97%
614-6101	99-3 SPA L	442,719	556,294	524,361	536,315	-3.59%	543,713	1.38%
615-6101	99-4 California Grove	11,735	16,396	12,370	21,224	29.45%	20,679	-2.57%
616-6101	99-5 Deer Creek	283,365	326,929	315,765	329,090	0.66%	337,425	2.53%
617-6101	99-6 Trailside	9,301	13,328	11,522	14,283	7.17%	14,434	1.06%
618-6101	99-7 Termo	110,550	140,704	116,213	150,374	6.87%	154,120	2.49%
619-6101	99-8 Gerry Property	55,454	75,058	59,435	81,427	8.49%	81,792	0.45%
620-6101	99-9 Richmond American	109,556	133,418	116,936	121,437	-8.98%	121,414	-0.02%
621-6101	00-2 Lyon Woodfield	6,426	7,697	7,147	7,361	-4.37%	7,523	2.20%
622-6101	00-3 California Orchard	40,865	43,482	39,135	39,080	-10.12%	39,074	-0.02%
623-6101	00-4 Brentwood Park	50,443	68,462	59,440	75,215	9.86%	76,559	1.79%
624-6101	01-1 Laird Project	57,944	76,312	74,414	71,460	-6.36%	71,599	0.19%
625-6101	02-2 Oakstreet	389,674	522,982	443,215	552,143	5.58%	563,970	2.14%
626-6101	02-3 Apricot Way	793,695	1,040,405	957,099	974,789	-6.31%	995,603	2.14%
627-6101	02-4 Braddock and Logan	26,667	41,377	36,954	38,957	-5.85%	40,103	2.94%
628-6101	02-5 Sand Creek and Brentwood Blvd	28,047	35,359	32,460	39,878	12.78%	39,765	-0.28%
629-6101	02-6 Balfour and John Muir	12,380	23,852	20,130	31,883	33.67%	32,013	0.41%
630-6101	02-7 San Jose and Sand Creek	33,747	39,686	35,206	51,163	28.92%	50,691	-0.92%
631-6101	02-8 Lone Tree	41	11,785	11,783	4,140	-64.87%	3,343	-19.25%
632-6101	02-9 Balfour Plaza	9,170	9,033	8,695	9,788	8.36%	10,222	4.43%
633-6101	02-10 Lone Tree Center	433	2,017	1,917	730	-63.81%	717	-1.78%
634-6101	02-11 Lone Tree Plaza	426	13,347	13,281	823	-93.83%	795	-3.40%
635-6101	02-12 Sunset Industrial	24,169	31,328	30,754	31,763	1.39%	33,315	4.89%
636-6101	02-13 Stonehaven	44,674	32,071	29,828	34,967	9.03%	35,675	2.02%
637-6101	03-2 Meritage Lone Tree	1,269,855	1,639,739	1,436,471	1,565,733	-4.51%	1,577,814	0.77%
638-6101	03-3 Brookdale Court	132,928	143,427	135,972	118,769	-17.19%	122,461	3.11%
639-6101	03-4 Tri City Plaza	572	715	599	1,075	50.35%	1,066	-0.84%

FUND EXPENDITURE SUMMARY BY DIVISION (Continued)

Fund #	Fund Name	2014/15 Actual	2015/16 Budget	2015/16 Projected	2016/17 Budget	% Change	2017/18 Budget	% Change
SPECIAL REVENUE FUNDS (Continued)								
6xx - Landscape and Lighting Assessment Districts (LLAD) (Continued)								
640-6101	03-5 West Summerset	\$ 56,373	65,128	\$ 62,243	\$ 81,334	24.88%	\$ 80,769	-0.69%
644-6101	04-2 Balfour-Griffith Commercial	991	2,975	2,482	2,390	-19.66%	2,407	0.71%
645-6101	05-2 South Brentwood Blvd Commercial	829	2,592	935	2,387	-7.91%	2,409	0.92%
646-6101	06-2 Palmillia	118,333	204,173	157,550	223,898	9.66%	235,360	5.12%
647-6101	06-3 Vineyards	81,617	340,369	164,063	406,775	19.51%	394,986	-2.90%
648-6101	06-4 Villa Amador	27,961	31,441	28,352	35,607	13.25%	36,197	1.66%
649-6101	06-5 Barrington	64,105	446,346	359,707	382,443	-14.32%	388,768	1.65%
650-6101	11-1 North Brentwood Blvd	1,061	8,794	2,021	15,924	81.08%	15,146	-4.89%
651-6101	14-1 Mission Grove	0	35,763	14,938	80,093	123.95%	82,754	3.32%
652-6101	14-2 Ferro-Ronconi	0	13,518	4,437	101,975	654.36%	105,810	3.76%
653-6101	15-1 Bella Fiore	0	13,930	4,583	17,850	28.14%	18,166	1.77%
654-6101	15-2 Renaissance Estates	0	2,996	883	2,655	-11.38%	2,650	-0.19%
655-6101	16-1 Bond Lane	0	0	0	1,435	100.00%	1,148	-20.00%
Total Landscape and Lighting Assessment Districts		5,563,151	7,747,346	6,803,069	7,805,530	0.75%	7,874,890	0.89%
Total Special Revenue Funds		28,718,756	43,861,435	38,134,571	32,428,576	-26.07%	28,594,866	-11.82%
DEBT SERVICE FUNDS								
City Debt Obligations								
445-0001	Capital Improvement Revenue Refunding Bonds Series 2012	2,182,704	2,183,559	2,182,815	2,166,528	-0.78%	2,161,306	-0.24%
448-0001	General Obligation Bonds Series 2002	428,877	450,813	450,328	474,599	5.28%	496,623	4.64%
461-0001	2009 Civic Center Project Lease Revenue Bonds	5,120,144	5,389,846	5,385,916	5,391,288	0.03%	5,369,320	-0.41%
466-0001	2015 Lease Financing	0	108,114	108,113	708,844	555.64%	796,332	12.34%
Total City Debt Obligations		7,731,725	8,132,332	8,127,172	8,741,259	7.49%	8,823,581	0.94%
Assessment Districts								
436-0001	2014 A & B Refinance	3,095,662	7,714,667	7,662,824	7,143,369	-7.41%	7,154,584	0.16%
437-0001	2012 A Refinance	2,741,335	2,744,472	2,744,333	2,750,945	0.24%	2,793,276	1.54%
438-0001	Capital Improvement Financing Program 2003-1	1,257,311	1,265,179	1,264,903	1,269,841	0.37%	1,268,915	-0.07%
439-0001	Capital Improvement Financing Program 2002-1	1,201,528	1,214,475	1,214,393	1,211,823	-0.22%	1,211,549	-0.02%
441-0001	Capital Improvement Financing Program 94-1	26,156,547	2,855,352	2,706,974	2,762,656	-3.25%	2,760,961	-0.06%
442-0001	Capital Improvement Financing Program 98-1	697,616	697,826	697,731	702,869	0.72%	703,413	0.08%
443-0001	Capital Improvement Financing Program 99-1	640,572	644,594	644,594	649,224	0.72%	646,809	-0.37%
444-0001	Capital Improvement Financing Program 2000-01	10,009,067	970,172	894,742	926,389	-4.51%	928,185	0.19%
449-0001	Capital Improvement Financing Program 2004-1	1,565,798	1,570,754	1,569,767	1,574,666	0.25%	1,571,302	-0.21%
460-0001	Randy Way Assessment District	56,543	60,985	60,984	59,730	-2.06%	63,792	6.80%
462-0001	2006 A & B Refinance Bonds	2,768,262	2,773,182	2,771,173	2,779,198	0.22%	2,771,207	-0.29%
463-0001	Capital Improvement Financing Program 2006-1	16,043,759	1,165,275	1,039,901	1,103,363	-5.31%	1,106,078	0.25%
464-0001	Capital Improvement Financing Program 2005-1	36,789,373	2,744,300	2,398,814	2,570,317	-6.34%	2,574,348	0.16%
465-0001	96R Assessment District	1,459,484	1,550,202	1,524,941	1,395,112	-10.00%	1,477,157	5.88%
Total Assessment Districts		104,482,857	27,971,435	27,196,074	26,899,502	-3.83%	27,031,576	0.49%
Total Debt Service Funds		112,214,582	36,103,767	35,323,246	35,640,761	-1.28%	35,855,157	0.60%

FUND EXPENDITURE SUMMARY BY DIVISION (Continued)

Fund #	Fund Name	2014/15 Actual	2015/16 Budget	2015/16 Projected	2016/17 Budget	% Change	2017/18 Budget	% Change
CAPITAL FUNDS								
336-xxxx	Roadway Improvements	\$ 2,371,361	8,380,125	\$ 943,271	\$ 7,710,912	-7.99%	\$ 1,772,182	-77.02%
337-xxxx	Community Facility Improvements	785,893	13,649,546	2,237,707	10,561,753	-22.62%	10,106,644	-4.31%
352-xxxx	Parks and Trails Improvements	764,230	984,153	58,563	1,306,323	32.74%	161,954	-87.60%
361-0001	Civic Center Project Lease Revenue Bond Acquisition	7,290	1,164,057	792,459	1,565,926	34.52%	5,355,165	241.98%
366-0001	2015 Lease Financing	0	220,750	220,749	4,526,659	1950.58%	1,873,441	-58.61%
380-0001	Civic Center Capital Improvement Financing Program	1,818,235	2,073,931	2,067,873	1,436,467	-30.74%	1,368,199	-4.75%
381-0001	City Capital Improvement Financing Program	180,000	100	100	229,203	229103.00%	291,562	27.21%
391-xxxx	Drainage Improvements	1	244	0	0	-100.00%	0	0.00%
392-0001	Capital Infrastructure	771,987	3,357,124	3,236,150	47,400	-98.59%	253,783	435.41%
393-0001	Vineyards Projects	2,214	2,500	2,500	2,500	0.00%	2,500	0.00%
394-0001	Vineyards Event Center Projects	51,363	396,662	396,216	1,449,182	265.34%	1,801,118	24.29%
542-xxxx	Solid Waste Improvements	12,432,082	39,901	40,507	0	-100.00%	0	0.00%
562-xxxx	Water Improvements	307,061	4,956,844	3,433,432	3,000,776	-39.46%	6,155,876	105.14%
592-xxxx	Wastewater Improvements	3,132,622	16,067,617	1,248,376	46,982,890	192.41%	663,299	-98.59%
	Total Capital Funds	22,624,339	51,293,554	14,677,903	78,819,991	53.66%	29,805,723	-62.19%
TOTAL FUNDS		\$ 263,324,362	260,625,863	\$ 207,405,323	\$ 273,042,415	4.76%	\$ 223,043,230	-18.31%

VEHICLE REPLACEMENT SCHEDULE (FUND 702)

Department	Division	Item	2016/17	2017/18
Parks and Recreation	Landscape Operations	John Deere 4410 Tractor	\$ 0	\$ 38,880
Police	Patrol	Ford Interceptor	0	49,538
Police	Patrol	Ford Interceptor	0	49,538
Police	Patrol	Ford Interceptor	0	49,538
Police	Patrol	Ford Interceptor	0	49,538
Police	Patrol	Ford Interceptor	49,539	0
Police	Patrol	Ford Interceptor Equipment	99,050	0
Police	Patrol	Ford Interceptor Equipment	0	128,289
Police	Transport	Ford E350 Transport & Equipment	0	68,403
Public Works	Construction Inspection	Ford Escape Hybrid	0	35,530
Public Works	Construction Inspection	Ford Escape Hybrid	0	35,530
Public Works	Facilities Maintenance	Ford F250 Utility	36,050	0
Public Works	Solid Waste	American Lafrance Condor with Wittke	309,905	0
Public Works	Solid Waste	Freightliner Condor with Roll Off	191,665	0
Public Works	Solid Waste	Freightliner Condor with Labrie Body	333,629	0
Public Works	Solid Waste	Freightliner Condor with Labrie Body	322,742	0
Public Works	Solid Waste	Freightliner Condor with Roll Off	0	203,337
Public Works	Streets	Carlton SP4012 Stump Grinder	24,916	0
Public Works	Streets	Ford F350 Utility	65,920	0
Public Works	Streets	Ford F350 Utility	46,361	0
Public Works	Streets	Freightliner M2 Tymco Sweeper	261,792	0
Public Works	Streets	LineMaster GM201SR-02-04083 Thermoplastic	0	83,000
Public Works	Streets	Tymco Sweeper	0	297,052
Public Works	Wastewater	Ford F250 Pick Up with Contractor Body	40,727	0
Citywide	Citywide	Equipment Replacement Contingency for Equipment Failure	25,000	25,000
Citywide	Citywide	Equipment Replacement Bid Contingency	150,000	150,000
Total Vehicle Replacement			\$ 1,957,296	\$ 1,263,173

BUDGET POLICIES

Budget and Fiscal Policy

(Last Approved by City Council: May 26, 2015)

1. **PURPOSE**

The purpose of this policy is to establish guidelines for budget development, administration, and management as well as outline the City's fiscal policies in regard to user fee cost recovery goals and capital financing and debt management.

2. **POLICY**

2.1 **BUDGET DEVELOPMENT**

2.1.1 **Operating Budget Objectives**

- 2.1.1.1 The budget will adhere to the Council Goals and Objectives. Through its Financial Plan, the City will link resources with results by:
- 2.1.1.2 Identifying community needs for essential services.
- 2.1.1.3 Organizing the programs required to provide these essential services.
- 2.1.1.4 Establishing program policies and goals, which define the nature and level of program services required.
- 2.1.1.5 Identifying activities performed in delivering program services.
- 2.1.1.6 Proposing objectives for improving the delivery of program services.
- 2.1.1.7 Evaluating the availability of a sustainable revenue source to fund programs.
- 2.1.1.8 Appropriating the resources required to perform program activities and accomplish program objectives.
- 2.1.1.9 Setting standards to measure and evaluate the:

- 2.1.1.9.1 Output of program activities
- 2.1.1.9.2 Accomplishment of program objectives
- 2.1.1.9.3 Expenditure of program appropriations

2.2 Objectives for Funding Public Improvements in Existing Developments, Neighborhoods and Subdivisions

2.2.1 City funding for new or improved public improvements in existing developments, neighborhoods and subdivisions shall be the financial responsibility of the adjacent or benefiting parcels. If the aforementioned improvements are desired by the property owners, then they shall enter into a financing mechanism, such as assessment or benefit district that will cover the full costs of the improvements to repay the City its full soft and hard costs in a timeframe that is acceptable to the City.

2.3 Two-Year Budget

- 2.3.1 The City Council shall adopt a two-year budget for the ensuing fiscal year no later than June 30 of each year.
- 2.3.2 The first year of the two-year budget, the City Council will consider the recommended budget for the two-year period at a duly noticed public meeting. A copy of the budget will be made available at the third floor of City Hall and the City’s website.
- 2.3.3 The second year of the two-year budget, the City Council will consider changes being recommended for the second year of the two-year budget at a duly noticed public meeting.
- 2.3.4 The City Council will adopt a resolution appropriating and approving the budget for the two fiscal years. Benefits identified using a two-year financial plan:
 - 2.3.4.1 Reinforcing the importance of long-range planning for managing the City’s fiscal affairs.
 - 2.3.4.2 Concentrating on developing and budgeting for the accomplishment of significant objectives.
 - 2.3.4.3 Establishing realistic timeframes for achieving objectives.

- 2.3.4.4 Creating a pro-active budget that provides for stable operations and assures the City’s long-term fiscal health.
- 2.3.4.5 Promoting more orderly spending patterns.
- 2.3.4.6 Reducing the amount of time and resources allocated to preparing annual budgets.

2.4 Measurable Objectives

The two-year financial plan will establish measurable program objectives and allow reasonable time to accomplish those objectives.

2.5 Second Year Budget

Before the beginning of the second year of the two-year cycle, the Council will review progress during the first year and amend appropriations for the second fiscal year.

2.6 Operating Carryover

Operating program appropriations supported by a Purchase or Encumbrance Order, including Capital Equipment, may be carried over from one budget year to the next with the approval of the Director of Administrative Services.

2.6.1 Department Expenditures

- 2.6.1.1 The legal level of budgetary control is established at the fund level, and adopted on a basis consistent with accounting principles generally accepted in the United States of America.
- 2.6.1.2 All budget transfers require the approval of the Director of Administrative Services or designee except those affecting personnel which must be approved by the City Manager.
- 2.6.1.3 Budget transfers required to hire additional permanent personnel require the City Council’s approval.

2.7 Goal Status Reports

The status of major program objectives will be formally reported to the City Council on an ongoing consistent basis.

2.8 Mid-Year Budget Reviews

The Council will formally review the City’s fiscal condition, and amend appropriations if necessary, six months after the beginning of each year.

2.9 Components of Fund Balance

Pursuant to Government Accounting Standards Board (GASB) 54, the components of Fund Balance are defined as follows:

2.9.1 Nonspendable Fund Balance (inherently nonspendable)

2.9.1.1 Portion of net resources that cannot be spent because of their form (e.g. prepaid items and long term receivables).

2.9.1.2 Portion of net resources that cannot be spent because they must legally or contractually remain intact (e.g. permanent funds).

2.9.2 Restricted Fund Balance (externally enforceable limitations on use)

2.9.2.1 Limitations imposed by creditors, grantors, contributors or laws and regulations of other government agencies.

2.9.2.2 Limitations imposed by law through constitutional provisions or enabling legislation.

2.9.3 Committed Fund Balance (self-imposed limitations set in place prior to the end of the period)

2.9.3.1 Limitations imposed by the City Council requiring formal action at the same level to remove.

2.9.4 Assigned Fund Balance (limitation resulting from intended use)

2.9.4.1 Intended use of funds for a specific purpose established by the City Council or City Manager.

2.9.4.2 Appropriation of existing fund balance to eliminate a projected budgetary deficit in the subsequent year’s budget.

2.9.5 Unassigned Fund Balance (residual net resources)

2.9.5.1 Total fund balance in the general fund in excess of non-spendable, restricted, committed, and assigned fund balance (i.e. surplus).

2.9.5.2 Excess of nonspendable, restricted, and committed fund balance over total fund balance (i.e., deficit).

2.10 **Balanced Budget**

The City will maintain a balanced budget over the two-year period of the Financial Plan. This means that:

2.10.1 Each fiscal year, current revenues must meet or exceed operating expenditures, including debt service.

2.10.2 The City will strive to maintain 30% of the annual appropriations in the General Fund’s Unassigned Fund Balance.

2.10.3 The City will strive to have cash reserves in the Enterprise Funds at an optimal level of 30%.

2.11 **Capital Improvement Program (CIP) Budget**

Pursuant to Government Code Section 66002(b), which requires that a Capital Improvement Plan (CIP) be adopted at a noticed public hearing, the City Council will annually conduct a public hearing to consider the CIP Budget for adoption of the Plan and the associated budget for the first fiscal year expenditures and revenues. Notice of the hearing shall be given pursuant to Government Code Section 65090. A copy of the budget will be made available at the third floor in the lobby of City Hall and on the City’s website.

3. **FINANCIAL REPORTING AND BUDGET ADMINISTRATION**

3.1 **Annual Reporting**

The City will prepare annual financial statements as follows:

3.1.1 The City will contract for an annual audit by a qualified independent certified public accountant. The City will strive for an unqualified auditors’ opinion.

3.1.1.1 Statement on Auditing Standards (SAS) No. 99 (Consideration of Fraud) provides guidance to auditors conducting an audit of an entity and specifically helps the auditors to determine if fraud exists in an organization. SAS No. 114 (Auditor’s Communication with those Charged with Governance) provides guidelines on communication between the Auditors and those charged with governance. In order to facilitate communication of any matters the auditors feel are significant, the auditing firm will be required to meet annually with the Mayor and Vice Mayor. If the Mayor or Vice Mayor are unavailable, within the required time frame for the meeting, the CIP/Operating Budgets Ad-Hoc Committee will determine the Council member that will meet with the Auditors.

3.1.2 The City will use Generally Accepted Accounting Principles (GAAP) in preparing its annual financial statements, and will strive to meet the requirements of GFOA’s Award for Excellence in Financial Reporting program.

3.1.3 The City will issue audited financial statements within 180 days after year-end.

3.2 Interim Reporting

The City will prepare and issue timely interim reports on the City’s fiscal status to the Council and staff. This includes:

3.2.1 On-line access to the City’s financial management system;

3.2.2 At a minimum, notification of quarterly revenue and expenditure reports being updated on the website will be sent to the City Council, City Manager and Department Directors;

3.2.3 Mid-year budget reviews; and

3.2.4 Status report during budget review process.

3.3 Budget Administration

3.3.1 The City Council may, by majority vote, amend or supplement the budget at any time after its adoption. The City Manager and/or Director of Administrative Services has the authority to make administrative adjustments to appropriations as long as there is no funding source incompatibility and provided those changes do not increase overall appropriations or will not have an effect on year-end fund balances except as noted below in this section and section 7.1.1 of this policy.

- 3.3.2 The City Manager and/or Director of Administrative Services have the authority to make adjustments to Capital Improvement Project funding sources as long as the total commitment to the project does not change. Notification shall be made to Council of funding sources changes.
- 3.3.3 The City Manager and/or Director of Administrative Services have the authority to make budget adjustments associated with Council approved Debt Issuance.
- 3.3.4 The City Manager and/or Director of Administrative Services have the authority to make budget adjustments for depreciation. Generally accepted accounting principles (GAAP) require, in most cases, that capital assets be depreciated. Depreciation is the systematic and rational allocation of the historical cost of a capital asset over its estimated useful life. During the fiscal year, the movement of capital assets from one fund to another, the acquisition of capital assets, or a change in the useful life will change the depreciation amount within a fund.
- 3.3.5 The City Manager and/or Director of Administrative Services can make budget adjustments of up to one dollar to account for rounding.
- 3.3.6 The City Manager and/or Director of Administrative Services have the authority to make budget adjustments for write-offs made in accordance with Section 5.8, Uncollectible Receivables, of this Policy.
- 3.3.7 The City Manager and/or Director of Administrative Services have the authority to make budget adjustments associated with Other Post Employment Benefit (OPEB) liability accruals where there is no resulting cash impact in any individual fund. Transfers and/or expenditures of cash resources for OPEB purposes shall be incorporated in the City’s operating budget and budget adjustments for these purposes shall continue to be governed by the restrictions set forth in the Policy.
- 3.3.8 The City Manager and/or Director of Administrative Services have the authority to make budget adjustments to allow for the transfer of investment income earned for the funds identified below:

Transfer To/From Fund Name

Highway Users Tax Funds
 All Capital Project Funds
 Emergency Preparedness
 Pension/OPEB Obligation Fund
 Special Assessment Districts Bond
 SB1186 Disability Access

Transfer To /From Fund Name

General Fund
 Project Funding Source
 General Fund
 General Fund
 Developer Fees
 General Fund

- 3.3.9 The City Manager and/or Director of Administrative Services have the authority to make budget adjustments for developer credits relating to City Council approved development agreements and neither the adjustment nor the existing budget may be utilized for any other line item within the adopted budget.
- 3.3.10 The City Manager and/or Director of Administrative Services have the authority to make budget adjustments associated with mandatory legislative expenditures.
- 3.3.11 The City Manager and/or Director of Administrative Services have the authority to make budget adjustments associated with investment expenses related to Council approved investment management agreements of the City’s funds.
- 3.3.12 The City Manager and/or Director of Administrative Services have the authority to make budget adjustments associated with payments for repairs when the City will receive reimbursement through an insurance claim.
- 3.3.13 When requesting an amendment to the budget, the fiscal impact must include the following information:
 - 3.3.13.1 The total cost of the amendment and basis for the cost estimate.
 - 3.3.13.2 Whether the cost is “one-time” or recurring.
 - 3.3.13.3 Whether or not funds may be transferred from another source and if so, what effect the transfer would have on that source.
 - 3.3.13.4 Whether or not the purchase or contract will later require additional resources and if so, how much and describe/outline how it will be funded.
 - 3.3.13.5 A summary of any revenue offsets that are expected due to the amendment and when they will be received.
 - 3.3.13.6 Whether there will be a future reduction of costs and if so, how long it will take to recover the initial cost.

4. BUDGET MANAGEMENT

4.1 Diversified and Stable Base

The City will seek to maintain a diversified and stable revenue based to protect it from short-term fluctuations in any one revenue source.

4.2 Long-Range Focus

The City Council will emphasize and facilitate long-range financial planning through the development of a two-year budget, a five-year capital improvement plan and a ten year general fund fiscal model.

4.3 Interfund Transfers and Loans

In order to achieve important public policy goals, the City has established various special revenue, capital project, debt service and enterprise funds to account for revenues whose use should be restricted to certain activities. Accordingly, each fund exists as a separate financing entity from other funds, with its own revenue source, expenditures and fund equity.

Any transfers between funds for operating purposes are clearly set forth in the budget. These operating transfers, under which financial resources are transferred from one fund to another, are distinctly different from interfund borrowings, which are usually made for temporary cash flow reasons, and are not intended to result in a transfer of financial resources. In summary, interfund transfers result in a change in fund equity; interfund borrowings do not, as the intent is to repay the loan in the near term.

From time-to-time, interfund borrowings may be appropriate; however, these are subject to the following criteria in ensuring that the fiduciary purpose of the fund is met:

- 4.3.1 The Director of Administrative Services is authorized to approve temporary interfund borrowings for cash flow purposes. The most common use of interfund borrowing under this circumstance is for grant programs where costs are incurred before drawdowns are initiated and received. However, receipt of funds is typically received shortly after the request for funds has been made.
- 4.3.2 Any other interfund borrowings for cash flow or other purposes require case-by-case approval by the City Council.
- 4.3.3 Any transfers between funds where reimbursement is not expected within one fiscal year shall not be recorded as interfund borrowings; they shall be recorded as interfund operating transfers that affect equity by moving financial resources from one fund to another.

5. USER FEE COST RECOVERY GOALS

5.1 Ongoing Review

Fees will be reviewed and updated on an ongoing basis to ensure that they keep pace with changes in the cost-of-living as well as change in methods or levels of service delivery.

5.2 User Fee and Utility Rates Cost Recovery

It is the intent of the City to collect user fees and/or utility rates for services provided to the public, where applicable.

5.3 Annual Review

All fees and rates will be reviewed and updated annually to ensure that they keep pace with the cost of providing service.

Annually, the City Council will consider the updated Cost Allocation Plan and Schedule of City Fees to be adopted at a noticed public hearing. A copy of the Cost Allocation Plan and Schedule of City Fees will be made available at the third floor in the lobby of City Hall and on the City’s website.

5.4 Development Fees Review Program

The following cost-recovery policies apply to the development fees review program. Services provided under this category include:

- 5.4.1 Planning (planned development permits, tentative tract and parcel maps, re-zonings, general plan amendments, variances, use permits, etc.).
- 5.4.2 Engineering (public improvement plan checks, inspections, subdivision requirements encroachments, etc.).
- 5.4.3 Cost recovery for these services should generally be very high. In most instances, the City’s cost recovery goal should be 100%. Exceptions to this standard include appeals, where the fee is set very low to provide adequate opportunity for due process.
- 5.4.4 The City will clearly establish and articulate standards for reviewing developer applications to ensure that there is “value for cost.”

5.5 Other User Fees

- 5.5.1 City Clerk (Agenda mailings, Public Record Requests, Municipal & Zoning Code Supplements, Manuals and other documents, certifications, etc.)
- 5.5.2 Police (DUI recovery costs, fingerprinting, arrest report copies, etc.)
- 5.5.3 Other (Graffiti removal, U.S. Passport services, copying costs, cost for documents published by the City, costs for damaged property, or other costs reasonably anticipated to be covered by user fees).

5.6 Utility Fees and Rates

Water, Solid Waste and Sewer Enterprises: The City will set utility fees and rates at levels which fully cover the total direct and indirect costs, including operations, capital outlay, capital replacement and debt service.

5.7 Parks and Recreation Programs and Facility Rentals

The following cost recovery policies apply to the City’s recreation programs. The Director of Parks and Recreation approves recreation programs based upon cost recovery goals throughout the year.

For purposes of this section of the policy, the following four definitions apply:

Resident – an individual whose primary residence is within the City limits of Brentwood.

Non-resident – an individual whose primary residence is outside the City limits of Brentwood.

Commercial – when use of the facility is for profit or sale with the proceeds to benefit an individual or organization.

Non-profit – when use of the facility is by a non-profit organization as determined by the Internal Revenue Service and/or State of California with at least 75% of its membership made up of Brentwood residents, and the purpose of the use is to raise funds for community, charitable, or education projects within Brentwood or that benefit Brentwood residents.

5.7.1 Cost recovery - Recreation Programs:

5.7.1.1 Cost recovery for youth programs – Brentwood residents, direct cost plus 10% of Department overhead.

5.7.1.2 Cost recovery for adult programs – Brentwood residents, direct cost plus 75% of Department overhead.

5.7.1.3 All programs that are above the recommended cost recovery rate will continue a goal of 100% cost recovery.

5.7.1.4 Non-resident Aquatic and City run youth sports program fees are set 10% above the resident fee.

5.7.1.5 All non-resident rates excluding section 5.7.1.4 above are set at a 100% cost recovery rate.

5.7.1.6 Programs that do not have a non-resident rate:

- Recreation swim
- Lap swim
- Contracted on-line computer courses
- Fees set by an outside agency
- City programs funded through the Business License Grant Program
- City programs for active adults 50+
- Cosponsored City / Liberty Union High School District Adult Education programs
- Teen Programs

5.7.1.7 Free programs:

- Concerts in the Park
- Play day
- Christmas tree lighting
- Park and facility grand openings
- Movies in the park

5.7.2 The following categories describe how rates are set for facility rentals (excluding group picnic facility rentals):

5.7.2.1 Resident – this category is the base price used for a facility and is set based on the market price for like facilities.

- 5.7.2.2 Non-Resident – the price for non-residents is 10% above the resident rate.
 - 5.7.2.3 Commercial – the price for commercial use is 30% above the resident rate and is intended to recover most if not all costs as the event is usually intended to be a profit making endeavor.
 - 5.7.2.4 Non-profit – the price for non-profits is 30% below the resident rate as the purpose is to allow use by local non-profits who normally use facilities to raise money to go back into the community.
- 5.7.3 The following categories describe how rates are set for group picnic facility rentals:
- 5.7.3.1 Resident – this category is the base price used for group picnic facility rentals and is set based on the market price for like rentals.
 - 5.7.3.2 Non-Resident – the price for non-residents is 30% above the resident rate and is intended to recover most if not all costs.
 - 5.7.3.3 Commercial – the price for commercial use is 30% above the resident rate and is intended to recover most if not all costs as the event is usually intended to be a profit making endeavor.
 - 5.7.3.4 Non-profit – the price for non-profits is 30% below the resident rate as the purpose is to allow use by local non-profits who normally use facilities to raise money to go back into the community.

5.8 **Uncollectible Receivables**

It is the intent of the City to reflect the value of its receivables and ensure that resources are used efficiently and not devoted to recovery of uncollectible receivables. The timely identification of losses is an essential element in appropriately measuring the value of the City’s assets. The write-off process is a critical component in valuing receivables. The City Manager and/or Director of Administrative Services have the authority to write-off uncollectible receivables not to exceed \$5,000 per transaction. Any uncollectible account exceeding \$5,000 per transaction will require the City Council’s approval.

5.9 **Minimum Refund Threshold for Overpayments**

It is the intent of the City to ensure that resources are used efficiently. The cost to process a refund check exceeds \$25.00. Therefore, refunds of overpayment shall not be issued for amounts less than \$25.00.

6. APPROPRIATIONS LIMITATION

- 6.1 The City Council will annually adopt a resolution establishing the City’s appropriations limit calculated in accordance with Article XIII B of the Constitution of the State of California, Section 7900 of the State of California Government Code, and any other voter approved amendments or state legislation that affect the City’s appropriations limit.
- 6.2 The supporting documentation used in calculating the City’s appropriations limit and projected appropriations subject to the limit will be available for public and City Council review at least 10 days before consideration of a resolution to adopt an appropriations limit. The City Council will generally consider this resolution in connection with final approval of the budget.
- 6.3 The City will strive to develop revenue sources, both new and existing, which are considered non-tax proceeds in calculating its appropriations subject to limitation.
- 6.4 The City will annually review user fees and charges and report to the City Council the amount of program subsidy, if any, that is being provided by the General or Enterprise Funds.
- 6.5 The City will actively support legislation or initiatives sponsored or approved by League of California Cities which would modify Article XIII B of the Constitution in a manner which would allow the City to retain projected tax revenues resulting from growth in the local economy for use as determined by the City Council.
- 6.6 The City shall seek a vote of the public to amend its appropriation limit at such time that tax proceeds are in excess of allowable limits.

7. FUND BALANCE, RESERVES AND INTERNAL SERVICE FUNDS

7.1 Minimum Fund Balances/Reserves

The City will strive to maintain 30% of annual operating expenses, which include operating transfers and amounts pursuant to Section 2.6, in the General Fund’s unassigned Fund Balance and cash reserves in the Enterprise Funds at an optimal level of 30%. This is considered the minimum level necessary to maintain the City’s credit worthiness and to adequately provide for contingencies for unseen operating or capital needs or cash flow requirements.

- 7.1.1 At the close of each fiscal year, General Fund savings over and above the minimum Fund Balance required in Section 7.1 of this policy will be transferred to the Pension/Other Post-Employment Benefits (OPEB) Obligation Internal Service Fund.

7.2 Pension/Other Post-Employment Benefits Obligation Internal Service Fund

The Pension/OPEB Obligation Fund is an intermediate term funding source to be used to help offset the rising cost of other post-employment benefits (OPEB) as a part of a long-term pre-funding strategy of retiree medical benefits. In addition, this fund shall be used to help offset the rising costs of pension expenses and paying the unfunded liability on a cost reimbursement basis. Interest earnings may be credited to the source fund of contributions.

7.3 Equipment Replacement

For assets, the city will establish and maintain an Equipment Replacement Fund to provide for the timely replacement of vehicles and capital equipment with an individual replacement cost of \$10,000 or more or as determined by the Director of Administrative Services. The annual contribution to this fund will generally be based on the annual use allowance which is determined based on the estimated life of the vehicle or equipment and its original purchase cost. Interest earnings and sales of surplus equipment will be credited to the Equipment Replacement Fund.

7.4 Information Systems Replacement

The City will maintain an Information Systems Replacement Fund to provide for the timely replacement of items such as, servers, computers, printers, phones, faxes, scanners, and digital cameras. The annual contribution to this fund will generally be based on the annual use allowance which is determined based on the estimated life of the equipment and its original purchase cost. Interest earnings and sales of surplus equipment will be credited to the Information Systems Replacement Fund.

7.5 Facilities Replacement

The City will maintain a Facility Replacement Fund to provide a funding source for repair of existing facilities. The annual contribution to this fund will generally be based on square footage. Interest earnings will be credited to the Facilities Replacement Fund.

7.6 Emergency Preparedness Fund

The City will maintain an Emergency Preparedness Fund to enable the City to be financially prepared to respond to a critical incident, catastrophic event or for one-time purchases of equipment to enhance public safety as determined by the City Manager or his/her designee. The City is self insured for earthquake coverage. In order to help fund the General Fund portion of the cost that the Federal Emergency Management Agency (FEMA) and the State Office of Emergency Services (OES) would not reimburse in the case of an earthquake, approximately \$100,000 per fiscal year will be contributed to this fund if needed, as determined by the

Director of Administrative Services, to ensure sufficient funds are available. This fund will be maintained at a level consistent with estimated needs for General Fund overtime, rent for office space, supplies and services in the case of an emergency. Interest earnings will be credited to the General Fund.

7.7 Tuition Fund

The City will maintain a Tuition Fund to provide a funding source for employees to continue their education in order to either maintain or improve knowledge, skills and professional growth in their current position. Interest earnings will be credited to the Tuition Fund.

7.8 Insurance Fund

The City will maintain an Insurance Fund to provide a funding source for future insurance costs. The Liability and Worker’s Compensation Insurance savings associated with having unfilled positions or better rates are included in this fund. These savings may be used to pay unforeseen expenses due to legal matters or lawsuits. Departments are also charged for Property and Liability Insurance which funds the payments made to our insurance authority. Interest earnings will be credited to the Insurance Fund.

7.9 Facilities Maintenance Services Fund

The City will maintain a Facilities Maintenance Services Fund to provide for the custodial and maintenance needs of the City’s buildings. The annual contribution for this fund will generally be based on square footage. Interest earnings will be credited to the Facilities Maintenance Services Fund.

7.10 Fleet Maintenance Service Fund

The City will maintain a Fleet Maintenance Service Fund to provide for the on-going maintenance of all City vehicles and equipment, other than Police. The annual contribution for this fund will generally be based on type of vehicle or equipment. Interest earnings will be credited to the Fleet Maintenance Service Fund.

7.11 Information Services Fund

The City will maintain an Information Services Fund to provide for the development and coordination of the City’s information Systems’ needs. The annual contribution for this fund will generally be based on type of information systems equipment. Interest earnings will be credited to the Information Services Fund.

7.12 Parks and LLD Replacement Fund

The City will maintain a Parks and Lighting and Landscape Districts (LLD) Replacement Fund to provide for the accumulation of funds and associated expenditures related to landscaping, equipment and facilities in the Citywide Parks and Lighting and Landscape Districts. The annual contribution for this fund will be based on the City Council adopted annual engineers report. Interest earnings will be credited to the Parks and LLD Replacement Fund.

8. CAPITAL IMPROVEMENT MANAGEMENT

8.1 CIP Projects - \$10,000 or More

Construction projects and equipment purchases which cost \$10,000 or more will be included in the Capital Improvement Plan (CIP); minor capital outlays of less than \$10,000 will be included with the operating program budgets.

8.2 CIP Purpose

The purpose of the CIP is to systematically plan, schedule, and finance capital projects to ensure cost-effectiveness as well as conformance with established policies. The CIP is a five-year plan organized into the same functional groupings used for the operating programs. The CIP will reflect a balance between capital replacement projects which repair, replace or enhance existing facilities, equipment or infrastructure; and capital facility projects which significantly expand or add to the City’s existing fixed assets.

8.3 Project Manager

Every CIP project will have a project Manager who will prepare the project proposal, ensure that required phases are completed on schedule, authorize all project expenditures, ensure that all regulations and laws are observed, and periodically report project status.

8.4 CIP Executive Committee

Made up of the City Manager, Director of Public Works/City Engineer and the Director of Administrative Services, this Committee will review project proposals, determine project phasing, recommend project managers, review and evaluate the draft CIP budget document, and report CIP project progress on an ongoing basis.

8.5 CIP Phases

The CIP will emphasize project planning, with projects progressing through at least two and up to ten of the following phases:

- 8.5.1 Designate Appropriates funds based on projects designated for funding by the Council through adoption of the Financial Plan.
- 8.5.2 Study Concept design, site selection, feasibility analysis, schematic design, environmental determination, property appraisals, scheduling, grant application, grant approval, specification preparation for equipment purchases.
- 8.5.3 Environmental and development review EIR preparation, other environmental studies, and development review processing as required by the municipal code and state law.
- 8.5.4 Real property acquisitions Property acquisition for projects, if necessary.
- 8.5.5 Site preparation Demolition, hazardous materials abatements, other pre-construction work.
- 8.5.6 Design Final design, plan and specification preparation, and construction cost estimation.
- 8.5.7 Construction Construction contracts.
- 8.5.8 Construction management Contract project management and inspection, soils and material tests, other support services during construction.
- 8.5.9 Equipment acquisitions Vehicles, heavy machinery, computers, office furnishings, other equipment items acquired and installed independently from construction contracts.
- 8.5.10 Debt service Installment payments of principal and interest for completed projected funded through debt financings. Expenditures for this project phase are included in the Debt Service section of the Financial Plan and Operating Budget.

Generally, it will become more difficult for a project to move from one phase to the next. As such, more projects will be studied than will be designed, and more projects will be designed than will be constructed or purchased during the term of the CIP.

8.6 CIP Appropriation

The City’s annual CIP appropriation for study, design, acquisition and/or construction is based on the projects designated by the Council through adoption of the budget. Adoption of the budget CIP appropriation does not automatically authorize funding for specific project phases. This authorization generally occurs only after the preceding project phase has been completed and approved by the Council and costs for the succeeding phases have been fully developed.

Accordingly, project appropriations are generally made when contracts are awarded. If project costs at the time of bid award are less than the budgeted amount, the balance will be inappropriate and returned to fund balance or allocated to another project. If project costs at the time of bid award are greater than budget amounts, five basic options are available:

- 8.6.1 Eliminate the project.
- 8.6.2 Defer the project for consideration to the next Financial Plan period.
- 8.6.3 Rescope or change the phasing of the project to meet the existing budget.
- 8.6.4 Transfer funding from another specified, lower priority project.
- 8.6.5 Appropriate additional resources as necessary from fund balance.

8.7 Program Objectives

Project phases will be listed as objectives in the program narratives of the programs, which manage the projects.

9. CAPITAL FINANCING AND DEBT MANAGEMENT

9.1 Capital Financing

- 9.1.1 The City will consider the use of debt financing only for one-time capital improvement projects and only under the following circumstances.
 - 9.1.1.1 When the project’s useful life will exceed the term of the financing.
 - 9.1.1.2 When project revenues or specific resources will be sufficient to service the long-term debt.

- 9.1.2 Debt financing will not be 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 Council/Administrative Policy No. 10-4, Investment Policy).
- 9.1.3 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 at levels sufficient to ensure that new development pays its fair share of the cost of constructing necessary community facilities.
- 9.1.4 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:
 - 9.1.4.1 The availability of transportation impact fees in funding a specific project will be analyzed on a case-by-case basis as plans and specification or contract awards are submitted for Council approval.
 - 9.1.4.2 If adequate funds are not available at that time, the Council will make one of two determinations:
 - 9.1.4.2.1 Defer the project until funds are available.
 - 9.1.4.2.2 Based on the high-priority of the project, 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.
- 9.1.5 The City will use the following criteria to evaluate pay-as-you-go versus long-term financing in funding capital improvements:
 - 9.1.5.1 Factors Favoring Pay-As-You Go Financing
 - 9.1.5.1.1 Current revenues and adequate fund balances are available or project phasing can be accomplished.
 - 9.1.5.1.2 Existing debt levels adversely affect the City’s credit rating.
 - 9.1.5.1.3 Market conditions are unstable or present difficulties in marketing.

9.1.5.2 Factors Favoring Long Term Financing

- 9.1.5.2.1 Revenues available for debt service are deemed to be sufficient and reliable so that long-term financings can be marketed with investment grade credit ratings.
- 9.1.5.2.2 The project securing the financing is of the type which will support an investment grade credit rating or the bonds are a suitable no rated credit in the case of land secured financings.
- 9.1.5.2.3 Market conditions present favorable interest rates and demand for City financing.
- 9.1.5.2.4 A project is mandated by state or federal requirements, and resources are insufficient or unavailable.
- 9.1.5.2.5 The project is immediately required to meet or relieve capacity needs and current resources are insufficient or unavailable.

9.1.6 **Debt Management**

- 9.1.6.1 The City will not obligate the General Fund to secure long-term financings except when marketability can be significantly enhanced.
- 9.1.6.2 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.
- 9.1.6.3 The City will conduct financings on a competitive basis for revenue and general fund debt obligations. Negotiated financings will be used when there is market volatility, the bonds are non rated, or the financing entails the use of complex security or structure.
- 9.1.6.4 The City will seek a rating on any direct debt and will seek credit enhancements such as letters of credit or bond insurance when it will improve marketing and is cost effective.
- 9.1.6.5 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.

- 9.1.6.6 The City will diligently monitor its compliance with bond covenants and ensure its adherence to federal arbitrage regulations.
- 9.1.6.7 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).

9.1.7 **Post Debt Issuance Tax Compliance Procedures for Tax-Exempt and Direct Pay Subsidy Bonds**

9.1.7.1 The purpose of these Post-Issuance Tax Compliance Procedures is to establish policies and procedures in connection with tax-exempt bonds and direct pay subsidy bonds (e.g. “build America bonds” or similar programs) (“Bonds”) issued by or on behalf of the Brentwood Infrastructure Financing Authority (the “Authority”) or the City of Brentwood (the “City” and, collectively with the Authority, the “Issuer”) so as to ensure that the Issuer complies with all applicable post-issuance requirements of federal income tax law needed to preserve the tax-exempt or direct pay subsidy status of the Bonds.

9.1.7.2 Ultimate responsibility for all matters relating to Issuer financings and refinancing rests with the Treasurer/Controller of the Authority and the Director of Administrative Services of the City (collectively, the “Responsible Officer”).

9.1.7.3 External Advisors and Documentation

9.1.7.3.1 The Responsible Officer and other appropriate Issuer personnel shall consult with bond counsel and other legal counsel and advisors, as needed, throughout the Bond issuance process to identify requirements and to establish procedures necessary or appropriate so that the Bonds will continue to qualify for the appropriate tax status. Those requirements and procedures shall be documented via Issuer resolutions(s), Tax Certificate(s) and/or other documents finalized at or before issuance of the Bonds. Those requirements and procedures shall include future compliance with applicable arbitrage rebate requirements and all other applicable post-issuance requirements of federal tax law throughout (and in some cases beyond) the term of the Bonds.

9.1.7.3.2 The Responsible Officer and other appropriate Issuer personnel also shall consult with bond counsel and other legal counsel and advisors, as needed, following issuance of the Bonds to ensure that all applicable post-issuance requirements in fact are met. This shall include,

without limitation, consultation in connection with future contracts with respect to the use of Bond-financed assets and future contracts with respect to the use of output or throughput of Bond-financed assets.

9.1.7.3.3 Whenever necessary or appropriate, the Issuer shall engage expert advisors (each a “Rebate Service Provider”) to assist in the calculation of arbitrage rebate payable in respect of the investment of Bond proceeds.

9.1.7.4 Role of the Issuer as Bond Issuer

9.1.7.4.1 Unless otherwise provided by Issuer resolutions, unexpended Bond proceeds shall be held by the Issuer, and the investment of Bond proceeds shall be managed by the Responsible Officer. The Responsible Officer shall maintain records and shall prepare regular, periodic statements to the Issuer regarding the investments and transactions involving Bond proceeds.

9.1.7.4.2 If an Issuer resolution provides for Bond proceeds to be administered by a trustee, the trustee shall provide regular, periodic (monthly) statements regarding the investments and transactions involving Bond proceeds.

9.1.7.5 Arbitrage Rebate and Yield Requirements: (Unless a Tax Certificate documents that bond counsel has advised that arbitrage rebate will not be applicable to an issue of Bonds)

9.1.7.5.1 The Issuer shall engage the services of a Rebate Service Provider, and the Issuer or the Bond trustee shall deliver periodic statements concerning the investment of Bond proceeds to the Rebate Service Provider on a prompt basis.

9.1.7.5.2 Upon request, the Responsible Officer and other appropriate Issuer personnel shall provide to the Rebate Service Provider additional documents and information reasonably requested by the Rebate Service Provider.

9.1.7.5.3 The Responsible Officer and other appropriate Issuer personnel shall monitor efforts of the Rebate Service Provider and assure payment of required rebate amounts, if any, no later than 60 days after each 5-year anniversary of the issue date of the Bonds, and no later than 60 days after the last Bond of each issue is redeemed.

- 9.1.7.5.4 During the construction period of each capital project financed in whole or in part by Bonds, the Responsible Officer and other appropriate Issuer personnel shall monitor the investment and expenditure of Bond proceeds and shall consult with the Rebate Service Provider to determine compliance with any applicable exceptions from the arbitrage rebate requirements during each 6-month spending period up to 6 months, 18 months or 24 month, as applicable, following the issue date of the Bonds.
- 9.1.7.5.5 The Issuer shall retain copies of all arbitrage reports and trustee statements as described below under “Record Keeping Requirements”.
- 9.1.7.6 Use of Bond Proceeds. The Responsible Officer and other appropriate Issuer personnel shall:
 - 9.1.7.6.1 Monitor the use of Bond proceeds, the use of Bond-financed assets (e.g., facilities, furnishings or equipment) and the use of output or throughput of Bond-financed assets throughout the term of the Bonds (and in some cases beyond the term of the Bonds) to ensure compliance with covenants and restrictions set forth in applicable Issuer resolutions and Tax Certificates.
 - 9.1.7.6.2 Maintain records identifying the assets or portion of assets that are financed or refinanced with proceeds of each issue of Bonds.
 - 9.1.7.6.3 Consult with Bond Counsel and other professional expert advisers in the review of any contracts or arrangements involving use of Bond-financed facilities to ensure compliance with all covenants and restrictions set forth in applicable Issuer resolutions and Tax Certificates.
 - 9.1.7.6.4 Maintain records for any contracts or arrangements involving the use of Bond-financed facilities as might be necessary or appropriate to document compliance with all covenants and restrictions set forth in applicable Issuer resolutions and Tax Certificates.
 - 9.1.7.6.5 Meet at least annually with personnel responsible for Bond-financed assets to identify and discuss any existing or planned use of Bond-financed, assets or output or throughput of Bond-financed assets, to ensure that those uses are consistent with all covenants and restrictions set forth in applicable Issuer resolutions and Tax Certificates.

- 9.1.7.7 Record Keeping Requirements. Unless otherwise specified in applicable Issuer resolutions or Tax Certificates, the Issuer shall maintain the following documents for the term of each issue of Bonds (including refunding Bonds, if any) plus at least three years:
 - 9.1.7.7.1 A copy of the Bond closing transcript(s) and other relevant documentation delivered to the Issuer at or in connection with closing of the issue of Bonds.
 - 9.1.7.7.2 A copy of all material documents relating to capital expenditures financed or refinanced by Bond proceeds, including (without limitation) construction contracts, purchase orders, invoices, trustee requisitions and payment records, as well as documents relating to costs reimbursed with Bond proceeds and records identifying the assets or portion of assets that are financed or refinanced with Bond proceeds.
 - 9.1.7.7.3 A copy of all contracts and arrangements involving private use of Bond-financed assets or for the private use of output or throughput of Bond-financed assets.
 - 9.1.7.7.4 Copies of all records of investments, investment agreements, arbitrage reports and underlying documents, including trustee statements.

9.1.8 **Debt Capacity**

- 9.1.8.1 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 the City only use general purpose debt financing for high-priority projects where the City cannot reasonably use other financing methods: funds borrowed for a project today are not available to fund other projects tomorrow; and funds committed for debt repayment today are not available to fund operations in the future.
- 9.1.8.2 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 setting process.

9.1.9 **Land-Based Financings**

- 9.1.9.1 Public purpose There will be a clearly articulated public purpose in forming an assessment or special tax district in financing public infrastructure improvements including why this form of financing is preferred over other funding options such as impact fees, reimbursement agreements or direct developer responsibility for improvements.
- 9.1.9.2 Active Role Even though land-based financings may be a limited obligation of the City, we 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, bond insurer, LOC provider and underwriter as necessary. Any costs incurred by the City in retaining these services will be the responsibility of the property owners or developer, and will be advanced via a deposit or will be paid on a contingency fee basis from the proceeds from the bonds.
- 9.1.9.3 Credit Quality When a district is requested by a developer, 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.
- 9.1.9.4 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.
- 9.1.9.5 Value-to-debt-ratios The minimum value of the property in the district, within the public improvements, should be at least three times the amount of the assessment or special tax debt.
- 9.1.9.6 Capitalized interest during construction Decisions to capitalize interest will be made on a case-by-case basis, with the intent to fund interest in cases where the payment cannot be posted to the tax roll for that tax year.
- 9.1.9.7 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%.
- 9.1.9.8 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.

- 9.1.9.9 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.
- 9.1.9.10 Foreclosure covenants In administration of the district, the City shall structure foreclosure covenants in such a way as to insure the delinquency data is available from the county or the administrator prior to having to commence foreclosure proceedings.
- 9.1.9.11 Disclosure to bondholders In general, each property owner who accounts for more than 25% of the annual debt service or bonded indebtedness must provide ongoing disclosure information annually as described under SEC Rule 15(c)-12.

9.1.10 **Conduit Financings**

- 9.1.10.1 The City will consider requests for conduit financing on a case-by-case basis using the following criteria:
 - 9.1.10.1.1 The City’s bond counsel 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.
 - 9.1.10.1.2 There is a clearly articulated public purpose in providing the conduit financing.
 - 9.1.10.1.3 The applicant is capable of achieving this public purpose.
- 9.1.10.2 This means that the review of requests for conduit financing will generally be a two-step process: first asking the Council if they are interested in considering the request, and establishing the ground rules for evaluating it; 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.
- 9.1.10.3 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 our costs in evaluating the request; however, this should also be determined on a case-by-case basis.

10. HUMAN RESOURCE MANAGEMENT

10.1 Regular Staffing

- 10.1.1 The budget will fully appropriate the resources needed for authorized regular staffing and will limit programs to the regular staffing authorized.
- 10.1.2 Regular employees will be the core work force and the preferred means-of staffing of ongoing, year-round program activities that should be performed by full-time City employees rather than independent contractors. The City will strive to provide competitive compensation and benefit schedules for its authorized regular work force. Each regular employee will:
 - 10.1.2.1 Fill an authorized regular position.
 - 10.1.2.2 Be assigned to an appropriate bargaining unit, or otherwise designated with at-will status.
 - 10.1.2.3 Receive salary and benefits consistent with labor agreements or other compensation plans.
- 10.1.3 To manage the growth of the regular work force and overall staffing costs, the City will follow these procedures:
 - 10.1.3.1 The City Council will authorize all regular positions.
 - 10.1.3.2 Adjustments to employee allocations will only be made in conjunction with the first or second year of the two-year budget process unless authorized by the Director of Administrative Services.
 - 10.1.3.3 The Human Resources Division will coordinate and oversee the hiring of all regular and temporary employees.
 - 10.1.3.4 All requests for additional regular positions will include evaluations of:
 - 10.1.3.4.1 The necessity, term and expected results of the proposed activity.
 - 10.1.3.4.2 Staffing and materials costs including salary, benefits, equipment, uniform, clerical support and facilities.

- 10.1.3.4.3 The ability of private industry to provide the proposed service.
- 10.1.3.4.4 Additional revenues or cost savings, which may be realized.
- 10.1.3.4.5 The availability of a sustainable revenue source to fund the additional personnel costs.

10.1.4 Periodically, and before any request for additional regular positions, programs will be evaluated to determine if they can be accomplished with fewer regular employees.

10.2 Police Sworn Position Overstaffing

10.2.1 Police sworn position staffing gaps will be evaluated on an as needed basis and budgeted for in order to appropriate the resources needed to minimize the loss of sworn personnel available for service. The total maximum number of authorized sworn overstaffing positions are four.

10.2.2 Police sworn overstaffing positions will not be used to increase authorized regular sworn staffing levels. Overstaffing will be utilized as a tool to fill regular sworn positions when there is an expectation that the regular position will become, or is already, vacant due to retirement, medical leave, or other extended absences.

10.2.3 When it has been determined by the City Manager or Police Chief that police sworn overstaffing positions are required to mitigate an officer that is, or is soon to be, unavailable for service, the City Manager shall authorize the use of these positions in consultation with the Director of Administrative Services and Chief of Police prior to doing so. City Council will be notified via email or other appropriate means when overstaffing has been authorized, but prior to commencing the recruitment process.

10.2.4 The Police Chief will provide periodic updates to the City Council on available versus authorized sworn staffing levels via email or other means as appropriate.

10.3 Limited Service

10.3.1 The hiring of limited service employees will not be used as an incremental method for expanding the City’s regular work force.

- 10.3.2 Limited service positions include all employees other than regular employees, elected officials, and volunteers. Limited service positions will generally augment regular City staffing as hourly, temporary, limited part-time, intermittent, student, intern, emergency, and seasonal positions.

- 10.3.3 The City Manager and Department Directors will encourage the use of limited service rather than regular employees to meet peak workload requirements, fill interim vacancies, and accomplish tasks where less than full-time, year-round staffing is required. Under this guideline, limited service employee hours will generally not exceed 50% of a regular, full-time position (1,000 hours per fiscal year). There may be limited circumstances where the use of limited service employees on an ongoing basis in excess of this target may be appropriate due to unique programming or staffing requirements. However, any such exceptions must be approved by the City Manager.

- 10.3.4 Limited term employees are defined as limited service employees with time specific offer letters approved by the City Manager who may receive approved benefits depending on hourly requirements and the length of their employment. Limited term employees will generally be used for medium-term (generally between six months and two years) projects, programs or activities requiring specialized or augmented levels of staffing for a specific period. The services of limited term employees will be discontinued upon completion of the assigned project, program or activity. Accordingly, limited term employees will not be used for services that are anticipated to be delivered on an ongoing basis.

Investment Policy

(Last Approved by City Council: June 23, 2015)

1. Introduction

The purpose of this document is to identify various policies and procedures that enhance opportunities for a prudent and systematic investment policy and to organize and formalize investment-related activities.

The investment policies and practices of the City of Brentwood are based on state law and prudent money management. All funds will be invested in accordance with the City of Brentwood's Investment Policy, and California Government Code Sections 53601 and 53646. The investment of bond proceeds will be governed by the provisions of relevant bond documents.

2. Scope

It is intended that this policy cover all funds (except bond proceeds and retirement funds) and investment activities under the direction of the Brentwood City Council.

3. Prudence

The Treasurer and City Council are trustees and therefore fiduciaries subject to the prudent investor standard. 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 City, that a prudent person acting in a like capacity and having 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 City.

4. Objectives

The primary objectives, in priority order, of the investment activities of the City of Brentwood shall be:

4.1 Safety. Safety of principal is the foremost objective of the investment program. Investments of the City of Brentwood shall be undertaken in a manner that seeks to ensure preservation of capital in the portfolio.

4.2 Liquidity. The investment portfolio of the City of Brentwood will remain sufficiently liquid to enable the City to meet its cash flow requirements.

4.3 Return On Investment. The investment portfolio of the City of Brentwood shall be designed with the objective of attaining a market rate of return on its investments consistent with the constraints imposed by its safety objective and cash flow considerations.

5. **Delegation of Authority**

The management responsibility for the investment program is hereby delegated to the Treasurer for a one-year period, subject to review and renewable annually. The Treasurer shall monitor and review all investments for consistency with this investment policy. No person may engage in an investment transaction except as provided under the limits of this policy. The Treasurer may delegate its investment decision making and execution authority to an investment advisor. The advisor shall follow the policy and such other written instructions as are provided.

6. **Ethics and Conflict of Interest**

Officers and employees involved in the investment process shall refrain from personal business activities that could conflict with proper execution of the investment program, or which could impair their ability to make impartial decisions.

7. **Permitted Investment Instruments**

The City shall limit investments in any one non-government issuer, except investment pools, to no more than 5% regardless of security type.

7.1 **U.S. Treasuries:** United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the full faith and credit of the United States are pledged for the payment of principal and interest.

7.2 **U.S. Agency Obligations:** 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.

7.2.1 Any mortgage pass through security issued and guaranteed by a Federal Agency with a maximum final maturity of five years, provided that these securities are rated in one of the two highest rating categories (without regard to any gradations within such categories by numerical qualifier or otherwise) by a nationally recognized statistical-rating service organization (“NRSRO”). Purchase of securities authorized by this subdivision may not exceed 20 percent of the City's investment portfolio.

7.3 **California State & Local Agency Obligations:** Obligations of the State of California or any local agency within the state, including bonds payable solely out of revenues from a revenue-producing property owned, controlled or operated by the state or any local agency or by a department, board, agency, or authority of the state or any local agency provided that these securities are rated in one of the three highest rating categories (without regard to any gradations within such categories by numerical qualifier or otherwise) by a NRSRO. Purchase of securities authorized by this subdivision when combined with purchases authorized by subdivision 7.4 may not exceed 30 percent of the City's investment portfolio.

7.4 **Other State Obligations:** Registered treasury notes or bonds of any of the other 49 United States in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 United States, in addition to California, provided that these securities are rated in one of the three highest rating categories (without regard to any gradations within such categories by numerical qualifier or otherwise) by a NRSRO. Purchase of securities authorized by this subdivision when combined with purchases authorized by subdivision 7.3 may not exceed 30 percent of the City’s investment portfolio.

7.5 **Repurchase Agreements:** Repurchase Agreements used solely as short-term investments not to exceed 90 days.

The following collateral restrictions will be observed: Only U.S. Treasury securities or Federal Agency securities as described in 7.1 and 7.2 will be acceptable collateral. All securities underlying Repurchase Agreements must be delivered to the City's custodian bank versus payment or be handled under a tri-party repurchase agreement. The total of all collateral for each Repurchase Agreement must equal or exceed, on the basis of market value plus accrued interest, 102 percent of the total dollar value of the money invested by the City of Brentwood for the term of the investment.

For any Repurchase Agreement with a term of more than one day, the value of the underlying securities must be reviewed on a regular basis, but no less frequently than quarterly. Market value must also be calculated each time there is a substitution of collateral. Any deficiency in the market valuation of the underlying securities must be made up no later than the business day following the valuation.

The City of Brentwood or its trustee shall have a perfected first security interest under the Uniform Commercial Code in all securities subject to Repurchase Agreement.

The City of Brentwood may enter into Repurchase Agreements with (1) primary dealers in U.S. Government securities who are eligible to transact business with, and who report to, the Federal Reserve Bank of New York, and (2) California and non-California banking institutions having assets in excess of \$1 billion and in the highest short-term rating category as provided by a NRSRO.

The City of Brentwood will have specific written agreements with each firm with which it enters into Repurchase Agreements.

7.6 **Reverse Repurchase Agreements:** Reverse repurchase agreements will not be allowed without the prior approval of the City Council. If a reverse repurchase agreement is approved, the following guidelines will be applied: The City may invest in reverse repurchase agreements only with "primary dealers" with which the City has entered into a master repurchase agreement contract. The City may invest in reverse repurchase agreements with the following conditions: The City may only use reverse

repurchase agreements to (1) cover a temporary cash shortage, or (2) augment earnings. Reverse repurchase agreements may not be used to leverage the portfolio.

In addition, if a reverse repurchase agreement is authorized, it may be utilized only if the security to be sold on reverse repurchase agreement has been owned and fully paid for by the City for a minimum of 30 days prior to the sale; the total of all reverse repurchase agreements on investments owned by the City does not exceed 20% of the City's investment portfolio; and the agreement does not exceed a term of 92 days, unless the agreement includes a written codicil guaranteeing a minimum earning or spread for the entire period between the sale of the security using a reverse repurchase agreement and the final maturity date of the same security. The proceeds of the reverse repurchase agreement may not be invested in securities whose maturity exceeds the term of the Reverse Repurchase Agreement.

7.7 **Bankers' Acceptances:** Bankers' Acceptances issued by domestic or foreign banks, which are eligible for purchase by the Federal Reserve System, provided that these securities are rated in the highest short-term rating category by a NRSRO. Bankers' Acceptances may not exceed 180 days maturity. Purchase of securities authorized by this subdivision may not exceed 40 percent of the City of Brentwood's investment portfolio.

7.8 **Commercial Paper:** Commercial paper of "prime" quality of the highest letter and number rating as provided for by a NRSRO. The entity that issues the commercial paper shall meet all of the following conditions in either paragraph (1) or paragraph (2):

(1) The entity meets the following criteria: (A) Is organized and operating in the United States as a general corporation. (B) Has total assets in excess of five hundred million dollars (\$500,000,000). (C) Has debt other than commercial paper, if any, that is rated in one of the three highest rating categories (without regard to any gradations within such categories by numerical qualifier or otherwise) by a NRSRO.

(2) The entity meets the following criteria: (A) Is organized within the United States as a special purpose corporation, trust, or limited liability company. (B) Has program wide credit enhancements, including, but not limited to, over collateralization, letters of credit or surety bond. (C) Has commercial paper that is rated "A-1" or higher, or the equivalent, by a nationally recognized statistical-rating organization.

Eligible commercial paper shall have a maximum maturity of 270 days or less.

The City shall be subject to the following concentration limits:

- (1) No more than 25 percent of the City's money may be invested in eligible commercial paper.
- (2) No more than 10 percent of the outstanding commercial paper of any single issuer.

7.9 **Medium-Term Notes:** Medium-term corporate notes defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States

or by depository institutions licensed by the U.S. or any state and operating within the U.S. Medium-term notes shall be rated in one of the three highest rating categories (without regard to any gradations within such categories by numerical qualifier or otherwise) by a NRSRO. Purchase of medium-term corporate notes may not exceed 30 percent of the City's investment portfolio.

- 7.10 **Time Deposits:** FDIC insured or fully collateralized time certificates of deposit in financial institutions located in California, including U.S. branches of foreign banks licensed to do business in California. All time deposits must be collateralized in accordance with the California Government Code section 53652. Purchase of time deposits shall not exceed 25% of the City's investment portfolio.
- 7.11 **Negotiable Certificates of Deposit:** Negotiable certificates of deposit or deposit notes issued by a nationally or state-chartered bank or a state or federal association as defined in Section 5102 of the Financial Code or by a state-licensed branch of a foreign bank; provided that the senior debt obligations of the issuing institution are rated in one of the three highest rating categories (without regard to any gradations within such categories by numerical qualifier or otherwise) by a NRSRO. Purchase of negotiable certificates of deposit may not exceed 30 percent of the City of Brentwood's investment portfolio.
- 7.12 **State of California's Local Agency Investment Fund:** The City may invest in the Local Agency Investment Fund (LAIF) established by the State Treasurer for the benefit of local agencies. The City may invest up to the maximum of \$50,000,000 per account as permitted by the LAIF Investment Advisory Board. The LAIF portfolio should be reviewed periodically.
- 7.13 **Insured Savings Account**
- 7.14 **California Asset Management Program**
- 7.15 **Money Market Funds:** 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.). The company must have met either of the following criteria: (1) attained the highest ranking letter and numerical rating provided by not less than two nationally recognized rating services or (2) have an investment advisor registered 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 \$500,000,000.

The purchase price of shares shall not exceed 15 percent of the investment portfolio of the City of Brentwood.

- 7.16 **Supranationals:** United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American

Development Bank, with a maximum remaining maturity of five years or less and eligible for purchase and sale within the United States. Supranationals shall be rated in one of the two highest rating categories (without regard to any gradations within such categories by numerical qualifier or otherwise) by a NRSRO. Purchases of supranationals may not exceed 30% of the City's investment portfolio.

- 7.17 **Asset-Backed Securities:** Mortgage pass-through securities, collateralized mortgage obligations, mortgage-backed or other pay-through bonds, equipment lease-backed certificates, consumer receivable pass-through certificates, and consumer receivable-backed bonds, with a maximum remaining maturity of five years or less. Asset-backed securities shall be rated in one of the two highest rating categories (without regard to any gradations within such categories by numerical qualifier or otherwise) by a NRSRO. Additionally, securities must be issued by an issuer whose debt is rated in one of the three highest rating categories (without regard to any gradations within such categories by numerical qualifier or otherwise) by a NRSRO. Purchases of asset-backed securities may not exceed 20% of the City's investment portfolio.

Credit criteria listed in this section refers to the credit of the issuing organization at the time the security is purchased. The maximum percentage limitations apply at the time of purchase.

8. Prohibited Investments

The City may only invest in those obligations authorized by this policy and shall not invest any funds in inverse floaters, range notes, or interest-only strips that are derived from a pool of mortgages, or in any security that could result in zero interest accrual if held to maturity.

9. Maximum Maturity

Investment maturities shall be based on a review of cash flow forecasts. Maturities will be scheduled so as to permit the City of Brentwood to meet all projected obligations.

Unless otherwise noted within this investment policy, the City may not invest in a security that exceeds five (5) years from the date of purchase.

10. Reporting Requirements

The City Treasurer or outside Investment Advisor shall generate and present to the Brentwood City Council monthly reports for accounting and management purposes. Required elements of this report will include:

- Description of investment instrument
- Interest rate or yield to maturity
- Purchase date

- Maturity date
- Purchase price
- Par value
- Current market value as of the date of the report and the source of this valuation
- Overall portfolio yield based on cost
- List of all transactions during the past month

On a quarterly basis, within 30 days following the end of the quarter, a quarterly report will be prepared and rendered to the Brentwood City Council. This report will provide data similar to the monthly data as well as any narrative necessary for clarification. Also, the quarterly report shall state compliance of the portfolio to the statement of investment policy, or manner in which the portfolio is not in compliance. In addition, the City Treasurer will include in this report a statement denoting the ability of the City to meet its expenditure requirements for the next six months, or provide an explanation as to why sufficient money shall, or may not, be available.

11. Safekeeping and Custody

The assets of the City of Brentwood shall be secured through the third-party custody and safekeeping procedures. Bearer instruments shall be held only through third-party institutions. Collateralized securities such as repurchase agreements shall be purchased using the delivery vs. payment procedure.

12. Annual Review of Policy

The Treasurer shall annually render to the City Council this Investment Policy, which shall be considered at a public meeting. Any changes in the policy shall also be considered by the City Council at a public meeting.

13. Glossary of Terms

13.1 Glossary: Except as otherwise provided in this policy, whenever the words defined or described in the Glossary attached to this policy are used in this policy, they shall have the same meaning attributed to them in the Glossary. However if there is a conflict between a definition contained in the Glossary and a definition of those same words in Sections 53600 et. seq. of the Government Code, the definition in the Government Code shall govern.

INVESTMENT POLICY GLOSSARY OF TERMS

ACCRUED INTEREST: Interest that is due on a bond or other fixed income security since the last interest payment was made. This often occurs for bonds purchased on the secondary market, since bonds usually pay interest every six months, but the interest is accrued by the bondholders on a day-to-day basis. When a bond is sold, the buyer pays the seller the market price plus the accrued interest, for which the buyer will be reimbursed when the issuer next pays interest. Accrued interest is calculated on a 30-day month/360-day year for corporate bonds and municipal bonds, and on actual-calendar-days for Government bonds. Income bonds and bonds in default trade without accrued interest. When calculating accrued interest on a bond that is being sold, it is conventional to consider the time period from the most recent payment up to, but not including, the date on which the bond sale is settled.

AGENCIES: Federal agency securities and/or Government-sponsored enterprises.

ASSET-BACKED SECURITIES: Bonds created from various types of consumer debt. Returns on these securities come from customer payments on their outstanding loans. The primary types of asset-backed securities are mortgages, home equity loans, auto loans, leases, credit card receivables and student loans.

BANKERS' ACCEPTANCE: A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the insurer.

BOND: A certificate of debt that is issued by a government or corporation in order to raise money with a promise to pay a specified sum of money at a fixed time in the future and carrying interest at a fixed rate. Generally, a bond is a promise to repay the principal along with interest (coupons) on a specified date (maturity). The main types of bonds are corporate bond, municipal bond, treasury bond, treasury note, treasury bill, and zero-coupon bond. It is a tradable debt instrument that might be sold at, above or below par (the amount paid out at maturity), and are rated by bond rating services such as Standard & Poor's and Moody's Investors Service, to specify likelihood of default. The Federal government, states, cities, corporations, and many other types of institutions sell bonds. It is relatively more secured than equity and has priority over shareholders if the company becomes insolvent and its assets are distributed.

COLLATERAL: Assets pledged by a borrower to secure a loan or other credit, and subject to seizure in the event of default.

COMMERCIAL PAPER: An unsecured obligation issued by a corporation or bank to finance its short-term credit needs, such as accounts receivable and inventory. Maturities typically range from 2 to 270 days. Commercial paper is available in a wide range of denominations, can be either discounted or interest-bearing, and usually have a limited or nonexistent secondary market. Commercial paper is usually issued by companies with high credit ratings, meaning that the investment is almost always relatively low risk.

CUSTODIAN: An agent, bank, trust company, or other organization which holds and safeguards an individual's, mutual funds, or investment company's assets for them.

DELEGATION OF AUTHORITY: Management responsibility for the investment program.

DEPOSITORY INSTITUTION: A central repository through which members electronically transfer stock and bond certificates (a clearinghouse facility).

FDIC: Federal Deposit Insurance Corporation. A federal agency that insures bank deposits to a specified amount.

FEDERAL RESERVE SYSTEM: The central bank of the United States created by Congress and consisting of a seven member Board of Governors in Washington, D.C., 12 regional banks and about 5,700 commercial banks that are members of the system.

INTEREST RATE: Interest per year divided by principal amount, expressed as a percentage.

INVESTMENT: The utilization of monies, not immediately needed to pay demands, by investing these surplus funds in accordance with the three objectives of safety first and foremost, followed by liquidity then yield.

INVESTMENT ADVISOR: A person or organization employed by an individual or mutual fund to manage assets or provide investment advice.

LAIF: Local Agency Investment Fund – The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment.

LETTERS OF CREDIT: A document issued by a bank which guarantees the payment of a customer's drafts for a specified period and up to a specified amount.

LIMITED LIABILITY COMPANY: LLC. A type of company whose owners and managers receive the limited liability and (usually) tax benefits of an S Corporation without having to conform to the S Corporation restrictions.

LIQUIDITY: A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and sales of reasonable size can be done at those quotes.

MARKET VALUE: The price at which a security is trading and could presumably be purchased or sold.

MARKETABLE SECURITIES: Securities that can be easily converted into cash. Such securities will generally have highly liquid markets allowing the security to be sold at a reasonable price very quickly.

MATURITY: The date upon which the principal or stated value of an investment becomes due and payable.

MOODY'S: One of the most prominent credit rating agencies in the U.S.

MUTUAL FUNDS: An open-ended fund operated by an investment company which raises money from shareholders and invests in a group of assets, in accordance with a stated set of objectives. Mutual funds raise money by selling shares of the fund to the public, much like any other type of company can sell stock in itself to the public. Mutual funds then take the money they receive from the sale of their shares (along with any money made from previous investments) and use it to purchase various investment vehicles, such as stocks, bonds and money market instruments. In return for the money they give to the fund when purchasing shares, shareholders receive an equity position in the fund and, in effect, in each of its underlying securities. For most mutual funds, shareholders are free to sell their shares at any time, although the price of a share in a mutual fund will fluctuate daily.

NEGOTIABLE CERTIFICATES OF DEPOSIT: A CD with a very large denomination, usually \$1 million or more. These are usually bought by institutional investors who are interested in low-risk investments. Negotiable certificates of deposit are usually in bearer form, and have secondary markets that are highly liquid.

NRSRO: Nationally recognized statistical-rating organization.

PAR VALUE: The nominal dollar amount assigned to a security by the issuer. For an equity security, par value is usually a very small amount that bears no relationship to its market price, except for preferred stock, in which case par value is used to calculate dividend payments. For a debt security, par value is the amount repaid to the investor when the bond matures (usually, corporate bonds have a par value of \$1,000, municipal bonds \$5,000, and federal bonds \$10,000). In the secondary market, a bond's price fluctuates with interest rates. If interest rates are higher than the coupon rate on a bond, the bond will be sold below par value (at a "discount"). If interest rates have fallen, the bond will be sold above par value.

PASS THROUGH SECURITY: A security representing pooled debt obligations that passes income from debtors to its shareholders. The most common type is the mortgage-backed certificate.

PORTFOLIO: Collection of securities held by an investor.

PRIMARY DEALERS: A designation given by the Federal Reserve System to commercial banks or broker/dealers who meet specific criteria, including capital requirements and participation in Treasury auctions.

PROMISSORY NOTES: A document signed by a borrower promising to repay a loan under agreed-upon terms.

REPURCHASE AGREEMENTS: A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security “buyer” in effect lends the “seller” money for the period of the agreement and the terms of the agreement are structured to compensate him for this. Dealers use RP extensively to finance their positions.

RETURN ON INVESTMENT: ROI. A measure of a corporation's profitability, equal to a fiscal year's income divided by common stock and preferred stock equity plus long-term debt. ROI measures how effectively the firm uses its capital to generate profit; the higher the ROI, the better.

REVERSE REPURCHASE AGREEMENTS: A purchase of securities with an agreement to resell them at a higher price at a specific future date. This is a way to borrow money and allow the securities to be held as collateral. Reverse repurchases occur most often in government securities, and often also in other securities that are highly valued and thus considered a good source of collateral.

SECURITIES: Investment instruments, other than insurance policies or fixed annuities, issued by a corporation, government, or other organization which offers evidence of debt or equity. The official definition, from the Securities Exchange Act of 1934, is: "Any note, stock, treasury stock, bond, debenture, certificate of interest or participation in any profit-sharing agreement or in any oil, gas, or other mineral royalty or lease, any collateral trust certificate, pre-organization certificate or subscription, transferable share, investment contract, voting-trust certificate, certificate of deposit for a security, any put, call, straddle, option, or privilege on any security, certificate of deposit, or group or index of securities (including any interest therein or based on the value thereof), or any put, call, straddle, option, or privilege entered into on a national securities exchange relating to foreign currency, or in general, any instrument commonly known as a 'security'; or any certificate of interest or participation in, temporary or interim certificate for, receipt for, or warrant or right to subscribe to or purchase, any of the foregoing; but shall not include currency or any note, draft, bill of exchange, or banker's acceptance which has a maturity at the time of issuance of not exceeding nine months, exclusive of days of grace, or any renewal thereof the maturity of which is likewise limited."

SEC: Securities and Exchange Commission – Agency created by Congress to protect investors in securities transactions by administering securities legislation.

SPECIAL PURPOSE CORPORATION: A business interest formed solely in order to accomplish some specific task or tasks. A business may utilize a special purpose entity for accounting purposes, but these transactions must still adhere to certain regulations.

SUPRANATIONALS: International financial institutions that are generally established by agreements among nations, with member nations contributing capital and participating in management. Supranational bonds finance economic and infrastructure development and support environmental protection, poverty reduction, and renewable energy around the globe.

SURETY BOND: A bond issued by an entity on behalf of a second party, guaranteeing that the second party will fulfill an obligation or series of obligations to a third party. In the event that the obligations are not met, the third party will recover its losses via the bond.

TIME DEPOSITS: Savings account or CD held in a financial institution, usually a bank, for a fixed term or with the understanding that the customer can withdraw only by giving advanced notice.

TRANSACTIONS: An agreement between a buyer and a seller to exchange an asset for payment. In accounting, any event or condition recorded in the book of accounts.

TRUST: A legal arrangement in which an individual (the trustor) gives fiduciary control of property to a person or institution (the trustee) for the benefit of beneficiaries.

TRUSTEE: An individual or organization which holds or manages and invests assets for the benefit of another. The trustee is legally obliged to make all trust-related decisions with the trustee's interests in mind, and may be liable for damages in the event of not doing so. Trustees may be entitled to a payment for their services, if specified in the trust deed. In the specific case of the bond market, a trustee administers a bond issue for a borrower, and ensures that the issuer meets all the terms and conditions associated with the borrowing.

UNIFORM COMMERCIAL CODE: UCC. Set of laws regulating commercial transactions, especially ones involving the sale of goods and secured transactions.

U.S. TREASURY: The department of the U.S. government that issues Treasury securities.

YIELD: The rate of annual income return on an investment, expressed as a percentage. (a) INCOME YIELD is obtained by dividing the current dollar income by the current market price for the security. (b) NET YIELD or YIELD TO MATURITY is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

GLOSSARY OF TERMS

A-87 Cost Allocation Plan	A circular published by the Federal Government’s Office of Management and Budget (OMB) that establishes principles and standards for determining costs applicable to Federal grants, contracts and other agreements. These principles and standards recognize “Total Cost” as allowable direct cost plus allowable indirect costs, less applicable credits. The significant difference between this plan and a “Full Cost Allocation Plan” is that “Legislative” costs are not allowable under the A-87 plan.
Account	A subdivision within a fund for the purpose of classifying transactions.
Account Number	Numeric identification of the account. Typically a unique number or series of numbers. The City’s account number structure is comprised of three fields of characters. The first field is three characters wide and identifies the various unique funds within the accounting system. The next field contains either four or five characters and identifies the division within the City. The final field contains seven characters and identifies the object code of the account number. The same object code may be used in many divisions. The combination of the three fields provides for a unique number for the transaction.
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 under which revenues are recorded when they are earned (regardless of when cash is received) and expenditures are recorded when goods and services are received (regardless if disbursements are actually made at that time).
Activity	A function or a group of related functions for which the budgetary unit is responsible. For the City’s budgeting purposes, an activity is the same as a program.
Actual Cost	The amount paid for an asset; not its market value, insurable value, or retail value. It generally includes freight-in and installation costs but not interest on the debt to acquire it.
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.
Administrative Expense	Often grouped with General Expenses, expenses that are not as easily associated with a specific function as are direct costs of providing services.

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	A budget which typically has been reviewed by the public and “Adopted” (approved) by the City Council prior to the start of the fiscal year.
Allocable Costs	Costs that are allocable to a particular cost objective to the extent of benefits received by such objective.
Allocation	A distribution of funds or an expenditure limit established for an organizational unit.
Applied Overhead	Amount of overhead expenses that are charged to either a production job or a department when utilizing a cost accounting system.
Appropriation	An authorization by the City Council to make expenditures and to incur obligations for specific amounts and purposes. All annual appropriations lapse at fiscal year-end.
Appropriations 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.
Assessed Valuation	An official value established for real estate or other property as a basis for levying property taxes.
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.
Assessments	Charges made to parties for actual services or benefits received.
Assets	Government-owned property that has monetary value.

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 appropriations.
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 produced).
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; or commonly called surplus available for appropriation. It is also the unobligated balance of an appropriation which 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 expenditure.
Baseline Budget	A baseline budget reflects the anticipated costs of carrying out the current level of service or activities as authorized by the City Council in the current budget. It includes an adjustment for cost increases but does not include changes in service or authorized positions over that authorized by the City Council.
Bond	A municipal bond is 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 plan of financial operation, for a set time period, which identifies specific types and levels of services to be provided, proposed appropriations or expenses and the recommended means of financing them.
Budget Amendments	The City Council has the sole responsibility for adopting the City’s budget, and may amend or supplement the budget at any time after adoption by majority vote. The City Manager has the authority to approve line item budgetary transfers between expenditure objects of the budget as long as it is in the same fund and within the same division.
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.
Budget Year	The fiscal year for which the budget is being considered; fiscal year following the current year.
Budgetary Unit	An organizational component budgeted separately; usually a department or a division.
Build America Bonds	Taxable municipal bonds that carry special tax credits and federal subsidies for either the bond issuer or the bondholder. Build America Bonds were created under Section 1531 of Title I of Division B of the American Recovery and Reinvestment Act that U.S. President Barack Obama signed into law on February 17, 2009.
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 Program	A financial plan of authorized expenditures for tangible, long-term construction of, or improvements to, public physical facilities.
Capital Expenditure	A capital expenditure typically involves items costing \$10,000 or more for the purchase or construction of major fixed assets such as land, buildings and any permanent improvement including additions, replacements and major alterations having a long life expectancy.
Capital Outlay	Expenditures which result in the acquisition of, or addition to, fixed assets. A capital item is tangible, durable, non-consumable, costs \$10,000 or more and has a useful life of more than ten years.
Carryover or Carry Forward	Process of carrying a budgeted and encumbered item from the current fiscal year to the next fiscal year.
Cash Basis or Cash Method	Is 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.
Community Development Block Grant Program	Funded by the Department of Housing and Urban Development of the Federal Government.

Community Facilities District	These funds account for special benefit assessments levied for a variety of allowable uses, including but not limited to police services, joint use school facilities and library facilities. The allowable uses of the funds are governed by the formation documents of each individual District.
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 must meet both the organization’s ability to pay and any governing legal regulations.
Comprehensive Annual Financial Report	Prepared in conformity with Generally Accepted Account Principals (GAAP) as set forth by the Governmental Accounting Standards Boards (GASB).
Contractual Services	A series of object codes, which include the expense of custodial, janitorial and other services, procured independently by contract or agreement with an individual, firm, corporation or other governmental units.
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.
Costs	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 Basis	Original price of an asset, used in determining depreciation and capital gains or losses. It usually is the purchase price, but in the case of an inheritance or gift is the market value of the asset at the time of receipt.
Current Fiscal Year	The fiscal year in progress.
Debt Service	The City’s obligation to pay the principal and interest of all bonds and other debt instruments according to a pre-determined payment schedule.
Defeasance	In financial reporting, the netting of outstanding liabilities and related assets on the statement of position. Most refunding results in the defeasance of the refunded debt.

Deficit	A result of: 1) insufficiency in the account or number, whether as the result of defaults and misappropriations or of mistakes or shrinkage in value or 2) excess of the government’s spending over its revenues.
Department	A basic organizational unit of government which is functionally unique in its delivery of services.
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.
Development	In real estate, process of placing improvements on or to a parcel of land; projects where such improvements are being made. Such improvements may include drainage, utilities, subdividing, access, buildings or any combination of these elements.
Direct Cost	An expense that can be traced directly to a specific cost center or cost object such as a department, process or product.
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	An organizational component of a department, which may be further subdivided into programs.
Division Overhead	The cost of the division’s indirect labor and material/supplies divided by the division’s direct salary and wages cost. The result is expressed as a percentage to be applied to direct salary and wages.
Effective Interest Methods	Premiums, discounts, bond issuance costs amortized over life of debt issue.
Encumbrance	The commitment of appropriated funds to purchase goods or services. An encumbrance is not an expenditure. An encumbrance reserves funds to be expended.
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/Expense	The outflow of funds paid or to be paid for an asset obtained or goods and services obtained regardless of when the expenditure is actually paid. The term expenditure applies to Governmental Funds. The term expense is used for Enterprise and Internal Service Funds.
Fee	Cost of a service.
Fiscal Year	The 12-month period for recording financial transactions specified by the City as beginning July 1 st and ending June 30 th .
Fixed Assets	Assets of long-term character such as land, buildings, machinery, equipment or 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 costs include 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.
Fringe Benefits	Compensation that an employer contributes to its employees such as social security, 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	The designation of staffing based on the Full-Time Equivalent for personnel using a guideline of 2,080 hours per year (1.0 FTE) or for 1,040 hours per year (0.5 FTE).
Function	An activity or a group of related activities for which the budgetary unit is responsible; in the City, a function is the same as a 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 or fiduciary. Commonly used funds in governmental accounting are: General Fund, Special Revenue Funds, Debt Service Funds, Capital Project Funds, Enterprise Funds, Internal Service Funds, Fiduciary Funds and Special Assessment Funds. For complete fund descriptions, refer to the Guide to 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 and reserves; also known as surplus funds. This term applies to governmental funds only.
General Obligation Bond	Also referred to as GO Bonds, 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 and Credit” bonds are secured by all of the financial assets of the local government, including property taxes.
Geographic Information System	A computer based Geographic Information System is being established by the Information Services Division for the tracking and monitoring of development projects.
Goal	A general statement of broad direction, purpose or intent which describes the essential reason for existence and which is not limited to a one-year time frame. Generally, a goal does not change from year to year.
Government Accounting	Principles and procedures in accounting for federal, state and local governmental units. The National Council on Governmental Accounting establishes rules. Unlike commercial accounting for corporations, encumbrances and budgets are recorded in the accounts. Assets of a governmental unit are restricted for designated purposes.
Government Enterprise	Governmentally sponsored business activity. A utility plant may be a government enterprise which raises revenue by charging for its services.
Government Finance Officers Association	A non-profit professional association serving more than 18,000 government finance professionals throughout North America.

Governmental Fund	This category of funds account for all records or operations not normally found in business, such as the General Fund, Special Revenue Funds, Debt Service Funds and Capital Project Funds.
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.
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.
Hourly Billing Rate	The rate of a position on an hourly schedule including the cost of the positions hourly salary plus the hourly fringe benefit costs, plus the division or department overhead costs, plus the City’s general and administrative costs. This “Total” labor cost per hour is used to determine various costs of services provided to the public.
Indirect Cost	Costs not directly accountable to a cost object, but included in total cost 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	The physical assets of the City, such as streets, water, wastewater, public buildings and parks, and the support structures within a development.
Interest Revenues	Revenues received as interest from the investment of funds not immediately required to meet cash disbursements obligations.
Investment	Securities and real estate purchased and held for the production of income in the form of interest, dividends, rentals or base payments.
Jurisdiction	Geographic or political entity governed by a particular legal system or body of laws.
Liability	Debt or other legal obligations arising out of transactions in the past which must be liquidated, renewed or refunded at some future date. Encumbrances are not considered to be liabilities.
Line-Item Budget	A budget which lists detailed expenditures categories (personnel, operating, contractual, internal services and capital outlay) separately, along with the amount budgeted for each specific category.

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.
Modified Accrual Basis or Modified Accrual Method	An accounting method whereby income and expense items are recognized, as they are available and measurable.
Net	Figure remaining after all relevant deductions have been made from the gross amount; or to arrive at the difference between additions and subtractions or plus amounts and minus amounts.
Object Codes	Specific numerical classifications for which money is allocated for disbursements. The City uses object codes as the last seven characters of the account number and represents the lowest level of classification within the General Ledger accounting system.
Objective	Measurable statement of the intended beneficial and tangible effects of a program’s activities. An objective is a specific target toward which a manager can plan, schedule work activities and make staff assignments. An objective is stated in quantifiable terms, such that it is possible to know when it has been achieved.
Operation and Maintenance	Cost associated with a capital facility that will impact the City of Brentwood on an ongoing and annual basis.
Operating Expense	A series of object codes which include expenditures for items which primarily benefit the current period and are not defined as personnel services, contractual services or capital outlays.
Operational Audit	Process to determine ways to improve production and services.
Ordinance	The laws of a municipality.
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. There are basically three patterns of organization: line organization, functional organization and line and staff organization.

Overage	Too much, opposite of shortage.
Overhead	Indirect expenses of running an organization not directly associated with a particular item of service. For example, wages paid to an employee providing a service and the costs of the required materials for performing the service are DIRECT COSTS. Electricity and building insurance are overhead expenses. By applying a factor called the burden rate, cost accounting attempts to allocate OVERHEAD, where possible, to the cost of the services provided.
Overtime	Time worked in excess of an agreed upon time for normal working hours by an employee. Hourly or non-exempt employees must be compensated at the rate of one and one-half their normal hourly rate for overtime work beyond 40 hours in a workweek. Working on holidays or weekends is sometimes referred to as overtime work.
Payroll	Aggregate periodic amount an organization pays its workers, lists of employees and their compensation.
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.
Performance Measures	The assessment of performance and results achieved by individual employees, a group of employees, or departments. This provides a way to determine the level of quality, quantity, timeliness and/or cost effectiveness of the work against a set of standards.
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 preceding 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.
Projection	Estimate of future performance made by economists, corporate planners and credit and securities analysts, typically using historic trends and other assumed input.
Pro Rata	Proportionate allocation. For example, a pro rata property tax rebate might be divided proportionately (prorate) among taxpayers based on their original assessments, so that each gets the same percentage.

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.
Purchase Requisition	The initial purchase request document that, if approved, is the basis for the preparation of the official purchase order.
Redevelopment Agency	The elimination of redevelopment agencies has precluded the future financing of projects; therefore, prior funding reported will represent contractual agreements funded prior to the redevelopment dissolution. Funds previously contributed by the Brentwood Redevelopment Agency were for projects within, or of benefit to, a redevelopment project area.
Reserve	The portion of a fund’s balance legally restricted for a specific purpose and therefore not available for general appropriation.
Reserved Fund Balance	For governmental funds and expendable trust funds, the portion of fund balance that is not available for appropriation because it is either legally restricted or not spendable.
Resolution	In general, expression of desire or intent. Legal order by a government entity.
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, which are used to finance expenditures. Examples are tax payments, fees for services, receipts from other governments, fines, grants, licenses, permits, shared revenue and interest income.
Right-of-Way	Is a public designation for space needed to accommodate streets, public utilities and other public facilities.
Rollover	Similar to carryover, yet used primarily in adjusting anticipated or budgeted amounts in the future years to actual amounts.
Salary and Wages	An employee’s monetary compensation for employment.
Salary Savings	Salary savings reflect personnel cost savings resulting from vacancies and as a result of employee turnover. The amount of budgeted salary savings is generally based upon experience.

Service	Work done by one person that benefits another.
Service Departments	Sections, programs or departments of an on-going organization giving service.
Special District	A designated geographic area established to provide a specialized service (e.g., Landscape Maintenance District).
Special Revenue Fund	A governmental fund type used to account for specific revenues that are legally restricted to expenditures for particular purposes.
Staff	In general, persons in an organization.
Statement of Net Activities	Reports net (expense) revenue of functions.
Statement of Net Assets	Includes all assets and liabilities.
Target	Desired amount or level of performance to obtain.
Total Cost	Costs including all ancillary costs. For example, the total cost of a project would include the direct costs and indirect costs.
Transient Occupancy Tax	This tax is collected from the operators of hotels and motels located within the City. A percentage of this tax is then remitted to the City.
Trend	In general, any line of movement.
True Up	An assessable, computational adjustment to inconsistencies in estimates versus actuals.
Unit Cost	Compare the volume of work anticipated to the items needed to complete the work and the funds required to purchase these items.
Unreserved Fund Balance	In a governmental or expendable trust fund, the balance of net financial resources which are spendable or available for appropriation.
Update	Revise printed information according to the most current information available.

User Charge	Charges or fees levied to recipients of a particular service.
Variable	Data item that can change its value; also called a <i>factor</i> or an <i>element</i> .
Variance	Difference between actual experience and budgeted or projected experience in any financial category.

ACRONYMS

ABAG – Association of Bay Area Governments

ARC – Actuarial Required Contribution

BABs – Build America Bonds

BANC – Brentwood Advisory Neighborhood Committee

BART – Bay Area Rapid Transit

BDCP – Bay Delta Conservation Plan

BUSD – Brentwood Union School District

CAD – Computer Aided Dispatch

CAFR – Comprehensive Annual Financial Report

CALPELRA – California Public Employers Labor Relations Association

CALPERS – California Public Employees’ Retirement System

CALTRANS – California Department of Transportation

CAP – Cost Allocation Plan

CCC – Contra Costa County

CCTA – Contra Costa Transportation Authority

CCWD – Contra Costa Water District

CERBT – California Employers’ Retiree Benefit Trust

CFD – Community Facilities District

CIFP – Capital Improvement Financing Plan

CIP – Capital Improvement Program

COLA – Cost of Living Allowance

CPI – Consumer Price Index

CSMFO – California Society of Municipal Finance Officers

DFP – Development Fee Program

DOF – California Department of Finance

DOJ – Department of Justice

DUI – Driving Under the Influence

ECCFPD – East Contra Costa Fire Protection District

ECCRFFA – East Contra Costa Regional Fee and Financing Authority

EIR – Environmental Impact Report

EOC – Emergency Operations Center

FASB – Financial Accounting Standards Board

FEMA – Federal Emergency Management Agency

FTE – Full-Time Employee

FY – Fiscal Year

GAAP – Generally Accepted Accounting Principles

GASB – Governmental Accounting Standards Board

GFOA – Government Finance Officers Association

GIS – Geographic Information Services

GP – General Plan

GPA – General Plan Amendment

LAIF – Local Agency Investment Fund

LAP – Lethality Assessment Program

LLAD – Landscape and Lighting Assessment District

LUHSD – Liberty Union High School District

MG – Million Gallons

MGD – Million Gallons per Day

MPA – Municipal Pooling Authority

MTC – Metropolitan Transportation Commission

O&M – Operation & Maintenance

OES – Office of Emergency Services

OPEB – Other Post-Employment Benefits

OTS – Office of Traffic and Safety

PA1 – Priority Area 1

PADA – Public Art and Design Academy

PCI – Pavement Condition Index or
Payment Card Industry

PEG – Public Access, Educational and
Government Cable Channels

PEPRA – California Public Employees’
Pension Reform Act

PERS – Public Employees’ Retirement
System

PTM – People, Time and Money

RDA – Redevelopment Agency

RMS – Record Management System

SAS – Statement on Auditing Standards

SLESF – Supplemental Law Enforcement
Safety Fund

SFR – Single Family Residence

SI – Strategic Initiative

SPA – Specific Area Plan

SR – State Route

VoIP – Voice Over Internet Protocol

VLF – Vehicle License Fee

WWTP – Wastewater Treatment Plant

GUIDE TO FUNDS – DESCRIPTION OF FUNDS

The following is a guide to current City funds by fund number.

- 100 General Fund** – The government’s primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- 203 Gas Tax** – This fund accounts for monies received from the State of California under Street and Highways Code Section 2105. The allocations must be spent for street maintenance, construction and a limited amount for engineering.
- 205 Gas Tax** – This fund accounts for monies received from the State of California under Street and Highways Code Section 2106. The allocations must be spent for street maintenance, construction and a limited amount for engineering.
- 206 Gas Tax** – This fund accounts for monies received from the State of California under Street and Highways Code Section 2107. The allocations must be spent for street maintenance, construction and a limited amount for engineering.
- 207 Gas Tax** – This fund accounts for monies received from the State of California under Street and Highways Code Section 2107.5. The allocations must be spent for street maintenance, construction and a limited amount for engineering.
- 208 Gas Tax** – This fund accounts for monies received from the State of California under Street and Highways Code Section 2103. The allocations must be spent for street maintenance, construction and a limited amount for engineering.
- 214 SB1186 Disability Access** – This fund accounts for monies received due to Senate Bill 1186 (SB1186), which requires cities to collect a \$1 fee for new and renewed business licenses for purposes of increasing compliance with state disability laws.
- 216 Police Grants** – This fund accounts for all police Federal, State and County grants requiring segregated fund accounting.
- 217 Grants** – This fund accounts for miscellaneous Federal, State and County grants requiring segregated fund accounting.
- 219 Economic Development Grant** – This fund accounts for the set aside of 20% of business license tax collected. The monies are used to award grants to promote economic activity.
- 220 Infrastructure Improvements** – This fund accounts for economic development infrastructure projects and any related costs.
- 230 Citywide Park Assessment District** – This fund accounts for special benefit assessments levied on property owners for Citywide park maintenance.
- 231 Community Facilities District #2** – This fund accounts for acquisition and maintenance of open space; maintenance of flood and storm drain facilities and public safety services.

- 232 Community Facilities District #3** – This fund accounts for construction and maintenance of flood and storm drain facilities; construction and maintenance of joint-use school facilities; acquisition and maintenance of open space; construction of police facilities and public safety services.
- 233 Community Facilities District #4 (Services)** – This fund accounts for maintenance of flood and storm drain facilities; maintenance of joint-use school facilities; maintenance of open space and public safety services.
- 234 Community Facilities District #5** – This fund accounts for construction and maintenance of flood and storm drainage facilities; construction of government facilities and community facilities; construction of public protection and safety facilities construction and maintenance of joint-use school facilities; rehabilitation and/or expansion of library sites; roadway construction and rehabilitation; undergrounding of overhead utilities and public safety services.
- 235 Community Facilities District #4 (Facilities)** – This fund accounts for construction of flood and storm drain facilities; construction of joint-use school facilities; rehabilitation and/or expansion of library sites; roadway construction and rehabilitation and undergrounding of overhead utilities.
- 250 Water Facility Fee** – This fund accounts for development fees collected for the design and construction of water facilities within the City of Brentwood.
- 251 Roadway Facility Fee** – This fund accounts for development fees collected for the design and construction of roadways within the City.
- 252 Parks and Trails Facility Fee** – This fund accounts for development fees collected for the design and construction of parks within the City.
- 255 Wastewater Facility Fee** – This fund accounts for development impact fees collected for the design and construction of wastewater facilities within the City of Brentwood.
- 256 Community Facility Fee** – This fund accounts for development fees collected for the design and construction of public facilities within the City.
- 257 Fire Facility Fee** – This fund accounts for development fees collected for the design and construction of fire facilities required to serve new development in the City.
- 261 Facility Fee Administration** – This fund accounts for development fees collected for the administration of the Developer Impact Fee Program.
- 262 Agriculture Land Administration** – This fund accounts for 20% of the Agriculture Preservation fees collected from development. Monies are to be used for administrative purposes associated with establishing, monitoring and managing farmland conservation easements.
- 263 Agriculture Land Acquisition** – This fund accounts for 80% of the Agriculture Preservation fees collected from development. The monies are used for farmland mitigation purposes.

- 264 First-Time Homebuyer** – This fund accounts for affordable housing funds used to provide loans to first-time homebuyers who qualify as moderate to very-low income households.
- 265 Affordable Housing In-Lieu Fee** – This fund accounts for development fees collected for affordable housing. The monies are used to ensure 10% of all new dwellings are affordable for low and very low income households. This is now reported in the Housing Enterprise fund.
- 267 Public Art Administration** – This fund accounts for fees collected for the administration of the Public Art Program.
- 268 Public Art Acquisition** – This fund accounts for the acquisition and construction of Public Art.
- 269 Parking In-Lieu** – This fund accounts for development fees collected for off-street parking facilities located within the Downtown area.
- 270 Arts Commission** – This fund accounts for revenues and expenditures associated with the Arts Commission. This fund will be closed as of June 30, 2016.
- 280 Asset Forfeiture** – This fund accounts for property or funds seized by the Police Department. After a case has been tried and a guilty verdict is returned, the funds are considered forfeited. Federal funds must be used for narcotic enforcement and crime suppression. State funds must be used for areas related to drug prevention.
- 281 Abandoned Vehicle Abatement** – This fund accounts for monies which can only be used for the abatement, removal and disposal, as public nuisances, of any abandoned, wrecked, dismantled or inoperative vehicles, or parts thereof, from private or public property.
- 285 PEG Media** – This fund accounts for Public Access, Educational and Governmental (PEG) television channels provided for the citizens of Brentwood.
- 286 Parks Advertising** – This fund accounts for the funding to enhance the amenities at the Sunset Athletic Complex, the Brentwood Family Aquatic Complex and the Brentwood Skate Park, as well as the funding to publish and distribute the Parks and Recreation Activities Guide.
- 293 Measure C/J** – This fund accounts for the local jurisdiction portions of the Local Street Maintenance and Improvements 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.
- 302 City Low Income Housing** – This fund accounts for the activities related to the assets assumed by the City of Brentwood as Housing Successor to the housing activities of the former Brentwood Redevelopment Agency.
- 336 Roadway Improvements** – This fund accounts for transactions related to proceeds from assessment bonds and other resources and their use to acquire and construct certain street improvements.

- 337 Community Facilities Improvements** – This fund accounts for various community facilities improvement projects associated with either the construction or improvement of the City’s community facilities.
- 352 Parks and Trails Improvements** – This fund accounts for various park improvement projects associated with either the construction or improvement of the City’s parks.
- 361 Civic Center Project Lease Revenue Bond Acquisition** – This fund accounts for transactions related to proceeds from the 2009 Civic Center Bonds and other resources and their use to acquire and construct certain capital facilities and infrastructure.
- 366 2015 Lease Financing** – This fund accounts for transactions related to proceeds from the 2015 Lease Financing to acquire and construct certain capital facilities and infrastructure.
- 380 Civic Center Capital Improvement Financing Program** – This fund accounts for savings from refinanced City Capital Improvement Financing Program (CIFP) bonds and their use to finance a portion of the Civic Center project.
- 381 City Capital Improvement Financing Program** – This fund accounts for savings from refinanced City CIFP bonds and their use to acquire and construct certain capital facilities and infrastructure.
- 391 Drainage Improvements** – This fund accounts for various drainage improvement projects associated with either the upgrade or replacement of the City’s storm drain collection system.
- 392 Capital Infrastructure** – Under the oversight of the Capital Improvement Program (CIP) Executive Committee, this fund accounts for funds to be used for non-residential development related infrastructure projects and are not to be used for ongoing operating expenses.
- 393 Vineyards Projects** – This fund accounts for transactions related to proceeds from assessment bonds and other resources and their use to finance infrastructure improvements within the Vineyards development area.
- 394 Vineyards Event Center Projects** – This fund accounts for development fees collected for the design and construction of a Vineyards Event Center.
- 436 2014 A & B Refinance Debt Service** – This fund accounts for CIFP tax assessment receipt and debt service payments of CIFP Infrastructure Revenue Bonds.
- 437 2012 A Refinance Debt Service** – This fund accounts for CIFP tax assessments receipts and debt service payments of CIFP Infrastructure Revenue Bonds.
- 438 Capital Improvement Financing Program 2003-1 Debt Service** – This fund accounts for CIFP tax assessment receipts and debt service payments on CIFP Infrastructure Revenue Bonds.
- 439 Capital Improvement Financing Program 2002-1 Debt Service** – This fund accounts for CIFP tax assessments receipts and debt service payments of CIFP Infrastructure Revenue Bonds.

- 441 Capital Improvement Financing Program 94-1 Debt Service** – This fund accounts for CIFP tax assessment receipts and debt service payments on CIFP Infrastructure Revenue Bonds.
- 442 Capital Improvement Financing Program 98-1 Debt Service** – This fund accounts for CIFP tax assessments receipts and debt service payments on CIFP Infrastructure Revenue Bonds.
- 443 Capital Improvement Financing Program 99-1 Debt Service** – This fund accounts for CIFP tax assessments receipts and debt service payments on CIFP Infrastructure Revenue Bonds.
- 444 Capital Improvement Financing Program 2000-01 Debt Service** – This fund accounts for CIFP tax assessment receipt and debt service payments on CIFP Infrastructure Revenue Bonds.
- 445 Capital Improvement Revenue Refunding Bonds Series 2012 Debt Service** – This fund accounts for debt service transactions related to the refinance of the 2001 CIP Bond. The 2001 CIP Bond initially refinanced Roadway Bonds and a Tax Allocation Bond, and also financed the Brentwood Technology Center.
- 448 General Obligation Bonds Series 2002 Debt Service** – This fund accounts for tax levies from which general obligation debt service transactions are made on the General Obligation Bond Series 2002. This bond was used to finance the Police Station.
- 449 Capital Improvement Financing Program 2004-1 Debt Service** – This fund accounts for CIFP Tax assessment receipts and debt service payments on CIFP Infrastructure Revenue Bonds.
- 460 Randy Way Assessment District Debt Service** – This fund accounts for Randy Way tax assessment receipts and debt service payments of CIFP Infrastructure Revenue Bonds.
- 461 2009 Civic Center Project Lease Revenue Bonds Debt Service** – This fund accounts for debt service transactions relating to the 2009 Civic Center Project Lease Revenue Bonds.
- 462 2006 A & B Refinance Bonds Debt Service** – This fund accounts for CIFP tax assessment receipt and debt service payments of CIFP Infrastructure Revenue Bonds.
- 463 Capital Improvement Financing Program 2006-1 Debt Service** – This fund accounts for CIFP tax assessment receipt and debt service payments of CIFP Infrastructure Revenue Bonds.
- 464 Capital Improvement Financing Program 2005-1 Debt Service** – This fund accounts for CIFP Tax assessments receipts and debt service payments on CIFP Infrastructure Revenue Bonds.
- 465 96R Assessment District Debt Service** – This fund accounts for CIFP Tax assessment receipts and debt service payments on CIFP Infrastructure Revenue Bonds.

- 466 2015 Lease Financing Debt Service** – This fund accounts for debt service transactions related to the 2015 Lease Financing.
- 501 City Rentals Enterprise** – This fund accounts for all the City facilities rented and maintained through this fund.
- 510 Housing Enterprise** – This fund accounts for the administration of the Housing Enterprise which includes the Housing rental units, Affordable Housing and the First-Time Homebuyers program.
- 511 Housing Rental Trust** – This fund accounts for the operation and maintenance of the Housing rental units.
- 513 Housing Replacement** – This fund accounts for revenues and expenditures associated with the replacement of housing capital assets and infrastructure.
- 540 Solid Waste Enterprise** – This fund accounts for the operation, maintenance and capital costs of the solid waste system. These activities are funded by user charges.
- 542 Solid Waste Improvements** – This fund accounts for expenditures associated with solid waste capital improvement projects.
- 543 Solid Waste Replacement** – This fund accounts for revenues and expenditures associated with the replacements of solid waste capital assets and infrastructure.
- 560 Water Enterprise** – This fund accounts for the operation, maintenance and capital costs of the water system. These activities are funded by user charges and impact fees.
- 562 Water Improvements** – This fund accounts for expenditures associated with water capital improvement projects.
- 563 Water Replacement** – This fund accounts for revenues and expenditures associated with the replacements of water capital assets and infrastructures.
- 590 Wastewater Enterprise** – This fund accounts for the operation, maintenance and capital costs of the wastewater system. These activities are funded by user charges and impact fees.
- 592 Wastewater Improvements** – This fund accounts for expenditures associated with wastewater capital improvement projects.
- 593 Wastewater Replacement** – This fund accounts for revenues and expenditures associated with the replacements of wastewater capital assets and infrastructures.
- 6XX Landscape and Lighting Assessment Districts** – These funds account for special benefit assessments levied on property owners for landscape and street lighting maintenance.
- 700 Emergency Preparedness** – This fund accounts for funding for public safety related projects, strategic initiatives and other expenditures.
- 701 Information Services** – This fund accounts for funding of the development and coordination of the City’s information systems needs.

- 702 Equipment Replacement** – This fund accounts for vehicle and equipment replacement.
- 703 Information Systems Replacement** – This fund accounts for information systems replacements, such as computers and the phone system.
- 704 Facilities Replacement** – This fund accounts for repairs or the replacement of City facilities.
- 705 Tuition** – This fund accounts for expenditures related to continuing education.
- 706 Fleet Maintenance Services** – This fund accounts for the maintenance of all City vehicles, except for Police Department vehicles.

- 707 Facilities Maintenance Services** – This fund accounts for maintenance and repairs of City facilities.
- 708 Parks and LLAD Replacement** – This fund accounts for the replacement of landscaping, equipment and facilities in the Citywide Parks and Landscape and Lighting Assessment Districts (LLAD).
- 709 Insurance** – This fund accounts for future insurance costs and unforeseen expenses due to legal matters or lawsuits.
- 710 Pension/Other Post-Employment Benefits (OPEB) Obligation** – This fund accounts for the intermediate-term funding of OPEB and pension expenses.



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