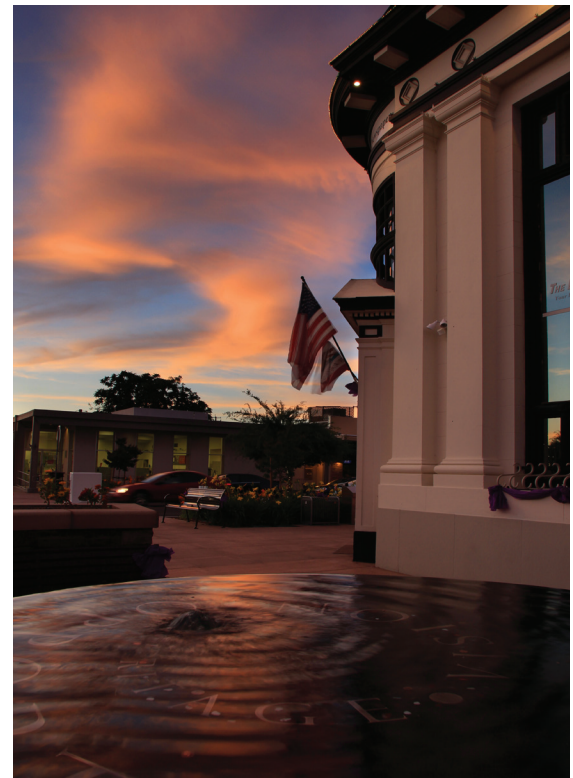


2018/19 - 2019/20
OPERATING BUDGET





June 2018

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 2018/19 and 2019/20. 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 2018/19 and FY 2019/20 ("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 City continues to experience growth, 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.

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

Looking ahead, the next couple of years will see significant accomplishments of important projects and initiatives. Focusing on economic development to increase jobs in our region, an Economic Development Action Plan has been approved by the City Council that includes the creation of a next generation business park through "shovel ready" available land, a Farm-to-Fork agriculture program, a Business Development Center at the Community Center, and pursuing a Brentwood Health Care campus. This economic development program will focus on a plan to "think locally", "act regionally" in the hopes of increasing jobs in the East County region.

The Police Department will implement strategies to provide additional CPR/first aid training to officers and the public, as well as to focus on disaster preparedness and traffic safety. The Parks and Recreation department will begin the implementation phase of the Parks, Trails and Recreation Master Plan in hopes of continuing to offer great recreational opportunities for years to come.

Investments in Los Vaqueros Reservoir and in non-potable water storage facilities as well as expansion of the wastewater treatment plant will ensure that both the quantity and quality of our water supply remain a high priority for the City.

The City will continue to pursue the funding and planning for the Multimodal Transit Center in Northwest Brentwood. The Transit Center will accommodate a variety of transportation modes that will provide the community with alternatives and choices for their commute needs.

The City Council's strategic plan, which provides additional information on these and other initiatives, is available at the City's website www.brentwoodca.gov.

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 Finance and Information Systems 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



City Council

Robert Taylor.....Mayor
 Joel BryantVice Mayor
 Balwinder "Bailey" GrewalCouncil Member
 Karen RareyCouncil Member
 Claudette Staton.....Council Member

Executive Team

Gustavo "Gus" Vina..... City Manager
 Damien Brower.....City Attorney
 Sukari Beshears Director of Human Resources/Risk Management
 Kerry Breen City Treasurer/Director of Finance and Information Systems
 Tom HansenChief of Police
 Casey McCann Director of Community Development
 Bruce Mulder..... Director of Parks and Recreation
 Miki Tsubota..... Director of Public Works/City Engineer

CITY ORGANIZATIONAL CHART

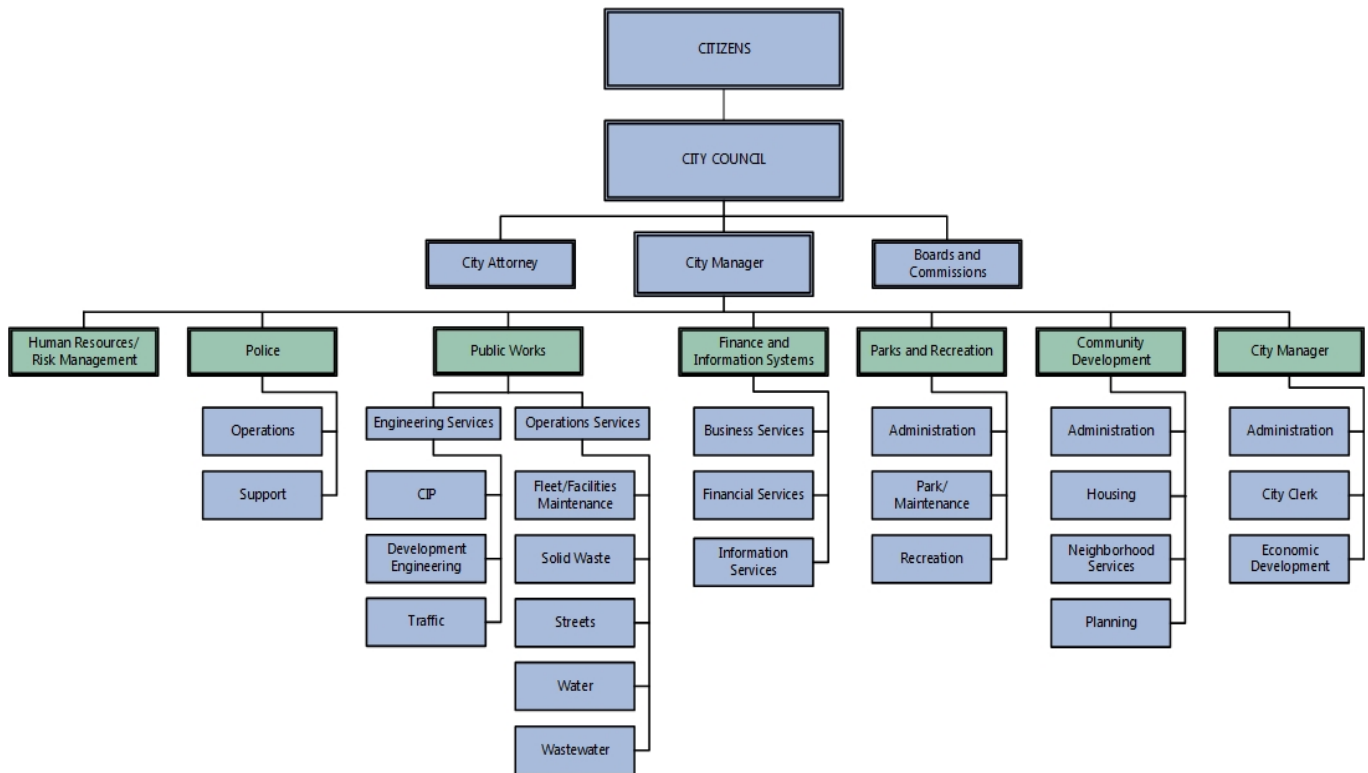




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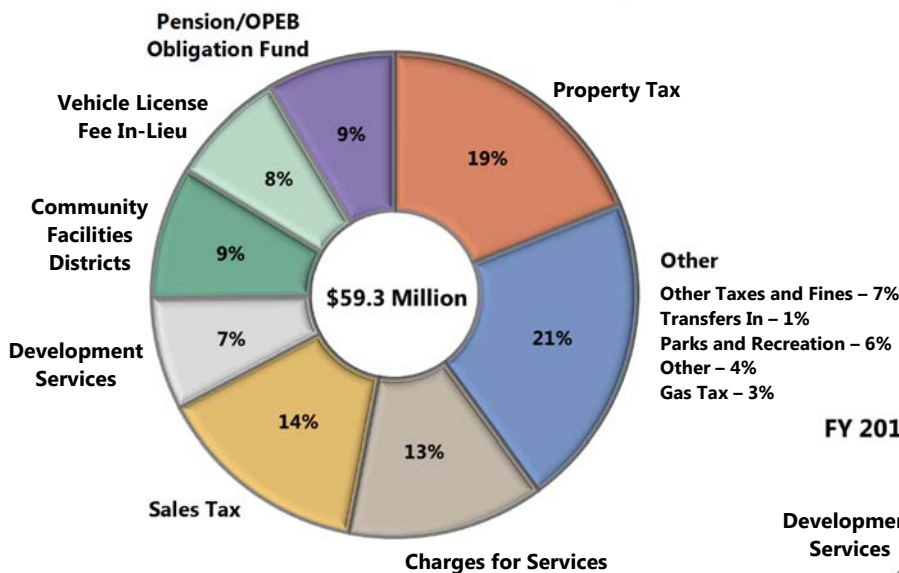
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EXECUTIVE SUMMARY

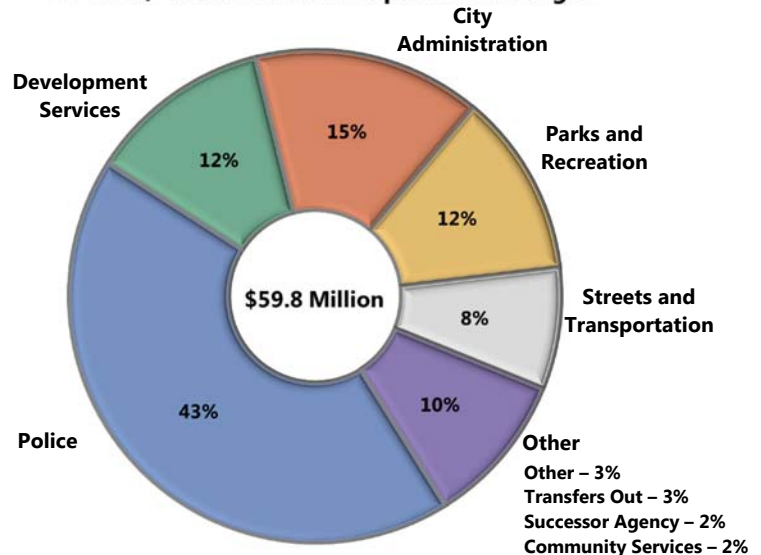
The Operating Budget is a flexible spending plan, which serves as the legal authority granted by the City Council to commit financial resources. The total Operating Budget for fiscal year (FY) 2018/19 is \$324.4 million. The City of Brentwood provides a full range of services, including police; parks and recreation; public works; economic development; planning; building; community enrichment; engineering and inspection; housing and general administrative services. Brentwood operates public water and wastewater utilities and 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, streets and transportation, 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 2018/19 General Fund Revenue Budget



FY 2018/19 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 26, the following budget items were key factors in the development of this budget.

- **New Library**

The project to replace the existing library in the Civic Center area is nearly complete serving the needs of a growing population. The construction of the library was financed through Community Facilities District (CFD) bond proceeds and a private placement debt issuance. Although library services are provided by Contra Costa County, the City is responsible for providing the library facility. The new library is expected to open in Fall of FY 2018/19, and while the County provides 35 hours of operation through its budget, the City contracts for additional library hours to enhance service to the community. The debt payments for this project, along with increased operational and replacement costs are included in this two-year budget.

- **Fire Service**

The City receives fire protection from the ECCFPD. Currently, the ECCFPD does not have revenues to provide desired service levels to the communities within its service area boundaries. As a part of the 2018/19 – 2019/20 Strategic Plan, adopted in February 2018, the City Council gave direction to initiate negotiations with the ECCFPD for the staffing of a two-person squad vehicle to provide enhanced fire and medical response. As a part of the Strategic Initiative costs, the budget includes estimates for contracting for these additional services.

The Strategic Plan also includes direction to determine an appropriate location for the next fire station in Brentwood in consultation with ECCFPD. The station will be constructed using development impact fees to prepare for future expanded fire services. The cost of this facility is included in the capital portion of the budget.

- **Enterprise Rate Studies**

Charges for the Water, Wastewater and Solid Waste Enterprise services provided by the City are set in accordance with Proposition 218 and are required to be sufficient to cover the necessary operating expenses, debt service and capital improvements costs of the Enterprises. Five-year rate studies are developed that include the future enterprise operating expenditures and capital budgets. City Council's approval of the enterprise rates for the five-year period provides the funding for the proposed budgets included in this draft.

- **Economic Development Master Plan**

Job creation within the City has not kept pace with the rapid growth in population. In order to address the resulting jobs/housing imbalance, the Strategic Plan includes an Economic Development Master Plan initiative, including “Game Changer” strategies to focus on development that will bring jobs to the City. The cost of these strategies have been included in the budget as Strategic Plan costs.

- **Wastewater Treatment Plant Expansion**

To ensure capacity to service the City’s final buildout population, a \$62.0 million capital project for the expansion of the wastewater treatment plant is included in the budget. The project is also required to keep the system in compliance with more stringent water discharge requirements. The City has applied for a low interest rate State Water Resources Control Board Revolving Fund (“SRF”) loan to fund this project with a 30-year term. The budget includes a repayment plan funded from a combination of development impact fees, replacement funds and operations revenue.

- **Non Potable Water Projects**

There are several projects included in the budget to store and utilize non-potable water, increasing its use for irrigation and conserving potable water. Increasing the use of non-potable water for irrigation will reduce wastewater discharge and assist with ongoing compliance with regulatory requirements. In July of 2017, the State approved a 1% interest rate SRF loan to be paid back over 30 years. The funding also included provisions for approximately 35% of the project costs to be paid for by grants from Proposition 1 and 13.

- **Road Repair and Accountability Act (SB 1)**

In April of 2017, Senate Bill (SB) 1 was passed by the California state legislature, increasing per gallon fuel taxes and vehicle registration fees. These taxes are collected to address basic road maintenance, rehabilitation and critical safety needs for both state highways and local roads. Estimated revenue from this new tax is approximately \$1.0 million for each of the two budget years and has been included in the budget to fund pavement management projects. These projects are also included in the 2018/19 – 2019/20 Strategic Plan for both budget years as a part of the capital budgets.

- **Personnel Costs**

With personnel costs comprising approximately two-thirds 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 negotiated contracts with its bargaining groups that will expire at the end of FY 2019/20. This budget includes negotiated salary increases for the City’s non-sworn and sworn labor groups, ranging between 3.0% and 4.0%. In addition, the increased cost of health care benefits and other negotiated benefits were included in the budget.

Other Post-Employment Benefits (OPEB)

Also included in 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 are projected to total \$4.7 million in FY 2019/20. 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 latest valuation available, the OPEB unfunded actuarial accrued liability for the City was \$41.8 million.

Pension Paydown Plan

The City contracts with the California Public Employees' Retirement System (CalPERS) for pension benefits. Pensions are funded through a combination of employee contributions, employer contributions and investment returns. When shortfalls in the system occur, the liability is typically borne by the employer. Most pension plans, including Brentwood's are underfunded as a result of CalPERS lower investment return assumptions. In order to strengthen the health of the pension system, CalPERS has implemented a plan to increase employer funding requirements over the coming years.

The City has developed a prepayment strategy in an effort to minimize the impacts of future rate increases. The strategy immediately pays off a portion of the City's unfunded pension obligation, negating the need for a portion of projected pension rate increases. Funding for the \$12.6 million prepayment plan will come primarily from the Pension/OPEB Obligation Fund, along with Enterprise Funds. The \$12.6 million payment is expected to result in over \$22 million in reduced contribution requirements over the next 15 years.

- **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 \$19 million has been set aside in the fund to help mitigate budgetary challenges in the General Fund. Approximately \$4.3 million is budgeted to be transferred to the General Fund in FY 2018/19 and \$4.7 million in FY 2019/20; however, budgetary savings have significantly reduced or eliminated the need for such a transfer in past fiscal years.

- **Legislative Issues**

Proposition 68, a Parks and Water Bond measure has been placed on the June 2018 statewide ballot. This bond measure would provide funding for parks on a per capita basis to cities, counties and park districts and funding for competitive grants. The water portion of the bond measure would also provide for grants and loans for potable and non-potable programs and projects. Should the proposition pass, the City would seek any available funding for qualified local parks and water projects.

Also, on the June 2018 ballot, Regional Measure 3 would provide for an increase in bay area bridge tolls for the funding of local transportation projects. Should the measure pass, the City would seek funding for projects such as a transit station with a Bay Area Rapid Transit eBART stop.

There are two propositions which would significantly impact the City, for which signatures are currently being gathered in an attempt to qualify for the November 2018 ballot. First is a measure that would require a 2/3 supermajority vote for all new local taxes and restrict local authority in setting fees for service. This would limit the ability of the City to recover the cost of services and make it more difficult to raise additional revenues in the future. A second proposition seeks to repeal SB 1 and reduce a critical funding source for maintenance of the City's streets and roads.

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 average annual 4.5% increase in property tax values
- An average annual 3.5% increase in sales tax revenues
- Personnel, pension and OPEB costs, including the Pension Paydown Plan
- Costs of fully funded Strategic Plan initiatives

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 2017, the State of California experienced personal income growth of 4.5%, a faster pace than of the rest of the United States. In addition, job gains were posted at a rate faster than the nation as a whole and residential building increased by 14% compared to 2016. However, despite current positive economic data, the State has had a 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 long running economic recovery in the United States due to the effects of uncertainty caused by renegotiation of international trade agreements, potential tariffs, Britain's departure from the European Union and instability in the Middle East. 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 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. The charges for these services are set in accordance with Proposition 218 and are required to be sufficient to cover the necessary operating expenses, debt service and capital improvements costs of the Enterprises. Five-year rate studies are developed that include future enterprise operating expenditures and capital budgets used as a basis to project revenues and expenditures during the ten-year period. 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 affect 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 75.5% of its build-out plan for residential population, yet the job population is only at 43.0%, resulting in a current jobs/housing ratio of .74.

To assist in achieving the goal of a jobs/housing balance, the City is undergoing the process of creating a specific plan for development in an area identified as Priority Area 1 (PA-1). PA-1, a 373-acre project site located in the northwest corner of Brentwood, is a projected focal point for jobs and mixed-use development. The specific plan will create the precise criteria for the growth and development of PA-1 with a focus on development to support job growth. This is one of the strategies being undertaken designed to generate economic development and achieve the balanced jobs/housing ratio of 1.5 as dictated in the City's General Plan.

- **Ensuring Desired Fire Protection Service Levels**

As discussed previously, the ECCFPD does not have revenues to provide desired services levels to the communities within its service area boundaries. Although the City's Strategic Plan includes steps to provide enhanced fire and medical response, ECCFPD along with all community stakeholders will need to develop a long-term solution to fund improved service levels within the district boundaries.

- **Regional Transportation Improvements**

As increasingly heavy commute traffic has become a regional issue, 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. This project is currently under construction and is more than 50% complete. 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.

Included in the draft of the specific plan for PA-1 is a transit oriented development to include a mixture of housing, office, retail and other amenities in a walkable neighborhood within a half mile of a transit station. In the near-term, this transit station would include a bus station and

parking, in the long-term a Bay Area Rapid Transit eBART station is planned to provide drivers a viable alternative to driving to and from jobs elsewhere in the region.

- **Water Supply**

The City has secured water supplies to meet the needs of the population at build-out. However, water quality and supply must be protected from the impacts of droughts, salt intrusion, and algae blooms. Water resiliency projects, including buying water storage capacity at Los Vaqueros and making the most use of non-potable water resources, will assist in addressing the long-term water needs of the community.

- **Securing Alternative Infrastructure Funding**

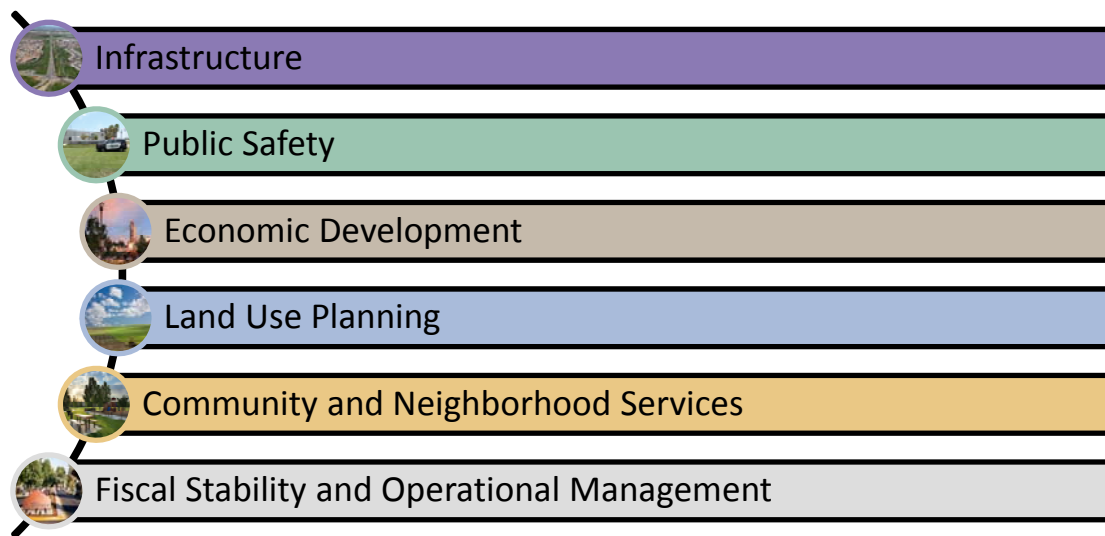
The dissolution of redevelopment left the City without the estimated \$156 million future redevelopment tax increment and bond issuances, which would have provided funding for several capital improvements in the former redevelopment area. Most significant of these is the Brentwood Boulevard project. At this time a viable alternative funding source has yet to be developed.



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

On November 16 and 17, 2017, 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.

From November 2017 to January 2018, 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 27, 2018, 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 2017/18 fiscal year, prior to the start of the two-year Strategic Plan period set to begin on July 1, 2018. These priority projects, approved for action in the current 2017/18 fiscal year, 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.

- 4.1.a. - Community Build-Out Plan
- 2.4.a. and 2.4.b. - Negotiations with ECCFPD on the location to open a new fire station and contracting for a two-person squad vehicle

- 5.1.c. - Conduct a feasibility study for the Vineyards Amphitheater project

In February 2018, an updated Strategic Plan was presented to the City Council including: 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 in the Operating and CIP budgets, as well as the Fiscal Model. For initiatives requiring funding, costs have been included either in the 2018/19 – 2019/20 departmental operating 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 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

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>	
Goal 1 – Regional Transportation: Be an engaged partner in regional transportation collaborating with Contra Costa Transportation Authority (CCTA), eBART, Transplan and other stakeholders	The City will investigate the use of all available funding sources, including Regional Measure 3, an increase in bridge tolls, for a planned Multimodal Transit Center in Priority Area 1 (PA-1). PA-1 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. The area is intended primarily for a mix of land use development with a primary focus to generate jobs. In addition, a plan will be developed for infrastructure construction within PA-1 so that it is "shovel-ready" for economic development.
Goal 2 – Water, Wastewater and Solid Waste Services: Provide safe and sustainable water, wastewater and solid waste services for the build-out of the City per the City’s General Plan	The City has secured water supplies to meet the needs of the population at build-out. However, in conjunction with other stakeholders, work will be accomplished to protect water quality from impacts, such as droughts, salt intrusion, and algae blooms. The City will support and participate in water resiliency projects and non-potable water storage projects to address these concerns. In addition, plans will continue to ensure wastewater and solid waste services will meet the needs of the population at build-out.
Goal 3 – Local Transportation: 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	The City will coordinate the design and construction of roadway improvements, including bike lanes, to encourage the development of PA-1. In addition, to ensure the long-term health of our streets and to avoid exponential reconstruction costs, the City will be proactive in maintaining our streets through the Pavement Management Program.

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 – Improve disaster preparedness</p>	<p>Brentwood is surrounded by other cities and unincorporated areas. This presents a unique challenge in disaster preparedness. To prepare the City for an emergency response and recovery, an emergency/disaster tabletop exercise will be conducted in coordination with other local agencies activating the Emergency Operations Center. The police department will also purchase and utilize Mobile Vehicle Barriers to help prevent vehicle attacks at special events, such as the Downtown Farmer’s Market.</p>
<p>Goal 2 – Traffic safety improvements using the latest technology for vehicle and pedestrian safety</p>	<p>Educating citizens of the dangers of poor driving habits will be the focus of a public education plan. Additional efforts will include the installation of traffic safety technology at intersections and conducting multi-agency traffic enforcement efforts.</p>
<p>Goal 3 – Fire and medical community “self-help” strategies</p>	<p>To address the need for additional fire and medical services in the community, strategies will be undertaken to enhance services, which include Cardiopulmonary Resuscitation (CPR)/ First Aid/Automated External Defibrillator (AED) officer certification in order to conduct training, the purchase and installation of smoke detectors in homes and adding additional fire extinguisher capacity to patrol cars.</p>
<p>Goal 4 – Implement strategies to enhance fire and medical levels of service</p>	<p>The City will enter negotiations with ECCFPD to contract for the staffing of a two-person squad vehicle to provide for enhanced fire and medical response.</p> <p>The City will also, in consultation with ECCFPD, determine the appropriate location for the next fire station in Brentwood and construct the facility utilizing development impact fees, to prepare for the potential of future expanded fire services.</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.

<p>Goal 1 – Establish and implement the vision for a vibrant Downtown</p>	<p>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 creating a vision for the Downtown of the Future, continuing and expanding beautification programs and implementing a parking management plan.</p>
<p>Goal 2 – Implementation of Main Streets</p>	<p>The CA Main Street Alliance offers a community-based and adaptable framework for downtown transformation and revitalization. The City will continue to work with and assist Downtown stakeholders to become accredited as a CA Main Street City.</p>
<p>Goal 3 – Implement the Economic Development Action Plan</p>	<p>To drive economic growth and directly address the jobs/housing imbalance in the City, an Economic Development Action Plan will be implemented focusing on several "Game Changer" strategies. This plan incorporates City Council members as "Game Changer" champions to work with City staff on cultivating existing businesses, attracting new business development and promoting Brentwood as a destination City. In addition, the City will collaborate with other local agencies to enhance economic development in the East Contra Costa region as a whole.</p>
<p>Goal 4 – Create a business friendly culture through commerce facilitation, incentives and technology</p>	<p>In conjunction with the Economic Development Action Plan, marketing strategies and incentives will be developed to facilitate commerce. An agriculture business program will be developed and opportunities, which include leveraging private investment, will be pursued.</p>
<p>Goal 5 – Establish wayfinding program and signage</p>	<p>Wayfinding signage for autos and pedestrians will be developed to facilitate attraction of the community and visitors to key locations in the City as a part of the Economic Development Action Plan strategy implementation.</p>

Focus Area 4: Land Use Planning

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

<p>Goal 1 – Establish a diverse and balanced community with safe and attractive neighborhoods, complemented by job generating employment centers</p>	<p>To achieve this goal, work will focus on a 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. In addition, the zoning portions of the City's municipal code will be updated and an annual report on the General Plan implementation action items will be developed.</p>
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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.

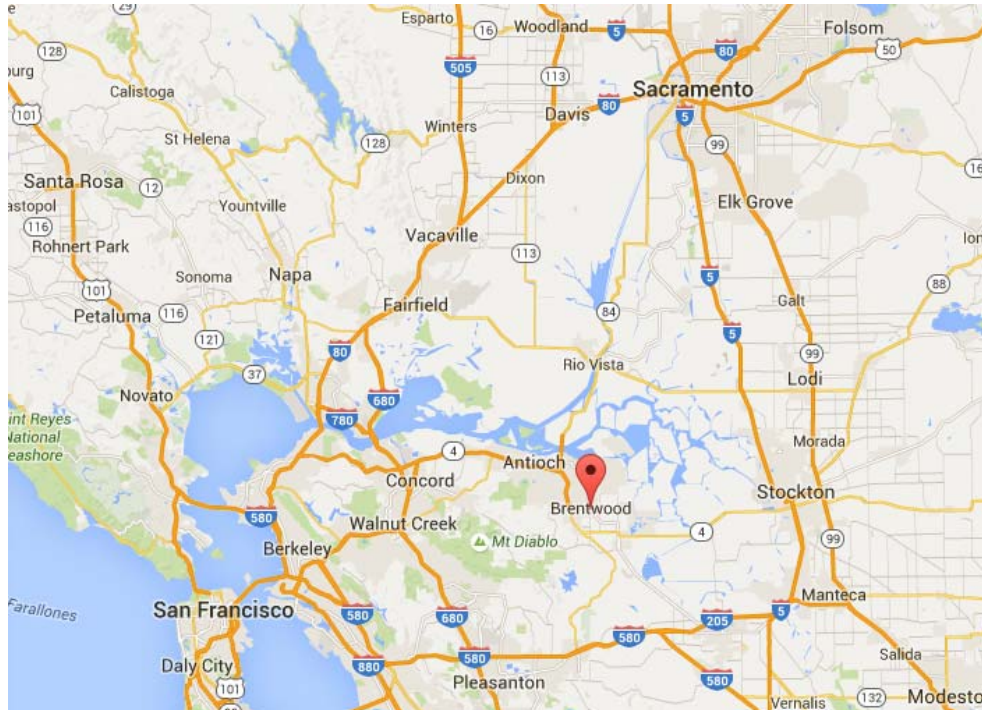
<p>Goal 1 – Maintain and operate a comprehensive system of parks, trails and recreation facilities in and around Brentwood</p>	<p>With City Council direction, begin the implementation phase of the updated Parks, Trails and Recreation Master Plan, which provides guiding principles, standards and a community needs assessment for future recreation amenities. Working with strategic partners, consider the results of the amphitheater feasibility study for the development of the Vineyards Event Center operational model.</p>
<p>Goal 2 – Enhance the quality of life for all City residents through the provision of recreational, cultural and social resources</p>	<p>Key to this goal is developing partnerships with other community service providers, including school districts, to expand opportunities for recreation, community events, education, cultural arts and social resources.</p>

Focus Area 6: Fiscal Stability and Operational Management

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

<p>Goal 1 – Establish citywide workforce training and development opportunities</p>	<p>Create a continuous learning environment for all employees through ongoing engagement during the course of the employment cycle. A Career Passport Program will be designed to create staff development opportunities for employees to acquire new skills and competencies that are aligned with their career goals. The New Employee Orientation Program will be developed to engage employees during the onboarding process and encourage success from day one. The Internship Program will educate students about local government operations and expose them to career opportunities within local government.</p>
<p>Goal 2 – Leverage technology to improve staff efficiency and enhance the delivery of City services</p>	<p>A comprehensive Technology Master Plan and a Comprehensive Communication/Marketing Strategic will be developed outlining how to meet the City's technological and communication goals in the future.</p>

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 61,055 (as of January 1, 2017)
- 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 two 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. In addition, Brentwood has its own Parks and Recreation Department. The City currently has 244 developed acres of parkland, 77 award winning parks and facilities, 40 mile of trails and 60 miles of bike lanes. Over 150 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 remained strong resulting in several years of increased permit issuances. The City has issued an average of over 500 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 rise with the median home sales price as of February 2018 at approximately \$640,000. Although the City has experienced strong activity in the most recent fiscal years, for budgetary purposes a more moderate rate of growth is assumed. Below are the two-year budget building permit projections.

	FY 2018/19	FY 2019/20
Single Family Units Per Year	250	250
Commercial, Office Industrial Sq. Ft. Per Year	270,000	80,000
Citywide Housing Unit Total	20,684	20,934

Downtown Brentwood experienced increased private investment and retail activity in the years leading up to 2018. Because of this increased activity, the Downtown is becoming a destination for friends and families that are seeking a safe and fun environment.

Brentwood is home to a diverse retail sector and a variety of office, flex-office, and light-industrial businesses. With the recent adoption of the Economic Development Strategic Action Plan and forthcoming Priority Area-1 (PA1) Specific Plan, job creation in Brentwood is a key objective.

Employment

Brentwood is part of Contra Costa County, one of nine counties which comprise the San Francisco Bay area. There were approximately 15,000 jobs reported in Brentwood for 2018. As of April 2018, Brentwood had a labor force of 29,000 and a 3% unemployment rate and Contra Costa County had a labor force of 589,000 with an unemployment rate of 4.5%.

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

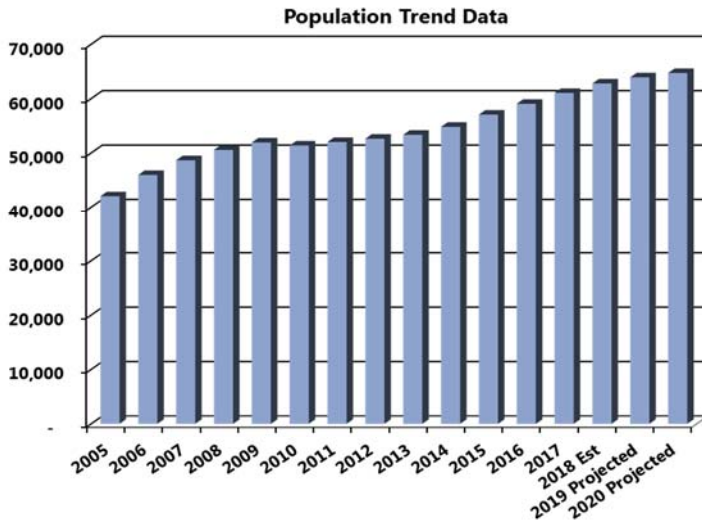
Balfour, Guthrie & Co. had the State's largest dry-yard and packing shed with more than 600 employees

1948

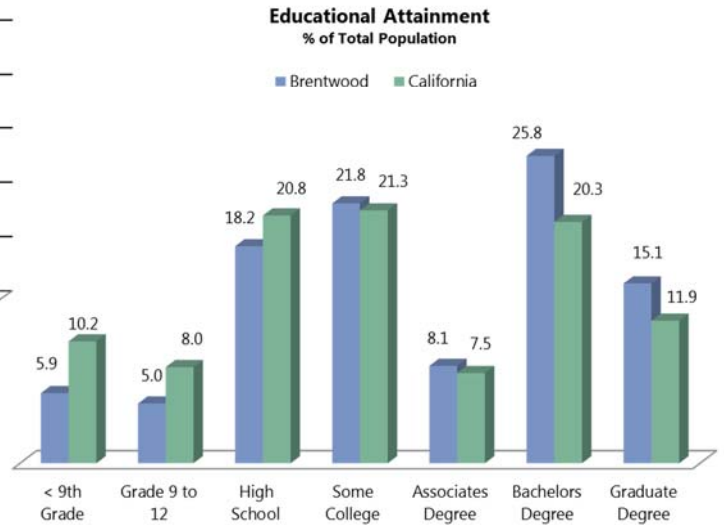
Brentwood becomes a City

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/Applied Geographical Solutions, 2017
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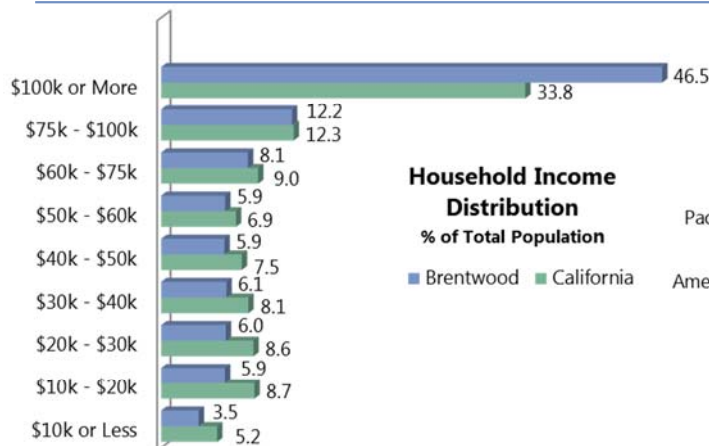


Median Age - 37 Years Old

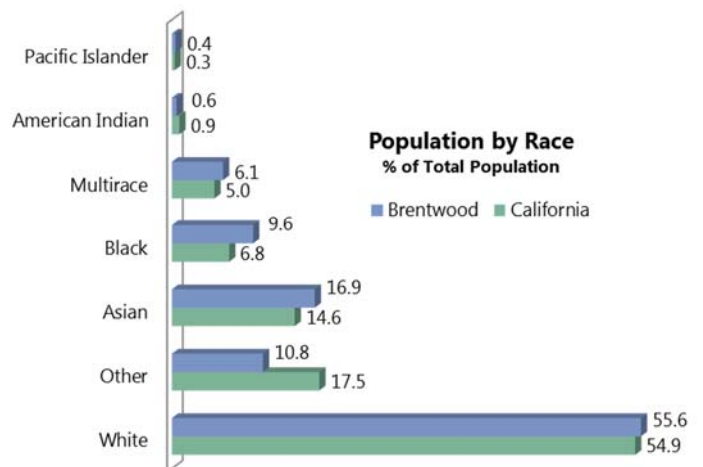


The Bay Area has grown significantly as an employment center over the past 25 years and, as a result of this expansion in the Bay Area, Brentwood also experienced significant growth. From the mid 1990's to the mid 2000's the City's population more than tripled, transforming Brentwood from a historically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

During the recession growth slowed considerably, although over the past several years the convergence of low interest rates and affordable housing prices have resulted in increased development activity and associated population growth. In 2017, Brentwood was once again the fastest growing city in Contra Costa County, with a 3% increase in population between January 1, 2016 and January 1, 2017.



Median Household Income - \$103,975



2017 Top 25 Sales/Use Tax Producers – 4th Quarter

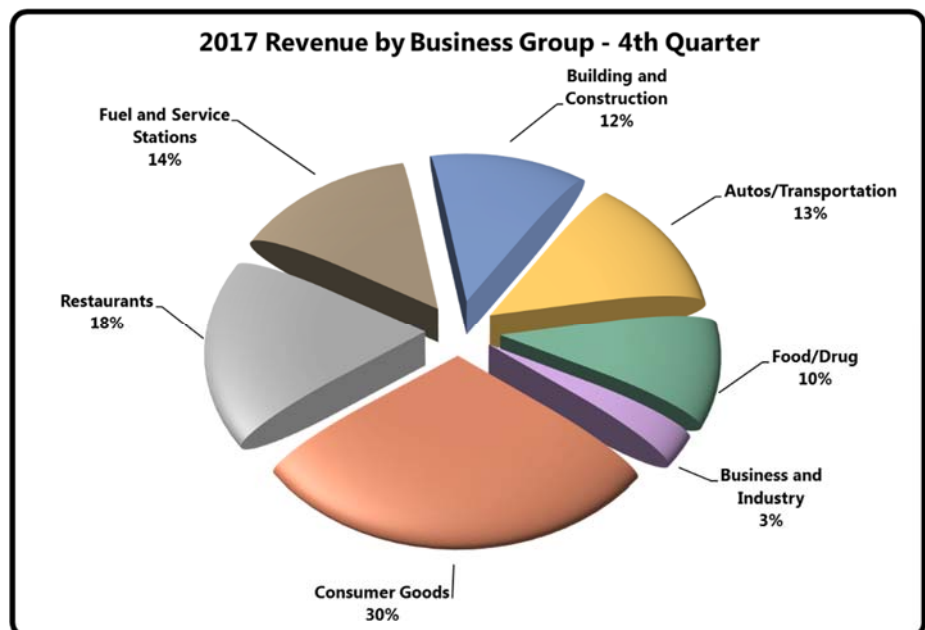
(In Alphabetical Order)

Arco AM PM	AT&T	Best Buy	Big B Lumber	Bill Brandt Ford
BJs Restaurant & Brewhouse	Brentwood Ready Mix	Chevron (Lone Tree and Balfour)	Chevron (Sycamore and Griffith Lane)	Circle K Gas
Colonial Energy	Golden Gate Petroleum	Home Depot	Home Goods	Kohl's
Oakley Petro	Ross	Safeway	Shell	TJ Maxx
Ulta Beauty	Verizon Wireless	Victoria's Secret	Walgreens Co.	Winco Foods, Inc.

Principal Employers for 2018

(In Alphabetical Order)

BJ's Restaurant & Brewhouse	Brentwood Union School District
City of Brentwood	Delta Valley Athletic Club
Elison Framing	Home Depot
John Muir	Kohl's
Liberty Union High School District	Precision Cabinets
Raley's	Safeway Stores, Inc.
Town & Country Roofing	Walgreen's Co.
Winco Foods, Inc.	





Public Safety (FY 2017)	
Police	
Sworn Officers	62
Overstaffing	4
Reserves	0
Vehicles	49
Motorcycles	6
East Contra Costa Fire Protection District	
Stations Located in Brentwood	1
Firefighters in Brentwood	10

Infrastructure and Utilities (FY 2017)	
Streets	192 miles
Sanitary Sewers	235 miles
Water Mains	302 miles
Street Lights	6,693
Wastewater Lift Stations	2
Wastewater Connections	18,748
Average Daily Wastewater Flow	3.59 MGD
Water Wells	7
Water Reservoirs	6
Water Connections	19,385
Water Storage Capacity	19 MG
Average Daily Water Production	8 MGD
Peak Daily Water Production	16 MGD
Residential Solid Waste Services	18,430
Commercial Solid Waste Services	489



Public Schools (FY 2017)	
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 Finance and Information Systems Department (“Finance Department”) 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. 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, the Finance Department 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 A – 31, 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 Finance and Information Systems 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 Finance and Information Systems, 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, used for budget stabilization purposes) 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

The Finance Department is responsible for both preparing and monitoring the City's Operating Budget. The Finance Department 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 November, 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. The Finance Department 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.

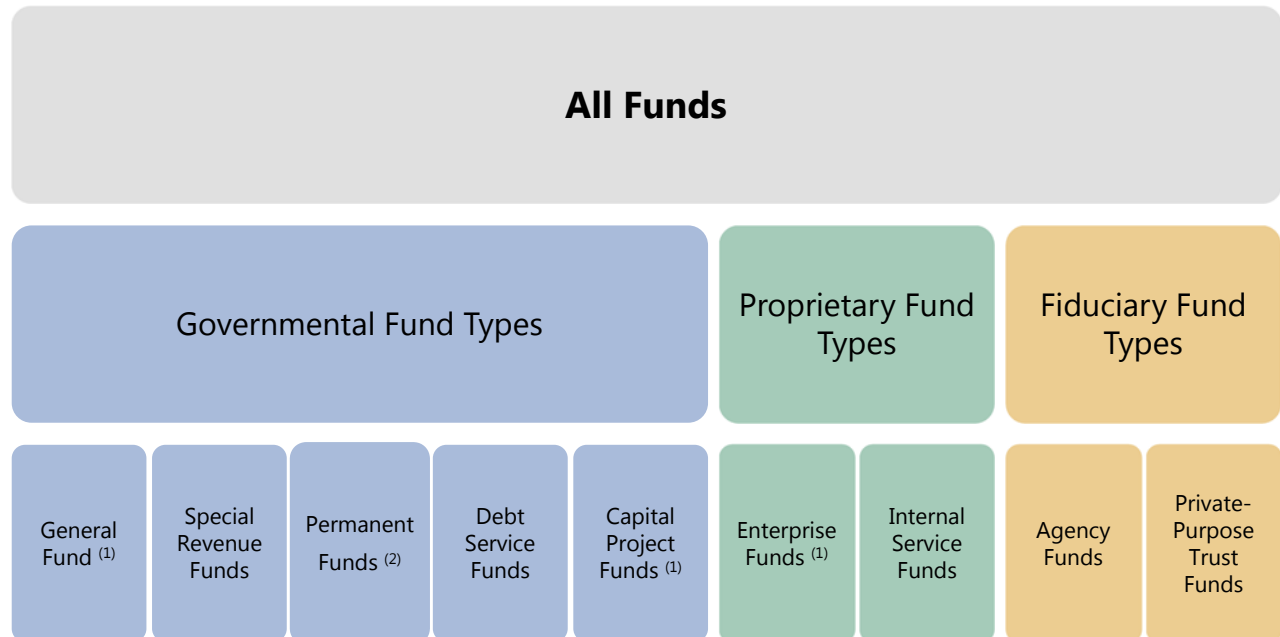
Between December and March, all departments enter, review and adjust budgets as needed to ensure the proposed two-year budget meets all of the defined guidelines. Departments are responsible for entering budgets for supplies and services and preparing personnel requests and reallocations, required to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

Budget reports are prepared for review by the Director of Finance and Information Systems, the City Manager and department directors. Once all of the reviews are completed, and all revisions have been incorporated, the Finance Department prepares the Operating Budget document for presentation and review at an Operating Budget/Fiscal Model Workshop, held in May, to gather input from the public and the City Council. The proposed budget is used to create a ten-year Fiscal Model projection, which is also presented at the Workshop for City Council consideration of the long-term impacts of the proposed budget on the General Fund. The Finance Department 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.



FUND STRUCTURE

Below is a graphic illustrating the City's fund structure. See the Guide to Funds – Description of Funds, beginning on page A – 95, for a complete description of individual funds.



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

(2) Due to immateriality, the City's Permanent fund is included with Special Revenue Funds for budget presentation

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 specific revenues that are restricted by law or administrative action to expenditures for specified purposes
- **Permanent Funds** account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support City programs for the benefit of the City and its citizens

- **Debt Service Funds** account for the accumulation of resources for and payment of, interest, principal and related costs on long-term debt
- **Capital Funds** account for financial resources segregated for the acquisition and construction of major capital facilities or infrastructure

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 former Brentwood Redevelopment Agency (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.

As a part of developing the budget, cost allocations are utilized. Each employee's costs are allocated to one or more department or division depending on the assigned scope of work. In addition, internal service funds, such as those that provide vehicle maintenance, recover costs of operation from departments based on the proportionate share of service received. For internal service funds that provide replacement funding for assets, funding is recovered in a proportionate share from the departments based on replacement value and useful lives of the assets within the department.

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 A – 66.

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. As of February 2018 the City has an AA+ credit rating. Policies related to debt can be found beginning on page A – 49.

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, 2017, the outstanding indebtedness was \$6,126,810 with a debt limit of \$321,001,823, leaving a legal debt margin of \$314,875,013.

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 future accreted interest, was \$9,610,000 as of June 30, 2017.

General Obligation Bonds Series 2002		
Year Ending	Principal	Total
June 30		
2018	\$ 490,000	\$ 490,000
2019	515,000	515,000
2020	540,000	540,000
2021	570,000	570,000
2022	595,000	595,000
2023-2027	3,455,000	3,455,000
2028-2031	3,445,000	3,445,000
Subtotal	9,610,000	\$ 9,610,000
Future Accretion	(3,397,211)	
Total	\$ 6,212,789	

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

On October 16, 2009, the Brentwood Infrastructure Financing Authority (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, 2017 was \$43,945,000.

2009 Civic Center Project Lease Revenue Bonds			
Year Ending	Principal	Interest	Total
June 30			
2018	\$ 1,125,000	\$ 3,190,554	\$ 4,315,554
2019	1,170,000	3,119,868	4,289,868
2020	1,215,000	3,046,410	4,261,410
2021	1,265,000	2,969,078	4,234,078
2022	1,320,000	2,886,861	4,206,861
2023-2027	7,515,000	12,959,051	20,474,051
2028-2032	9,485,000	9,831,237	19,316,237
2033-2037	12,070,000	5,753,985	17,823,985
2038-2040	8,780,000	1,028,901	9,808,901
Total	\$ 43,945,000	\$ 44,785,945	\$ 88,730,945

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 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.

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 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 \$20,307,469 remaining share of debt service on the bonds, as of June 30, 2017, which is scheduled to occur in 2032. For fiscal year 2016/17, gross tax revenue available to be distributed to the Successor Agency totaled \$7,232,616, which represented coverage of 5.33 times the Successor Agency's debt service payment of \$1,356,125. 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, 2017 was \$19,610,000.

Capital Improvement Revenue Refunding Bonds Series 2012

Year Ending	Principal	Interest	Total
June 30			
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	1,130,000	785,550	1,915,550
2022	1,185,000	724,781	1,909,781
2023-2027	6,910,000	2,638,625	9,548,625
2028-2032	7,330,000	902,976	8,232,976
Total	\$ 19,610,000	\$ 7,742,458	\$ 27,352,458

- **2015 Lease Financing**

On December 17, 2015 the Authority issued \$11,515,000 in a private placement 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. 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 Development Impact Fees.

2015 Lease Financing			
Year Ending	Principal	Interest	Total
June 30			
2018	\$ 435,000	\$ 356,281	\$ 791,281
2019	450,000	341,900	791,900
2020	465,000	327,031	792,031
2021	480,000	311,675	791,675
2022	495,000	295,831	790,831
2023-2027	2,720,000	1,223,625	3,943,625
2028-2032	3,190,000	744,413	3,934,413
2033-2036	2,945,000	195,244	3,140,244
Total	\$ 11,180,000	\$ 3,796,000	\$ 14,976,000

- **Successor Agency Payment Plan**

Following the dissolution of California redevelopment agencies, via legislative order in February 2012, the State of California Department of Finance (DOF) informed Brentwood it had determined certain transfers of funds, from the former 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.

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:

Successor Agency Payment Plan			
Year Ending	Principal	Interest	Total
June 30			
2018	\$ 1,294,412	\$ 0	\$ 1,294,412
2019	1,376,499	0	1,376,499
2020	1,460,783	0	1,460,783
2021	1,548,919	0	1,548,919
2022	1,638,690	0	1,638,690
2023-2026	6,063,014	0	6,063,014
Total	\$ 13,382,317	\$ 0	\$ 13,382,317

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.

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 (SWRCB) for the purpose of financing the Wastewater Treatment Plant 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.

State Water Resources Loan (Wastewater)			
Year Ending			
June 30	Principal	Interest	Total
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	2,162,085	119,210	2,281,295
2022	2,201,113	80,182	2,281,295
2023	2,240,846	40,449	2,281,295
Total	\$ 12,862,991	\$ 824,779	\$ 13,687,770

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, 2017, the City’s gross repayment obligation totaled \$13,687,770, which is net of the unamortized discount of \$824,779.

The City is planning to pay the remaining debt service obligation for the current loan in FY 2019/20 in anticipation of a new SWRCB loan for the Wastewater Treatment Plant Expansion – Phase II capital project.

- **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.

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, 2017 the principal balance of the 2008 Water Bonds was \$1,460,000 and the 2014 Water Bonds was \$42,810,000.

Water Revenue Bonds Series 2008

Year Ending			
June 30	Principal	Interest	Total
2018	\$ 1,460,000	\$ 83,950	\$ 1,543,950
Total	\$ 1,460,000	\$ 83,950	\$ 1,543,950

The Authority has pledged future water customer revenues, net of specified operating expenses, through 2038 to repay the Water Revenue Bonds. The Water Fund's principal and interest paid during FY 2016/17 was \$3,511,225.

Water Revenue Refunding Bonds Series 2014

Year Ending			
June 30	Principal	Interest	Total
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	1,775,000	1,739,100	3,514,100
2022	1,860,000	1,650,350	3,510,350
2023-2027	10,135,000	6,760,250	16,895,250
2028-2032	9,675,000	4,579,800	14,254,800
2033-2037	11,805,000	2,434,100	14,239,100
2038	2,710,000	135,500	2,845,500
Total	\$ 42,810,000	\$ 22,992,900	\$ 65,802,900



Below is a schedule of payments by fund for the fiscal years 2018/19 and 2019/20 for all long-term debt obligations discussed in this section.

Long-Term Debt Schedule of Payments by Fund Fiscal Years 2018/19 and 2019/20							
Description	Fund	FY 2018/19			FY 2019/20 ⁽¹⁾		
		Principal	Interest	Total	Principal	Interest	Total
City Debt Obligations							
General Obligation Bonds Series 2002	448	\$ 515,000	\$ 0	\$ 515,000	\$ 540,000	\$ 0	\$ 540,000
2009 Civic Center Project Lease Revenue Bonds	461	1,170,000	3,119,868	4,289,868	1,215,000	3,046,410	4,261,410
Capital Improvement Revenue Refunding Bonds Series 2012	445	1,020,000	898,163	1,918,163	1,070,000	843,300	1,913,300
2015 Lease Financing	466	450,000	341,900	791,900	465,000	327,031	792,031
Successor Agency Payment Plan	100	1,376,499	0	1,376,499	1,460,783	0	1,460,783
Enterprise Debt Obligations							
State Water Resources Loan (Wastewater) ⁽¹⁾	590	911,206	195,202	1,106,408	3,812,301	397,387	4,209,688
State Water Resources Loan (Wastewater) ⁽¹⁾	255	1,174,887	0	1,174,887	4,915,492	0	4,915,492
Water Revenue Refunding Bonds Series 2014	250	612,904	61,291	674,195	612,904	61,291	674,195
Water Revenue Refunding Bonds Series 2014	560	997,096	1,842,809	2,839,905	1,077,096	1,762,309	2,839,405
Totals		\$ 8,227,592	\$ 6,459,233	\$ 14,686,825	\$ 15,168,576	\$ 6,437,728	\$ 21,606,304

(1) The City is planning to pay the remaining debt service obligation for the current State Water Resources Control Board loan in FY 2019/20 in anticipation of a new loan for the Wastewater Treatment Plant Expansion – Phase II capital project.

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 an annual 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 of the City and align those needs with the appropriate timing and financing 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.

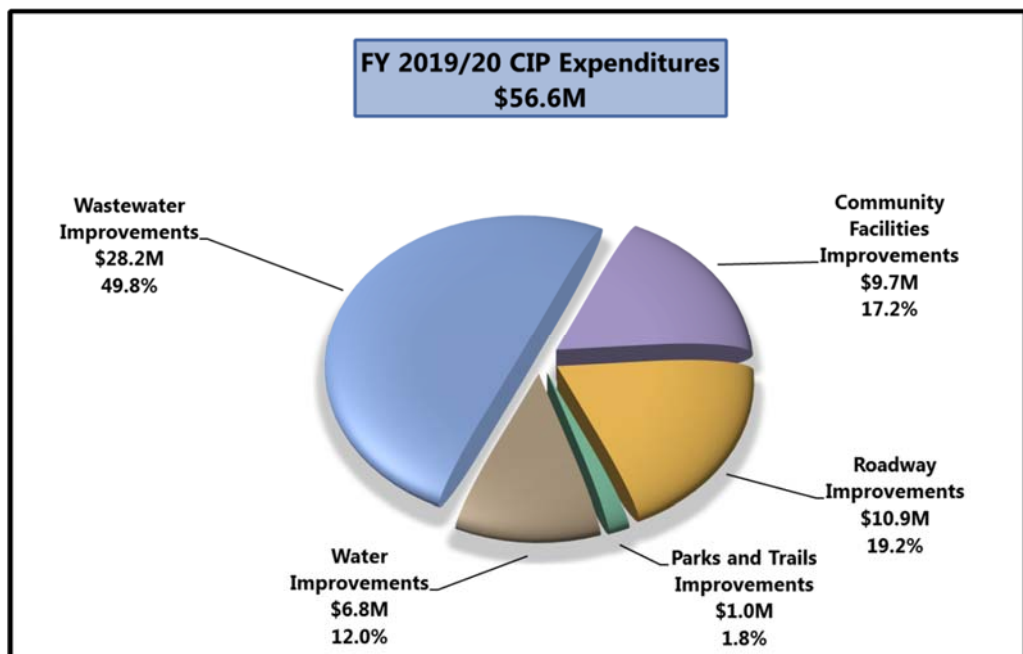
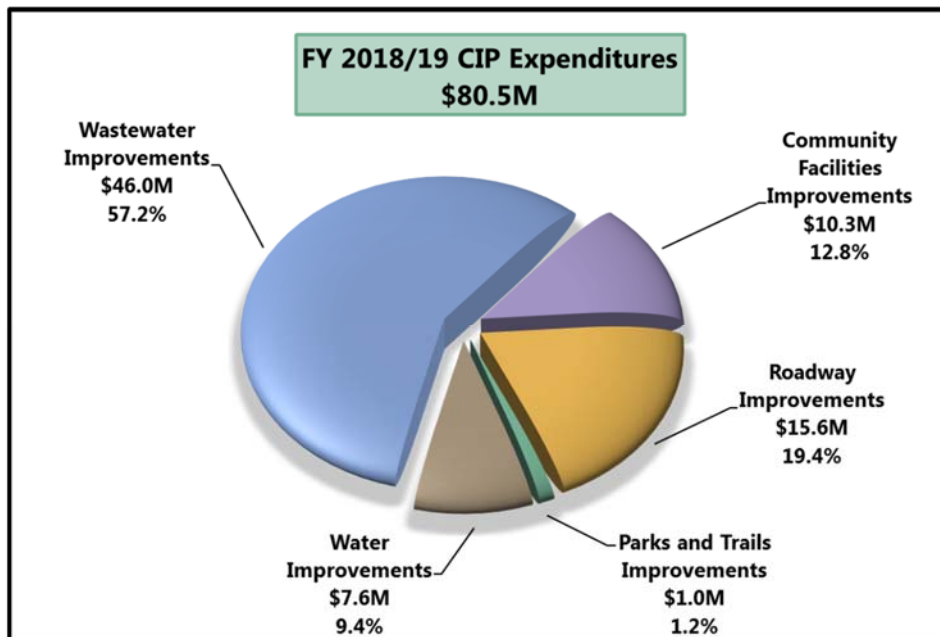
A capital project typically involves the purchase or construction of major fixed assets such as land, buildings and any permanent improvement including additions, replacements and major alterations having a long life expectancy. Additionally, capital projects may apply to: 1) expenditures which take place over two or more years and 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 as capital projects. For informational purposes, capital projects are also referred to as capital facilities, CIP projects and capital improvement projects.

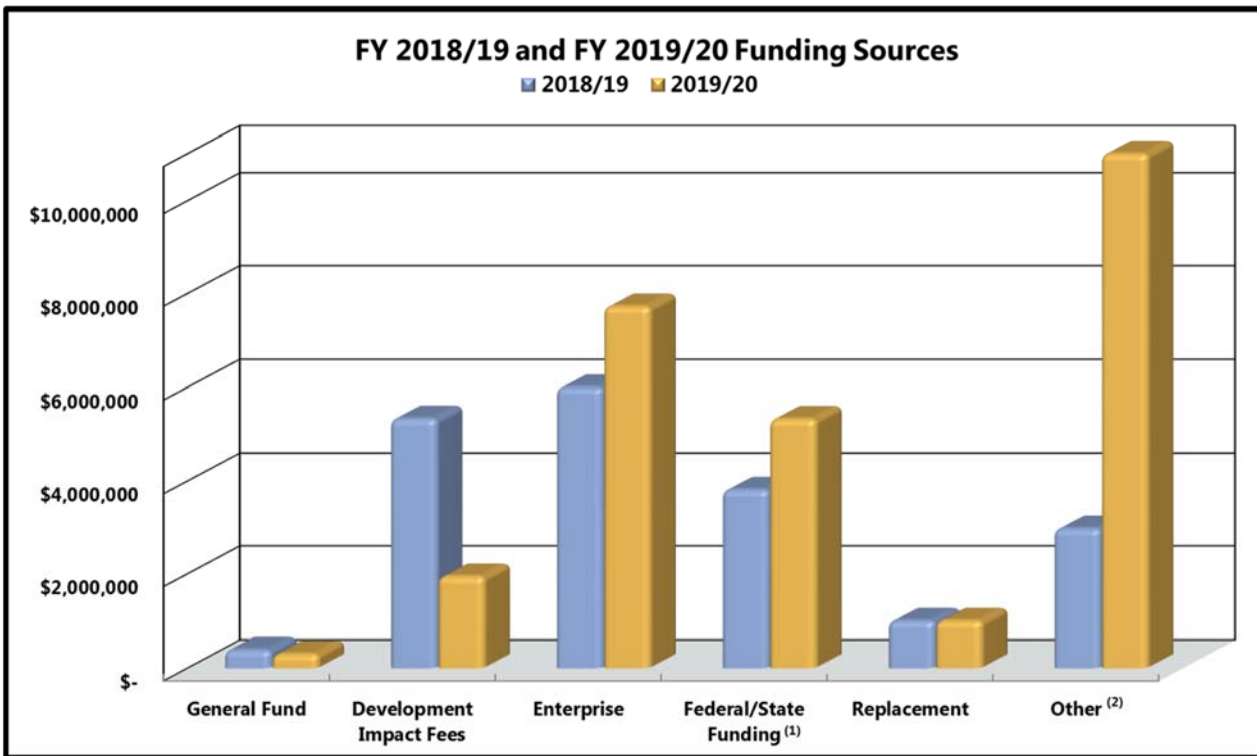
For more information on the City's CIP, please refer to the 2018/19 – 2022/23 Capital Improvement Program located on the City's website: www.brentwoodca.gov. The information provided in this section is from the original adopted 2018/19 – 2022/23 CIP.

Capital Improvement Program Summary

The 2018/19 – 2022/23 CIP includes 66 City projects totaling approximately \$230.7 million. The charts below show the capital expenditures, by category, for FY 2018/19 and FY 2019/20.



The FY 2018/19 and FY 2019/20 CIP funding sources are shown in the chart below.



(1) Federal/State Funding excludes SRF loans of \$41,493,783 and \$22,039,500 for FY 2018/19 and FY 2019/20, respectively.

(2) Major components of Other funding include SB 1, Measure J and Vineyards Projects Funds.

Strategic Initiative CIP Projects

The Strategic 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 27, 2018, City Council adopted the Strategic Plan for FY 2018/19 and FY 2019/20 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. On the following page, is a list of 2018/19 – 2022/23 CIP projects which are part of the Strategic Plan. The CIP projects are listed, in order, by Strategic Initiative number which corresponds to one of the six focus areas. Please refer to the Strategic Plan section, beginning on page 14, 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 2018/19 - 2022/23**

SI #	Project #	Project Title	Prior	2018/19	2019/20	2020/21	2021/22	2022/23	Total Cost
1.1.b.		Priority Area 1 Infrastructure Improvements	\$ 235,000	\$ 6,849,000	\$ 416,000	\$ 0	\$ 0	\$ 0	\$ 7,500,000
1.2.a.	56399	Water Storage Capacity at Los Vaqueros Reservoir	200,000	200,000	1,000,000	1,000,000	1,000,000	1,000,000	4,400,000
1.2.b.	59202	Citywide Non-Potable Water Distribution System	860,000	4,140,000	0	0	0	0	5,000,000
1.2.b.	59198	Non-Potable Storage Facility	4,493,500	4,410,000	0	0	0	0	8,903,500
1.2.b.		Secondary Non-Potable Water Storage Facility	0	350,000	3,850,000	0	0	0	4,200,000
1.3.b.		Pavement Management Program - 2019	0	1,518,906	0	0	0	0	1,518,906
1.3.b.		Pavement Management Program - Future	0	0	1,970,000	1,970,000	1,970,000	1,970,000	7,880,000
2.4.b.	37030	Fire Station #53 (Shady Willow)	697,397	0	5,848,000	0	0	0	6,545,397
3.3.a.		Brentwood Business Development Center	0	163,624	171,705	0	0	0	335,329
3.5.a.	37207	Citywide Sign/Identification Program	27,500	102,500	0	0	0	0	130,000
4.1.a.	37245	Community Build-Out Plan	150,000	250,000	100,000	0	0	0	500,000
4.1.c.	37228	Zoning Ordinance Update	0	200,000	200,000	0	0	0	400,000
TOTAL			\$ 6,663,397	\$18,184,030	\$13,555,705	\$ 2,970,000	\$ 2,970,000	\$ 2,970,000	\$47,313,132

Other Significant CIP Projects

There are several other notable capital expenditures included in the 2018/19 – 2022/23 CIP. Following, is a list of these projects including: 1) budgeted expenditures for FY 2018/19 and FY 2019/20; 2) total project budget; and 3) future annual operating and maintenance (O&M) impact, in current dollars. The O&M impact 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.

Project #	Project Title	Improvement Category	FY 2018/19 Budget	FY 2019/20 Budget	Total Project Budget	Future Annual O&M Cost
31683	John Muir Parkway Extension - Phase II	Roadway	\$ 4,905,000	\$ 0	\$ 5,460,000	\$ 56,000
	Aquatic Complex Pool Plastering	Parks and Trails	350,000	0	350,000	0
	Loma Vista Park Playground Replacement	Parks and Trails	300,000	0	300,000	0
56401	Downtown Alley Rehabilitation - North Diablo Way	Water	700,000	0	1,400,000	0
56397	Sensus AMR System Upgrade	Water	0	2,370,000	2,870,000	0
59198	Non-Potable Storage Facility	Wastewater	4,410,000	0	8,903,500	72,000
59140	Wastewater Treatment Plant Expansion - Phase II	Wastewater	36,884,150	21,862,000	62,552,150	1,400,000
37241	Library - New Construction	Community Facilities	1,897,800	0	13,650,000	495,000
37206	Municipal Service Center	Community Facilities	2,781,000	0	7,604,480	25,000
37231	Vineyards at Marsh Creek - Event Center/Amphitheater	Community Facilities	3,785,683	3,400,000	7,200,000	145,000
TOTALS			\$ 56,013,633	\$ 27,632,000	\$ 110,290,130	\$ 2,193,000

Project Descriptions

- **John Muir Parkway Extension - Phase II (CIP #336-31683)** – This project will construct a section of road, that will replace the existing Concord Avenue, including: a median; two lanes; water main; median landscaping; street lights; storm drain and non-potable water main. It will extend John Muir Parkway from Foothill Drive to Briones Valley Road to ensure continued traffic circulation in the area. A majority of this project is funded by the East Contra Costa Regional Fee and Financing Authority (ECCRFFA) as part of the State Route 4 Bypass Segment 3 improvements.
- **Aquatic Complex Pool Plastering** – The three pools at the Brentwood Family Aquatic Complex (BFAC) were constructed in 1999. This project will apply new plaster to the pools, which is necessary to maintain the facility.

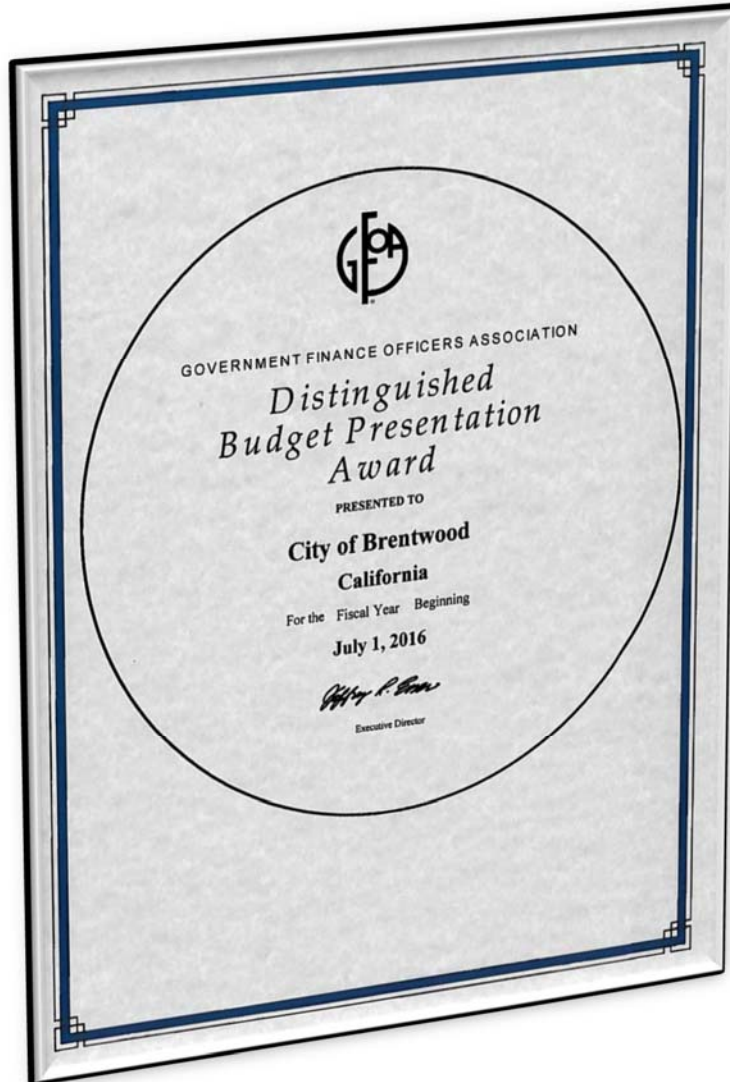
- **Loma Vista Park Playground Replacement** – The play equipment at Loma Vista Park was constructed in 2000. This project will replace play equipment to meet current ADA accessibility guidelines and Consumer Product Safety Commission guidelines. Resilient safety surfacing in playground areas will be renovated. Replacement play equipment parts can become unavailable and may create a situation where the playgrounds no longer meet either the current Consumer Product Safety Commission guidelines on safety or the current ADA guidelines.
- **Downtown Alley Rehabilitation – North Diablo Way (#562-56401)** – This is one of multiple Downtown Alley Rehabilitation projects, which includes the installation of new sewer facilities and either the removal or replacement of existing infrastructure to correct existing operations and maintenance constraints due to the age of the facilities. This project will allow the City to accommodate the anticipated development of the Downtown area and, where feasible, bring the aging facilities up to current standards.
- **Sensus AMR System Upgrade (CIP #562-56397)** – This project will install a fixed base Sensus Automated Meter Reading (AMR) system which will provide hourly meter reads. This will require the installation of two antennas and the replacement of the Meter Transmitter Units (MXUs) on the water meters. This is a multi-phase project. Upgrading the current Sensus AMR system to an AMR/Advanced Metering Infrastructure fixed base meter reading system will eliminate the need to drive routes to obtain meter readings.
- **Non-Potable Storage Facility (CIP #592-59198)** – This project will construct a 3.0 MGD non-potable storage facility for recycled water, including appurtenances such as pumps, valves, pipes and associated improvements. As part of the Wastewater Treatment Plant (WWTP) National Pollution Discharge Elimination System (NPDES) Permit requirements, the City must expedite implementation of steps to expand recycled water usage and decrease discharge of treated water into Marsh Creek.
- **Wastewater Treatment Plant Expansion - Phase II (CIP #592-59140)** – The Phase II Expansion is designed to treat 6.4 MGD flow based on 69 gallons per day (GPD) per capita, which will service the final buildout population of the City per the current General Plan. The project includes the addition of one diffused air oxidation basin, retrofit of existing oxidation ditches to diffused air, secondary clarifiers, converting chlorine contact facilities to free chlorine disinfection, utility pumps, new solids mechanical dryer, dried bio-solids storage building, Electrical Distribution System Upgrade and all related appurtenances.
- **Library - New Construction (CIP #337-37241)** – This project consists of tearing down the City-owned buildings on the parcels of 104, 118 and 120 Oak Street and building a new library that is two stories tall and will be approximately 20,275 sq. ft. It will include an outdoor space for library patrons and an entrance courtyard.
- **Municipal Service Center (CIP #337-37206)** – This project encompasses the planning, design and construction of an approximately 15,000 square foot operations staff building at the Public Works Corporation Yard, that will include work areas, a locker room for crews, kitchen, break/conference room, storage areas and a Department Operations Center. These

improvements will increase operational efficiency by consolidating maintenance functions and streamlining operations.

- **Vineyards at Marsh Creek - Event Center/Amphitheater (CIP #337-37231)** – The Vineyards at Marsh Creek development will include construction of an outdoor amphitheater and event center. The project developer was conditioned to pay a total of \$3.5 million, plus interest, for development of the facility per the development agreement. Additional funding from the Vineyards Projects Fund of \$3.4 million will enable the amphitheater to be constructed as part of phase one. It is expected there will be a future phase of this project that will require further funding and the City is working with the project developer to develop a comprehensive plan for this project site. Construction of phase one is anticipated to begin in FY 2019/20.



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 2016/17 budget. Its attainment represents a significant accomplishment by a government and its management.

The City also received Honorable Recognition for the Innovation in Budgeting Award. This recognized the exemplary effort that was taken to implement positive changes in the FY 2016/17 budget.



ACCOMPLISHMENTS

The City prides itself on providing quality services to the community. Following is a list of awards acknowledging these achievements in quality.

The City was named a **“Playful City USA”** community for 2017 by KaBOOM! a national non-profit dedicated to bringing play back into children’s lives.

The City was recognized by the Arbor Day Foundation as a **“Tree City USA Community”** in 2017.

The City maintained designation of a **Healthy Eating Active Living (“HEAL”)** City.

The City met guidelines to be designated in 2017 as a **“Bay-Friendly Landscape”** city.

The City received **“Platinum International Aquatic Safety”** awards for 2016/17 and 2017/18 from Jeff Ellis & Associates.

The City received the following GFOA awards:

- **“Certificate of Achievement for Excellence in Financial Reporting Fiscal Year 2016/17”**
- **“Distinguished Budget Presentation Award”** for the two-year Operating Budget beginning July 1, 2016

The City received the CSMFO Award for the following:

- **“Excellence in Operating Budgeting Award Fiscal Year 2016/17”**
- **“Honorable Recognition for Innovation in Budgeting Fiscal Year 2016/17”**
- **“Capital Budget Excellence Award Fiscal Year 2017/18”**





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FUND BALANCE SUMMARY

	Fund Balance & Reserves at 6/30/2017	2017/18 Projected		Fund Balance & Reserves at 6/30/2018	2018/19 Budget		Fund Balance & Reserves at 6/30/2019	2019/20 Budget		Fund Balance & Reserves at 6/30/2020
		Revenues	Expenditures		Revenues	Expenditures		Revenues	Expenditures	
General Fund	\$ 23,405,903	\$ 58,038,184	\$ 53,116,530	\$ 28,327,557	\$ 59,275,431	\$ 59,806,305	\$ 27,796,683	\$ 60,103,169	\$ 61,489,569	\$ 26,410,283
Solid Waste Enterprise ⁽¹⁾	14,789,359	12,180,893	12,712,303	14,257,949	13,876,180	14,777,700	13,356,429	14,485,645	13,811,176	14,030,898
Water Enterprise ⁽¹⁾	136,430,704	20,935,128	23,942,733	133,423,099	22,571,622	24,129,291	131,865,430	23,565,815	23,567,914	131,863,331
Wastewater Enterprise ⁽¹⁾	94,500,559	11,745,294	12,496,372	93,749,481	13,097,033	14,651,800	92,194,714	13,652,639	16,459,138	89,388,215
City Rentals Enterprise ⁽¹⁾	178,083	606,416	594,320	190,179	577,684	522,204	245,659	601,245	524,849	322,055
Housing Enterprise ⁽¹⁾	4,385,663	871,664	828,215	4,429,112	969,293	942,943	4,455,462	882,533	857,217	4,480,778
Internal Service Funds	58,382,349	17,772,205	25,589,896	50,564,658	24,073,128	40,391,408	34,246,378	20,408,092	23,848,072	30,806,398
Special Revenue Funds ⁽²⁾	48,379,399	32,147,973	30,185,707	50,341,665	36,281,305	39,693,833	46,929,137	42,048,875	47,819,682	41,158,330
Debt Service Funds	46,183,060	72,753,318	75,001,917	43,934,461	34,543,837	33,503,240	44,975,058	34,523,168	34,018,557	45,479,669
Capital Funds	50,652,285	25,871,139	45,974,856	30,548,568	68,087,974	91,697,286	6,939,256	52,025,986	55,265,038	3,700,204
	\$ 477,287,364	\$ 252,922,214	\$ 280,442,849	\$ 449,766,729	\$ 273,353,487	\$ 320,116,010	\$ 403,004,206	\$ 262,297,167	\$ 277,661,212	\$ 387,640,161

(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

	2016/17 Actual	2017/18 Budget	2017/18 Projected	2018/19 Budget	2019/20 Budget
Beginning Fund Balances	\$ 467,834,714	\$ 477,287,364	\$ 477,287,364	\$ 449,766,729	\$ 403,004,206
Revenues and Other Financing Sources					
Taxes	\$ 21,669,670	\$ 22,198,211	\$ 22,737,508	\$ 23,718,216	\$ 24,729,605
Licenses	878,054	874,841	919,650	946,583	976,168
Charges for Other Services	57,953,968	65,408,443	62,453,183	71,032,796	69,682,048
Use of Money and Property	784,032	2,276,179	400,125	4,312,191	4,022,596
Assessment Districts	27,624,345	29,152,068	29,660,357	31,519,113	32,442,883
Intergovernmental	7,181,359	6,994,140	7,297,007	61,520,738	41,408,377
Charges to Other Funds	7,577,489	7,739,556	7,735,517	7,830,468	7,763,930
Permits and Fines	6,749,573	4,869,683	5,346,718	4,887,450	4,719,589
Development Impact Fees	15,934,678	8,851,646	11,060,123	7,705,117	11,169,473
Franchise Fees	1,487,179	1,590,349	1,502,050	1,532,091	1,562,733
Fees and Other Revenues	13,564,321	6,157,885	6,190,005	6,538,351	6,215,774
Other Financing Sources	0	38,120,001	38,120,000	0	0
Transfers In	63,333,708	71,142,313	59,499,971	51,810,373	57,603,991
Total Revenues and Other Financing Sources	224,738,376	265,375,315	252,922,214	273,353,487	262,297,167
Expenditures and Other Financing Uses					
General Government	12,023,383	13,338,473	11,785,285	12,819,898	13,157,273
Public Safety	21,544,436	24,878,222	23,692,046	26,159,374	26,989,979
Community Development	4,643,397	6,503,367	5,365,081	6,597,221	6,855,248
Engineering	3,227,631	3,723,526	3,489,138	3,625,859	3,735,912
Public Works	3,213,775	3,680,102	3,631,260	4,049,886	4,079,849
Parks and Recreation	10,607,339	10,877,842	10,394,237	10,892,112	10,961,068
Enterprise Funds ⁽¹⁾	40,086,839	46,426,015	43,664,332	49,770,850	47,701,239
Community Services	7,311,550	9,274,529	8,416,358	9,759,190	10,231,732
Internal Service	13,168,815	17,581,290	16,658,767	33,954,417	17,836,031
Debt Service - Principal	12,907,772	16,328,520	16,328,519	13,877,594	21,558,579
Debt Service - Interest	12,589,412	12,150,260	11,220,425	11,122,968	10,865,343
Capital Outlay	12,141,047	57,647,448	34,195,554	88,564,985	49,731,545
Other Financing Uses	0	39,072,389	39,072,389	0	0
Transfers Out	61,820,330	56,323,463	52,529,458	48,921,656	53,957,414
Total Expenditures and Other Financing Uses	215,285,726	317,805,446	280,442,849	320,116,010	277,661,212
Ending Fund Balances	\$ 477,287,364	\$ 424,857,233	\$ 449,766,729	\$ 403,004,206	\$ 387,640,161

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



FY 2018/19 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	\$ 23,551,422	\$ 166,794	\$ 0	\$ 0	\$ 0	\$ 0	\$ 23,718,216
Licenses	766,333	0	0	180,250	0	0	946,583
Charges for Other Services	431,058	48,239,593	22,362,145	0	0	0	71,032,796
Use of Money and Property	864,829	889,607	786,653	946,532	275,298	549,272	4,312,191
Assessment Districts	0	0	0	17,852,939	13,666,174	0	31,519,113
Intergovernmental	4,633,610	0	0	7,681,165	0	49,205,963	61,520,738
Charges to Other Funds	7,775,851	54,617	0	0	0	0	7,830,468
Permits and Fines	4,825,930	0	61,520	0	0	0	4,887,450
Development Impact Fees	0	0	0	7,515,237	0	189,880	7,705,117
Franchise Fees	1,532,091	0	0	0	0	0	1,532,091
Fees and Other Revenues	2,404,453	482,536	0	136,196	3,515,166	0	6,538,351
Total Revenues	46,785,577	49,833,147	23,210,318	34,312,319	17,456,638	49,945,115	221,543,114
Transfers In	12,489,854	1,258,665	862,810	1,968,986	17,087,199	18,142,859	51,810,373
Total Revenues and Transfers In	59,275,431	51,091,812	24,073,128	36,281,305	34,543,837	68,087,974	273,353,487
Expenditures							
General Government	8,885,832	0	0	1,946,695	1,987,371	0	12,819,898
Public Safety	25,877,989	0	0	281,385	0	0	26,159,374
Community Development	6,251,688	0	0	244,250	101,283	0	6,597,221
Engineering	3,625,859	0	0	0	0	0	3,625,859
Public Works	4,049,886	0	0	0	0	0	4,049,886
Parks and Recreation	6,941,858	0	0	3,950,254	0	0	10,892,112
Enterprise Funds ⁽¹⁾							
Solid Waste	0	14,694,412	0	0	0	0	14,694,412
Water	0	21,067,284	0	530,084	0	0	21,597,368
Wastewater	0	12,004,604	0	345,559	0	0	12,350,163
City Rentals	0	215,964	0	0	0	0	215,964
Housing	0	912,943	0	0	0	0	912,943
Community Services	913,575	0	0	8,845,615	0	0	9,759,190
Internal Service	0	0	33,954,417	0	0	0	33,954,417
Debt Service	1,376,499	3,946,315	0	1,849,083	17,828,665	0	25,000,562
Capital Outlay	0	0	0	0	0	88,564,985	88,564,985
Total Expenditures	57,923,186	52,841,522	33,954,417	17,992,925	19,917,319	88,564,985	271,194,354
Transfers Out	1,883,119	2,182,416	6,436,991	21,700,908	13,585,921	3,132,301	48,921,656
Total Expenditures and Transfers Out	59,806,305	55,023,938	40,391,408	39,693,833	33,503,240	91,697,286	320,116,010
Net Result of Operations	(530,874)	(3,932,126)	(16,318,280)	(3,412,528)	1,040,597	(23,609,312)	(46,762,523)
Beginning Balance - 7/01/18	28,327,557	246,049,820	50,564,658	50,341,665	43,934,461	30,548,568	449,766,729
Fund Balance - 6/30/19	\$ 27,796,683	\$ 242,117,694	\$ 34,246,378	\$ 46,929,137	\$ 44,975,058	\$ 6,939,256	\$ 403,004,206

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

FY 2018/19 FUND BALANCE BY FUND

Fund #	Fund Name	Estimated	Budget		Budget		Estimated
		7/1/2018	Revenues	Transfers In	Expenditures	Transfer Out	6/30/2019
		Fund Balance					Fund Balance
100	General Fund	\$ 28,327,557	\$ 46,785,577	\$ 12,489,854	\$ 57,923,186	\$ 1,883,119	\$ 27,796,683
	Enterprise Funds ⁽¹⁾						
540,543	Solid Waste Enterprise	14,257,949	13,841,878	34,302	14,694,412	83,288	13,356,429
560,563	Water Enterprise	133,423,099	22,162,251	409,371	23,907,191	222,100	131,865,430
590,593	Wastewater Enterprise	93,749,481	12,935,437	161,596	13,111,012	1,540,788	92,194,714
501	City Rentals Enterprise	190,179	576,970	714	215,964	306,240	245,659
510,511,513	Housing Enterprise	4,429,112	316,611	652,682	912,943	30,000	4,455,462
	Total Enterprise Funds	246,049,820	49,833,147	1,258,665	52,841,522	2,182,416	242,117,694
	Internal Service Funds						
701	Information Services ⁽²⁾	(715,746)	2,710,096	4,063	3,341,395	0	(1,342,982)
702	Equipment Replacement	11,857,775	2,076,605	1,136	4,225,050	0	9,710,466
703	Information Systems Replacement	1,086,217	1,339,207	2,007	1,467,568	0	959,863
704	Facilities Replacement	5,165,124	1,079,934	314	912,855	0	5,332,517
705	Tuition	42,115	29,188	0	32,747	0	38,556
706	Fleet Maintenance Services ⁽²⁾	(507,597)	1,752,250	1,579	1,969,660	0	(723,428)
707	Facilities Maintenance Service ⁽²⁾	(195,325)	2,233,666	2,293	2,596,221	0	(555,587)
708	Parks and LLAD Replacement	14,386,764	1,829,605	851,418	807,290	1,000,000	15,260,497
709	Insurance	583,561	1,228,183	0	1,344,485	125,000	342,259
710	Pension/OPEB Obligation	18,861,770	8,931,584	0	17,257,146	5,311,991	5,224,217
	Total Internal Service Funds	50,564,658	23,210,318	862,810	33,954,417	6,436,991	34,246,378

(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 2018/19 FUND BALANCE BY FUND (Continued)

Fund #	Fund Name	Estimated	Budget		Budget		Estimated
		7/1/2018 Fund Balance	Revenues	Transfers In	Expenditures	Transfer Out	6/30/2019 Fund Balance
Special Revenue Funds							
203-209	Gas Tax	\$ 496,971	\$ 2,581,226	\$ 0	\$ 363	\$ 2,154,063	\$ 923,771
214	SB1186 Disability Access	25,641	21,206	0	18,930	0	27,917
216	Police Grants	156,890	260,192	0	281,335	0	135,747
217	Grants	7,010	3,911,879	0	100,050	3,811,180	7,659
219	Economic Development Grant	243,063	186,310	0	225,320	0	204,053
220	Infrastructure Improvements	6,368	0	0	0	6,368	0
230	Citywide Park Assessment District	482,883	2,196,286	875,363	3,204,338	0	350,194
231	Community Facilities District #2	4,878	620,283	0	7,400	613,000	4,761
232	Community Facilities District #3	1,094,322	1,583,778	776,553	15,365	2,443,953	995,335
233,235	Community Facilities District #4	4,205	2,679,040	186,310	21,600	2,835,836	12,119
234	Community Facilities District #5	1,157,001	1,276,233	57,022	16,800	1,179,612	1,293,844
250	Water Development Impact Fee ⁽³⁾	4,882,948	1,544,122	13,300	1,204,279	2,098,658	3,137,433
251	Roadway Development Impact Fee	8,918,482	2,738,859	10,046	782,086	3,993,402	6,891,899
252	Parks and Trails Development Impact Fee	1,053,816	866,067	0	726,765	0	1,193,118
255	Wastewater Development Impact Fee ⁽³⁾	9,852,934	1,382,352	30,051	1,520,447	0	9,744,890
256	Community Development Impact Fee	(1,276,673)	410,878	13,317	72,756	941,576	(1,866,810)
257	Fire Development Impact Fee	5,482,656	318,731	0	8,345	0	5,793,042
261	Development Impact Fee Administration	413,462	345,990	0	501,648	0	257,804
262	Agriculture Land Administration	554,533	37,688	0	49,936	0	542,285
263	Agriculture Land Acquisition	1,305,699	128,576	0	178,736	0	1,255,539
264	First-Time Homebuyer	1,636,412	21,268	0	101,151	35,000	1,521,529
265	Affordable Housing In-Lieu Fee	4,447,602	427,626	0	24,153	586,699	4,264,376
267	Public Art Administration	477,254	9,354	459	537	0	486,530
268	Public Art Acquisition	1,580,941	31,868	1,847	1,803	620	1,612,233
269	Parking In-Lieu	28,339	571	0	50	0	28,860
272	Riparian Mitigation Site Maintenance	79,426	1,601	0	86	941	80,000
280	Asset Forfeiture	166,955	30,613	0	110,050	0	87,518
281	Abandoned Vehicle Abatement	250	40,917	0	50	40,000	1,117
285	PEG Media	838,166	16,948	0	5,916	0	849,198
286	Parks Advertising	58,160	20,211	0	19,065	0	59,306
293	Measure C/J	49,773	948,462	3,777	9,065	960,000	32,947
302	City Low Income Housing	1,054,844	292	0	50	0	1,055,086
6xx	Landscape and Lighting Assessment Districts	5,056,454	9,672,892	941	8,784,450	0	5,945,837
Total Special Revenue Funds		50,341,665	34,312,319	1,968,986	17,992,925	21,700,908	46,929,137

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

FY 2018/19 FUND BALANCE BY FUND (Continued)

Fund #	Fund Name	Estimated	Budget		Budget		Estimated
		7/1/2018 Fund Balance	Revenues	Transfers In	Expenditures	Transfer Out	6/30/2019 Fund Balance
Debt Service Funds							
City Debt Obligations							
445	Capital Improvement Revenue Refunding Bonds Series 2012	\$ 15,781,508	\$ 1,442,098	\$ 715,642	\$ 2,001,178	\$ 159,207	\$ 15,778,863
448	General Obligation Bonds Series 2002	64,600	518,291	0	520,791	0	62,100
461	2009 Civic Center Project Lease Revenue Bonds	14,923,267	2,158,848	3,172,324	4,301,796	1,019,885	14,932,758
466	2015 Lease Financing	2	50	792,404	792,450	0	6
Assessment Districts							
435	2018 A Refinance	0	0	3,936,743	3,422,271	0	514,472
436	2014 A & B Refinance	2,175,624	50	7,152,611	7,152,594	0	2,175,691
437	2012 A Refinance	887,741	50	1,317,475	1,325,163	0	880,103
438	Capital Improvement Financing Program 2003-1	865,053	1,280,813	0	31,397	1,231,103	883,366
439	Capital Improvement Financing Program 2002-1	861,047	1,230,198	0	28,028	1,180,721	882,496
441	Capital Improvement Financing Program 94-1	2,241,437	2,842,894	0	67,624	2,699,112	2,317,595
442	Capital Improvement Financing Program 98-1	541,433	712,398	0	19,270	684,739	549,822
443	Capital Improvement Financing Program 99-1	492,199	648,484	0	17,702	632,736	490,245
444	Capital Improvement Financing Program 2000-01	995,635	1,223,237	0	26,228	909,798	1,282,846
449	Capital Improvement Financing Program 2004-1	1,065,524	1,592,850	0	37,769	1,524,919	1,095,686
460	Randy Way Assessment District	125,220	59,461	0	58,944	0	125,737
462	2006 A & B Refinance	18,826	0	0	0	0	18,826
463	Capital Improvement Financing Program 2006-1	824,626	1,113,961	0	26,045	1,056,059	856,483
464	Capital Improvement Financing Program 2005-1	1,913,171	2,630,554	0	87,440	2,487,642	1,968,643
465	96R Assessment District	157,548	2,401	0	629	0	159,320
Total Debt Service Funds		43,934,461	17,456,638	17,087,199	19,917,319	13,585,921	44,975,058



FY 2018/19 FUND BALANCE BY FUND (Continued)

Fund #	Fund Name	Estimated 7/1/2018 Fund Balance	Budget		Budget		Estimated 6/30/2019 Fund Balance
			Revenues	Transfers In	Expenditures	Transfer Out	
Capital Funds							
336	Roadway Improvements	\$ 8,637,145	\$ 825,254	\$ 6,196,906	\$ 15,569,051	\$ 90,254	\$ 0
337	Community Facilities Improvements	9,310,067	91,428	948,624	10,258,691	91,428	0
352	Parks and Trails Improvements	0	20,228	1,000,000	1,000,000	20,228	0
366	2015 Lease Financing	432,192	7,808	0	0	440,000	0
380	Civic Center Capital Improvement Financing Program	2,265,467	45,000	1,952,119	1,500	1,361,278	2,899,808
381	City Capital Improvement Financing Program	96,353	50	465,263	2,638	400,776	158,252
392	Capital Infrastructure	780,408	6,001	34,319	4,658	506,000	310,070
393	Vineyards Projects	3,307,749	256,046	0	8,673	0	3,555,122
394	Vineyards Event Center Projects	0	0	17,493	1,489	0	16,004
562	Water Improvements	65,000	51,188	7,528,135	7,593,135	51,188	0
592	Wastewater Improvements	5,654,187	48,642,112	0	54,125,150	171,149	0
Total Capital Funds		30,548,568	49,945,115	18,142,859	88,564,985	3,132,301	6,939,256
Total All Funds		\$ 449,766,729	\$ 221,543,114	\$ 51,810,373	\$ 271,194,354	\$ 48,921,656	\$ 403,004,206

SUMMARY OF REVENUES AND EXPENDITURES BY FUND TYPE

Revenues	2016/17 Actual	2017/18 Budget	2017/18 Projected	2018/19 Budget	Budget % Change	2019/20 Budget	Budget % Change
General Fund	\$ 54,700,291	\$ 58,505,909	\$ 58,038,184	\$ 59,275,431	1.32%	\$ 60,103,169	1.40%
Enterprise Funds							
Solid Waste Enterprise	11,779,697	11,549,251	12,180,893	13,876,180	20.15%	14,485,645	4.39%
Water Enterprise	29,726,322	23,960,926	20,935,128	22,571,622	-5.80%	23,565,815	4.40%
Wastewater Enterprise	13,408,369	12,997,885	11,745,294	13,097,033	0.76%	13,652,639	4.24%
City Rentals Enterprise	496,944	607,907	606,416	577,684	-4.97%	601,245	4.08%
Housing Enterprise	915,063	938,524	871,664	969,293	3.28%	882,533	-8.95%
Internal Service Funds	21,335,157	18,218,459	17,772,205	24,073,128	32.14%	20,408,092	-15.22%
Special Revenue Funds	38,058,663	30,073,547	32,147,973	36,281,305	20.64%	42,048,875	15.90%
Debt Service Funds	34,688,580	72,594,762	72,753,318	34,543,837	-52.42%	34,523,168	-0.06%
Capital Funds	19,629,290	35,928,145	25,871,139	68,087,974	89.51%	52,025,986	-23.59%
Total Revenues	\$ 224,738,376	\$ 265,375,315	\$ 252,922,214	\$ 273,353,487	3.01%	\$ 262,297,167	-4.04%

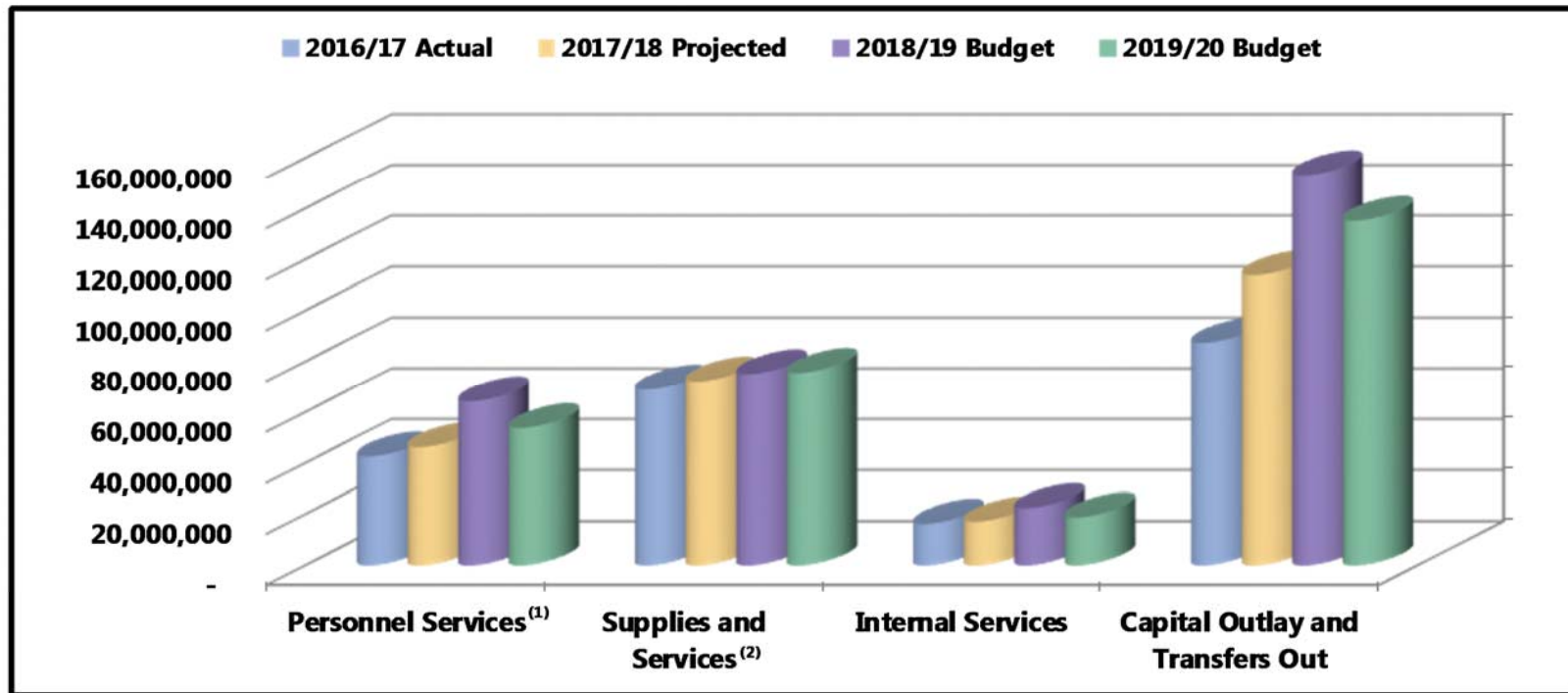
Expenditures	2016/17 Actual	2017/18 Budget	2017/18 Projected	2018/19 Budget	Budget % Change	2019/20 Budget	Budget % Change
General Fund	\$ 53,841,297	\$ 57,196,950	\$ 53,116,530	\$ 59,806,305	4.56%	\$ 61,489,569	2.81%
Enterprise Funds							
Solid Waste Enterprise	11,771,051	13,046,170	12,712,303	14,777,700	13.27%	13,811,176	-6.54%
Water Enterprise	24,064,646	29,124,437	27,249,367	28,451,268	-2.31%	29,465,134	3.56%
Wastewater Enterprise	10,932,104	13,500,180	13,066,372	14,651,800	8.53%	17,684,138	20.70%
City Rentals Enterprise	502,535	597,447	594,320	522,204	-12.59%	524,849	0.51%
Housing Enterprise	850,861	919,443	828,215	942,943	2.56%	857,217	-9.09%
Internal Service Funds	18,111,546	28,283,378	25,589,896	40,391,408	42.81%	23,848,072	-40.96%
Special Revenue Funds	29,357,938	33,287,597	30,185,707	39,693,833	19.25%	47,819,682	20.47%
Debt Service Funds	35,456,779	76,055,724	75,001,917	33,503,240	-55.95%	34,018,557	1.54%
Capital Funds	30,396,969	69,670,754	45,974,856	91,697,286	31.62%	55,265,038	-39.73%
Total Expenditures	\$ 215,285,726	\$ 321,682,080	\$ 284,319,483	\$ 324,437,987	0.86%	\$ 284,783,432	-12.22%

DETAIL OF EXPENDITURES BY CATEGORY

	2016/17 Actual	2017/18 Budget	2017/18 Projected	2018/19 Budget	Budget % Change	2019/20 Budget	Budget % Change
Personnel Services							
Salaries	\$ 27,262,964	\$ 31,146,447	\$ 29,749,149	\$ 33,047,872	6.10%	\$ 34,573,314	4.62%
Overtime	1,126,823	1,187,488	1,195,546	1,317,265	10.93%	1,361,284	3.34%
Part-time	1,017,939	1,147,113	1,192,659	1,268,090	10.55%	1,329,622	4.85%
Benefits	13,195,017	15,295,594	14,122,773	28,646,672	87.29%	16,537,931	-42.27%
Total Personnel Services	42,602,743	48,776,642	46,260,127	64,279,899	31.78%	53,802,151	-16.30%
Supplies and Services							
Operating Supplies	1,399,093	1,829,894	1,707,600	2,189,774	19.67%	2,177,845	-0.54%
Utilities	3,505,709	4,183,497	3,853,300	4,188,056	0.11%	4,349,133	3.85%
Repairs and Maintenance	3,502,549	4,803,528	4,335,663	5,371,240	11.82%	5,127,907	-4.53%
Rentals	49,063	84,207	82,853	80,301	-4.64%	82,400	2.61%
Insurance	1,016,380	1,105,652	983,414	1,207,788	9.24%	1,274,673	5.54%
Special Services	3,369,843	6,347,555	5,927,620	5,366,166	-15.46%	5,479,752	2.12%
Communications	1,034,210	341,502	341,008	347,618	1.79%	356,409	2.53%
Advertising	101,270	139,772	122,150	147,598	5.60%	150,890	2.23%
Training and Conferences	261,505	756,253	361,963	513,374	-32.12%	526,016	2.46%
Purchased Water	7,481,864	9,074,920	8,259,132	9,099,251	0.27%	9,512,879	4.55%
Contributions	1,544,801	537,991	341,500	547,774	1.82%	600,945	9.71%
Legal Services	444,073	894,767	677,344	829,934	-7.25%	733,474	-11.62%
Contractual Services	6,824,073	9,859,250	8,132,977	9,823,106	-0.37%	9,747,036	-0.77%
Interfund Services	7,813,442	8,135,280	8,121,339	8,283,498	1.82%	8,472,910	2.29%
Interest Expense	12,589,412	12,150,260	11,220,425	11,122,968	-8.45%	10,865,343	-2.32%
Depreciation/Amortization	6,335,017	6,417,250	6,392,919	6,394,327	-0.36%	6,363,833	-0.48%
Developer Reimbursement	3,192,362	2,012,077	1,730,023	745,189	-62.96%	817,342	9.68%
Other	8,500,681	50,371,049 ⁽¹⁾	48,764,462 ⁽¹⁾	11,117,160	-77.93%	11,264,351	1.32%
Total Supplies and Services	68,965,347	119,044,704	111,355,692	77,375,122	-35.00%	77,903,138	0.68%
Internal Services							
Internal Service	16,278,480	17,109,658	17,109,658	22,406,788	30.96%	18,780,310	-16.18%
Total Internal Services	16,278,480	17,109,658	17,109,658	22,406,788	30.96%	18,780,310	-16.18%
Capital Outlay and Transfers Out							
Capital Outlay/CIP	12,710,754	60,222,159	36,859,095	93,254,951	54.85%	51,659,620	-44.60%
Debt Service	12,908,072	16,328,820	16,328,819	13,877,594	-15.01%	21,558,579	55.35%
Transfers	61,820,330	60,200,097	56,406,092	53,243,633	-11.56%	61,079,634	14.72%
Total Capital Outlay and Transfers Out	87,439,156	136,751,076	109,594,006	160,376,178	17.28%	134,297,833	-16.26%
Total Expenditures	\$ 215,285,726	\$ 321,682,080	\$ 284,319,483	\$ 324,437,987	0.86%	\$ 284,783,432	-12.22%

(1) Includes refunding of debt service.

SUMMARY OF EXPENDITURES BY CATEGORY



(1) FY2018/19 Personnel Services include one-time payments made as a part of the Pension Paydown Plan (see page 10).

(2) Supplies and Services has been adjusted to exclude expenditures for refunding of debt service.

SUMMARY OF EXPENDITURES BY CATEGORY AND FUND TYPE

	2016/17 Actual	2017/18 Budget	2017/18 Projected	2018/19 Budget	2019/20 Budget
Personnel Services					
General Fund	\$ 28,463,581	\$ 33,056,623	\$ 31,458,525	\$ 34,708,885	\$ 36,126,917
Enterprise Funds					
Solid Waste Enterprise	3,513,284	3,773,222	3,563,669	4,157,074	4,282,104
Water Enterprise	3,675,180	4,004,577	3,666,068	4,187,458	4,338,263
Wastewater Enterprise	2,828,635	3,021,785	2,956,564	3,659,781	3,919,602
Housing Enterprise	328,223	363,508	336,721	296,145	305,840
Internal Service Funds	3,227,722	3,850,803	3,653,774	16,648,050	4,180,482
Special Revenue Funds	566,118	706,124	624,806	622,506	648,943
Total Personnel Services	\$ 42,602,743	\$ 48,776,642	\$ 46,260,127	\$ 64,279,899	\$ 53,802,151
Annual Percentage Change			8.58%	31.78%	-16.30%
	2016/17 Actual	2017/18 Budget	2017/18 Projected	2018/19 Budget	2019/20 Budget
Supplies and Services					
General Fund	\$ 9,161,723	\$ 10,651,863	\$ 8,175,583	\$ 11,404,507	\$ 11,411,854
Enterprise Funds					
Solid Waste Enterprise	5,460,029	6,235,405	6,111,366	6,224,269	6,421,004
Water Enterprise	14,658,672	17,658,220	16,121,882	16,109,583	16,358,985
Wastewater Enterprise	5,394,871	6,619,926	6,251,614	6,597,655	6,906,665
City Rentals Enterprise	185,232	282,150	279,023	204,996	210,808
Housing Enterprise	370,592	440,878	380,937	439,078	449,103
Internal Service Funds	9,013,028	10,835,714	10,101,259	11,632,829	11,315,055
Special Revenue Funds	12,504,930	14,009,437	12,766,625	13,630,928	14,041,318
Debt Service Funds	12,192,365	52,191,591	51,137,784	11,112,319	10,776,326
Capital Funds	23,905	119,520	29,619	18,958	12,020
Total Supplies and Services	\$ 68,965,347	\$ 119,044,704	\$ 111,355,692	\$ 77,375,122	\$ 77,903,138
Annual Percentage Change			61.47%	-35.00%	0.68%

SUMMARY OF EXPENDITURES BY CATEGORY AND FUND TYPE (Continued)

	2016/17 Actual	2017/18 Budget	2017/18 Projected	2018/19 Budget	2019/20 Budget
Internal Services					
General Fund	\$ 8,528,045	\$ 9,488,638	\$ 9,488,638	\$ 10,258,772	\$ 10,612,467
Enterprise Funds					
Solid Waste Enterprise	2,375,253	2,580,320	2,580,320	3,735,920	2,797,028
Water Enterprise	1,154,095	1,235,011	1,235,011	2,353,617	1,279,364
Wastewater Enterprise	980,358	1,041,126	1,041,126	1,942,269	1,140,902
City Rentals Enterprise	10,968	11,267	11,267	10,968	11,267
Housing Enterprise	84,079	90,057	90,057	175,720	70,274
Internal Service Funds	725,070	797,325	797,325	2,022,823	979,239
Special Revenue Funds	2,420,612	1,865,914	1,865,914	1,906,699	1,889,769
Total Internal Services	\$ 16,278,480	\$ 17,109,658	\$ 17,109,658	\$ 22,406,788	\$ 18,780,310
Annual Percentage Change			5.11%	30.96%	-16.18%
	2016/17 Actual	2017/18 Budget	2017/18 Projected	2018/19 Budget	2019/20 Budget
Capital Outlay and Transfers Out					
General Fund	\$ 7,687,948	\$ 3,999,826	\$ 3,993,784	\$ 3,434,141	\$ 3,338,331
Enterprise Funds					
Solid Waste Enterprise	422,485	457,223	456,948	660,437	311,040
Water Enterprise	4,576,699	6,226,629	6,226,406	5,800,610	7,488,522
Wastewater Enterprise	1,728,240	2,817,343	2,817,068	2,452,095	5,716,969
City Rentals Enterprise	306,335	304,030	304,030	306,240	302,774
Housing Enterprise	67,967	25,000	20,500	32,000	32,000
Internal Service Funds	5,145,726	12,799,536	11,037,538	10,087,706	7,373,296
Special Revenue Funds	13,866,278	16,706,122	14,928,362	23,533,700	31,239,652
Debt Service Funds	23,264,414	23,864,133	23,864,133	22,390,921	23,242,231
Capital Funds	30,373,064	69,551,234	45,945,237	91,678,328	55,253,018
Total Capital Outlay and Transfers Out	\$ 87,439,156	\$ 136,751,076	\$ 109,594,006	\$ 160,376,178	\$ 134,297,833
Annual Percentage Change			25.34%	17.28%	-16.26%



GENERAL FUND

	2017/18 Projected	2018/19 Budget	2019/20 Budget	2020/21 Projected	2021/22 Projected	2022/23 Projected	2023/24 Projected	2024/25 Projected	2025/26 Projected	2026/27 Projected
Fund Balance 7/1	\$ 23,405,903	\$ 28,327,557	\$ 27,796,683	\$ 26,410,283	\$ 25,991,283	\$ 25,402,283	\$ 24,764,283	\$ 23,956,283	\$ 22,397,283	\$ 22,345,283
Add:										
Revenues	44,892,706	46,785,577	47,594,670	49,719,000	51,925,000	53,211,000	54,945,000	56,906,000	58,898,000	60,669,000
Transfers In	13,145,478	12,489,854	12,508,499	8,190,000	7,669,000	8,633,000	8,739,000	8,870,000	8,625,000	9,114,000
Total Revenue	58,038,184	59,275,431	60,103,169	57,909,000	59,594,000	61,844,000	63,684,000	65,776,000	67,523,000	69,783,000
Less:										
Expenditures	50,512,957	57,923,186	59,640,257	56,289,000	58,088,000	60,330,000	62,282,000	65,066,000	65,247,000	66,599,000
Operating Transfers Out	1,713,573	1,498,119	1,549,312	1,989,000	2,045,000	2,102,000	2,160,000	2,219,000	2,278,000	2,340,000
Total Appropriations	52,226,530	59,421,305	61,189,569	58,278,000	60,133,000	62,432,000	64,442,000	67,285,000	67,525,000	68,939,000
Revenue Over (Under) Appropriations	5,811,654	(145,874)	(1,086,400)	(369,000)	(539,000)	(588,000)	(758,000)	(1,509,000)	(2,000)	844,000
Non-Operating Transfers Out	890,000	385,000	300,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Revenue Over (Under) Appropriations	4,921,654	(530,874)	(1,386,400)	(419,000)	(589,000)	(638,000)	(808,000)	(1,559,000)	(52,000)	794,000
Fund Balance 6/30	\$ 28,327,557	\$ 27,796,683	\$ 26,410,283	\$ 25,991,283	\$ 25,402,283	\$ 24,764,283	\$ 23,956,283	\$ 22,397,283	\$ 22,345,283	\$ 23,139,283



SOLID WASTE ENTERPRISE FUND

	2017/18 Projected	2018/19 Budget	2019/20 Budget	2020/21 Projected	2021/22 Projected	2022/23 Projected	2023/24 Projected	2024/25 Projected	2025/26 Projected	2026/27 Projected
Net Assets 7/1	\$ 14,789,359	\$ 14,257,949	\$ 13,356,429	\$ 14,030,898	\$ 13,887,259	\$ 13,981,056	\$ 13,622,591	\$ 13,257,106	\$ 12,885,209	\$ 12,491,720
Add:										
Operating Revenues	12,012,782	13,841,878	14,451,343	15,134,865	15,873,883	16,617,317	16,900,921	17,526,437	18,212,250	18,454,474
Total Operating Revenue	12,012,782	13,841,878	14,451,343	15,134,865	15,873,883	16,617,317	16,900,921	17,526,437	18,212,250	18,454,474
Less:										
Operations	12,422,584	14,694,412	13,731,609	15,201,964	15,706,498	16,903,765	17,195,295	17,828,092	18,538,477	19,244,993
Total Operating Appropriations	12,422,584	14,694,412	13,731,609	15,201,964	15,706,498	16,903,765	17,195,295	17,828,092	18,538,477	19,244,993
Revenue Over (Under) Operating Appropriations	(409,802)	(852,534)	719,734	(67,099)	167,385	(286,448)	(294,374)	(301,655)	(326,227)	(790,519)
Non-Operating Revenues and Appropriations	(121,608)	(48,986)	(45,265)	(76,540)	(73,588)	(72,017)	(71,111)	(70,242)	(67,262)	(64,386)
Revenue Over (Under) Appropriations	(531,410)	(901,520)	674,469	(143,639)	93,797	(358,465)	(365,485)	(371,897)	(393,489)	(854,905)
Net Assets 6/30	\$ 14,257,949	\$ 13,356,429	\$ 14,030,898	\$ 13,887,259	\$ 13,981,056	\$ 13,622,591	\$ 13,257,106	\$ 12,885,209	\$ 12,491,720	\$ 11,636,815



WATER ENTERPRISE FUND

	2017/18 Projected	2018/19 Budget	2019/20 Budget	2020/21 Projected	2021/22 Projected	2022/23 Projected	2023/24 Projected	2024/25 Projected	2025/26 Projected	2026/27 Projected
Net Assets 7/1	\$ 136,430,704	\$ 133,423,099	\$ 131,865,430	\$ 131,863,331	\$ 132,611,710	\$ 134,005,387	\$ 136,503,082	\$ 139,510,639	\$ 142,964,709	\$ 147,008,691
Add:										
Operating Revenues	20,891,552	22,162,251	23,156,444	25,050,606	26,391,066	27,745,980	29,020,461	30,341,608	31,734,669	33,231,572
Total Operating Revenue	20,891,552	22,162,251	23,156,444	25,050,606	26,391,066	27,745,980	29,020,461	30,341,608	31,734,669	33,231,572
Less:										
Operations	23,703,482	23,907,191	23,355,738	23,693,115	24,396,547	25,074,631	25,841,729	26,718,905	27,530,325	27,660,319
Total Operating Appropriations	23,703,482	23,907,191	23,355,738	23,693,115	24,396,547	25,074,631	25,841,729	26,718,905	27,530,325	27,660,319
Revenue Over (Under) Operating Appropriations	(2,811,930)	(1,744,940)	(199,294)	1,357,491	1,994,519	2,671,349	3,178,732	3,622,703	4,204,344	5,571,253
Non-Operating Revenues and Appropriations	(3,502,309)	(4,134,706)	(5,700,025)	(2,793,112)	(4,098,922)	(1,795,334)	(2,436,175)	(2,437,383)	(723,362)	(250,000)
Revenue Over (Under) Appropriations	(6,314,239)	(5,879,646)	(5,899,319)	(1,435,621)	(2,104,403)	876,015	742,557	1,185,320	3,480,982	5,321,253
Adjustments to Net Assets ⁽¹⁾	3,306,634	4,321,977	5,897,220	2,184,000	3,498,080	1,621,680	2,265,000	2,268,750	563,000	250,000
Net Assets 6/30	\$ 133,423,099	\$ 131,865,430	\$ 131,863,331	\$ 132,611,710	\$ 134,005,387	\$ 136,503,082	\$ 139,510,639	\$ 142,964,709	\$ 147,008,691	\$ 152,579,944

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



WASTEWATER ENTERPRISE FUND

	2017/18 Projected	2018/19 Budget	2019/20 Budget	2020/21 Projected	2021/22 Projected	2022/23 Projected	2023/24 Projected	2024/25 Projected	2025/26 Projected	2026/27 Projected
Net Assets 7/1	\$ 94,500,559	\$ 93,749,481	\$ 92,194,714	\$ 89,388,215	\$ 87,799,275	\$ 86,531,943	\$ 85,492,050	\$ 84,300,783	\$ 82,896,128	\$ 81,272,206
Add:										
Operating Revenues	11,700,730	12,935,437	13,491,043	13,776,801	14,458,216	15,144,889	15,399,901	15,658,061	15,917,351	16,180,806
Total Operating Revenue	11,700,730	12,935,437	13,491,043	13,776,801	14,458,216	15,144,889	15,399,901	15,658,061	15,917,351	16,180,806
Less:										
Operations	11,169,153	13,111,012	15,779,572	15,292,808	15,655,763	16,118,099	16,526,123	16,998,600	17,478,110	17,926,807
Total Operating Appropriations	11,169,153	13,111,012	15,779,572	15,292,808	15,655,763	16,118,099	16,526,123	16,998,600	17,478,110	17,926,807
Revenue Over (Under)										
Operating Appropriations	531,577	(175,575)	(2,288,529)	(1,516,007)	(1,197,547)	(973,210)	(1,126,222)	(1,340,539)	(1,560,759)	(1,746,001)
Non-Operating Revenues and Appropriations	(1,852,655)	(1,379,192)	(1,742,970)	(672,933)	(1,119,785)	(416,683)	(515,045)	(514,116)	(513,163)	(313,163)
Revenue Over (Under) Appropriations	(1,321,078)	(1,554,767)	(4,031,499)	(2,188,940)	(2,317,332)	(1,389,893)	(1,641,267)	(1,854,655)	(2,073,922)	(2,059,164)
Adjustments to Net Assets ⁽¹⁾	570,000	0	1,225,000	600,000	1,050,000	350,000	450,000	450,000	450,000	250,000
Net Assets 6/30	\$ 93,749,481	\$ 92,194,714	\$ 89,388,215	\$ 87,799,275	\$ 86,531,943	\$ 85,492,050	\$ 84,300,783	\$ 82,896,128	\$ 81,272,206	\$ 79,463,042

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



CITY RENTALS ENTERPRISE FUND

	2017/18 Projected	2018/19 Budget	2019/20 Budget	2020/21 Projected	2021/22 Projected	2022/23 Projected	2023/24 Projected	2024/25 Projected	2025/26 Projected	2026/27 Projected
Net Assets 7/1	\$ 178,083	\$ 190,179	\$ 245,659	\$ 322,055	\$ 322,055	\$ 322,055	\$ 322,055	\$ 322,055	\$ 322,055	\$ 322,055
Add:										
Revenues	606,416	577,684	601,245	506,144	507,927	515,885	522,427	530,378	536,623	543,969
Total Revenue	606,416	577,684	601,245	506,144	507,927	515,885	522,427	530,378	536,623	543,969
Less:										
Operations	594,320	522,204	524,849	506,144	507,927	515,885	522,427	530,378	536,623	543,969
Total Appropriations	594,320	522,204	524,849	506,144	507,927	515,885	522,427	530,378	536,623	543,969
Revenue Over (Under) Appropriations	12,096	55,480	76,396	0	0	0	0	0	0	0
Net Assets 6/30	\$ 190,179	\$ 245,659	\$ 322,055	\$ 322,055	\$ 322,055	\$ 322,055	\$ 322,055	\$ 322,055	\$ 322,055	\$ 322,055



HOUSING ENTERPRISE FUND

	2017/18 Projected	2018/19 Budget	2019/20 Budget	2020/21 Projected	2021/22 Projected	2022/23 Projected	2023/24 Projected	2024/25 Projected	2025/26 Projected	2026/27 Projected
Net Assets 7/1	\$ 4,385,663	\$ 4,429,112	\$ 4,455,462	\$ 4,480,778	\$ 4,506,853	\$ 4,533,711	\$ 4,561,375	\$ 4,589,868	\$ 4,619,216	\$ 4,649,445
Add:										
Revenues	871,664	969,293	882,533	909,009	936,279	964,368	993,299	1,023,098	1,053,791	1,085,404
Total Revenue	871,664	969,293	882,533	909,009	936,279	964,368	993,299	1,023,098	1,053,791	1,085,404
Less:										
Operations	828,215	942,943	857,217	882,934	909,422	936,704	964,805	993,749	1,023,562	1,054,269
Total Appropriations	828,215	942,943	857,217	882,934	909,422	936,704	964,805	993,749	1,023,562	1,054,269
Revenue Over (Under) Operating Appropriations	43,449	26,350	25,316	26,075	26,858	27,663	28,493	29,348	30,229	31,135
Net Assets 6/30	\$ 4,429,112	\$ 4,455,462	\$ 4,480,778	\$ 4,506,853	\$ 4,533,711	\$ 4,561,375	\$ 4,589,868	\$ 4,619,216	\$ 4,649,445	\$ 4,680,580



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.

The decline in the Enterprise Fund balance is due, in part, to a one-time Pension Paydown Plan payment (see page 10) that will produce significant pension cost savings in the future. The Enterprise Fund balance was also reduced by capital projects being funded in the next two years from the Water and Wastewater replacement funds. Replacement funds are accumulated by the Enterprises to provide the resources to replace infrastructure, such as water and wastewater lines when necessary. The Internal Service Fund balance is decreasing, in part, due to a one-time Pension Paydown Plan payment for General Fund positions (see page 10), that will realize significant cost saving in the future. Also decreasing the balance are transfers to the General Fund to offset the rising cost of overall pension and OPEB expenses from the Pension/OPEB Obligation Internal Service Fund, which is used for General Fund budget stabilization. In addition, a portion of the decline is due to citywide vehicle and equipment replacements. Internal Service replacement funds are accumulated from all funds to provide the resources to replace vehicles and equipment when necessary. Funds from development impact fee funds are considered Special Revenue Funds and are collected to pay for capital projects resulting from the infrastructure needs of growth and development. Several projects are being funded from development impact fee funds over the next two years, including substantial infrastructure improvement in PA-1, the WWTP Expansion - Phase II and the Fire Station capital projects. Fund balance in the Capital Project Funds is projected to decrease from using existing resources to construct capital projects, including the John Muir Parkway Extension – Phase II, PA – 1 infrastructure improvements, Municipal Service Center and the Vineyards at Marsh Creek Amphitheater. The decline in Capital Project Funds has been anticipated for this purpose.

	FY 2016/17 Actuals	FY 2017/18 Projected	FY 2018/19 Budget	FY 2019/20 Budget
General Fund	\$ 23,405,903	\$ 28,327,557	\$ 27,796,683	\$ 26,410,283
Enterprise Funds	250,284,368	242,173,186	233,919,083	224,764,446
Internal Service Funds	58,382,349	50,564,658	34,246,378	30,806,398
Special Revenue Funds	48,379,399	50,341,665	46,929,137	41,158,330
Debt Service Funds	46,183,060	43,934,461	44,975,058	45,479,669
Capital Funds	50,652,285	30,548,568	6,939,256	3,700,204
Total Fund Balance	\$ 477,287,364	\$ 445,890,095	\$ 394,805,595	\$ 372,319,330



GENERAL FUND

	2016/17 Actual	2017/18 Budget	2017/18 Projected	2018/19 Budget	2019/20 Budget
Revenues	\$ 45,179,595	\$ 43,947,384	\$ 44,892,706	\$ 46,785,577	\$ 47,594,670
Expenditures	(44,324,118)	(52,437,651)	(48,357,231)	(54,599,710)	(56,219,006)
Revenues Over (Under) Expenditures	855,477	(8,490,267)	(3,464,525)	(7,814,133)	(8,624,336)
Other Sources and Uses					
Operating Transfers In	9,520,696	14,558,525	13,145,478	12,489,854	12,508,499
Operating Transfers Out	(1,892,503)	(1,713,573)	(1,713,573)	(1,498,119)	(1,549,312)
Total Other Sources Less Uses	7,628,193	12,844,952	11,431,905	10,991,735	10,959,187
Revenues and Other Sources Over (Under) Expenditures and Other Uses	8,483,670	4,354,685	7,967,380	3,177,602	2,334,851
Non-Operating Expenditures/Transfers Out	(7,624,677)	(3,045,726)	(3,045,726)	(3,708,476)	(3,721,251)
Total Sources Less Other Uses Over (Under)	858,993	1,308,959	4,921,654	(530,874)	(1,386,400)
Fund Balance, Beginning Year	22,546,910	23,405,903	23,405,903	28,327,557	27,796,683
Fund Balance, End of Year	\$ 23,405,903	\$ 24,714,862	\$ 28,327,557	\$ 27,796,683	\$ 26,410,283
Fund Balance:					
Restricted					
RDA Escrow	\$ 94,464	\$ 95,620	\$ 95,620	\$ 95,620	\$ 95,620
Total Restricted	94,464	95,620	95,620	95,620	95,620
Committed					
General Plan Update	200,000	300,000	300,000	400,000	500,000
Brentwood Blvd Improvements	0	678,000	678,000	678,000	678,000
Future Strategic Initiatives	1,165,990	423,990	930,303	862,821	93,303
Successor Agency Payment Plan	6,187,960	6,187,960	10,078,572	8,930,885	7,712,923
Total Committed	7,553,950	7,589,950	11,986,875	10,871,706	8,984,226
Total Restricted and Committed	7,648,414	7,685,570	12,082,495	10,967,326	9,079,846
Unassigned					
Undesignated	15,757,489	17,029,292	16,245,062	16,829,357	17,330,437
Total Unassigned	15,757,489	17,029,292	16,245,062	16,829,357	17,330,437
Percent of Appropriations	31.12%	31.45%	30.00%	30.00%	30.00%
Total Fund Balance, End of Year	\$ 23,405,903	\$ 24,714,862	\$ 28,327,557	\$ 27,796,683	\$ 26,410,283



OTHER FUNDS

Fund #	Fund Name	Fund Balance & Reserves at 6/30/2017	2017/18 Projected		Fund Balance & Reserves at 6/30/2018	2018/19 Budget		Fund Balance & Reserves at 6/30/2019	2019/20 Budget		Fund Balance & Reserves at 6/30/2020
			Revenues	Expenditures		Revenues	Expenditures		Revenues	Expenditures	
ENTERPRISE FUNDS											
540,543	Solid Waste Enterprise	\$ 14,789,359	\$ 12,180,893	\$ 12,712,303	\$ 14,257,949	\$ 13,876,180	\$ 14,777,700	\$ 13,356,429	\$ 14,485,645	\$ 13,811,176	\$ 14,030,898
560,563	Water Enterprise	136,430,704	20,935,128	27,249,367	130,116,465	22,571,622	28,451,268	124,236,819	23,565,815	29,465,134	118,337,500
590,593	Wastewater Enterprise	94,500,559	11,745,294	13,066,372	93,179,481	13,097,033	14,651,800	91,624,714	13,652,639	17,684,138	87,593,215
501	City Rentals Enterprise	178,083	606,416	594,320	190,179	577,684	522,204	245,659	601,245	524,849	322,055
510,511,513	Housing Enterprise	4,385,663	871,664	828,215	4,429,112	969,293	942,943	4,455,462	882,533	857,217	4,480,778
	Total Enterprise Funds	250,284,368	46,339,395	54,450,577	242,173,186	51,091,812	59,345,915	233,919,083	53,187,877	62,342,514	224,764,446
INTERNAL SERVICE FUNDS											
701	Information Services ⁽¹⁾	(777,177)	2,591,587	2,530,156	(715,746)	2,714,159	3,341,395	(1,342,982)	2,788,951	2,934,377	(1,488,408)
702	Equipment Replacement	13,745,820	1,701,862	3,589,907	11,857,775	2,077,741	4,225,050	9,710,466	2,077,741	2,352,947	9,435,260
703	Information Systems Replacement	836,311	1,230,152	980,246	1,086,217	1,341,214	1,467,568	959,863	1,341,214	1,028,842	1,272,235
704	Facilities Replacement	4,587,731	1,078,542	501,149	5,165,124	1,080,248	912,855	5,332,517	1,169,548	414,347	6,087,718
705	Tuition	67,131	0	25,016	42,115	29,188	32,747	38,556	29,275	32,837	34,994
706	Fleet Maintenance Services ⁽¹⁾	(487,726)	1,504,832	1,524,703	(507,597)	1,753,829	1,969,660	(723,428)	1,773,353	1,748,347	(698,422)
707	Facilities Maintenance Service ⁽¹⁾	(208,441)	1,952,990	1,939,874	(195,325)	2,235,959	2,596,221	(555,587)	2,345,755	2,394,003	(603,835)
708	Parks and LLAD Replacement	13,510,073	2,224,114	1,347,423	14,386,764	2,681,023	1,807,290	15,260,497	2,679,476	1,765,824	16,174,149
709	Insurance	590,823	1,097,126	1,104,388	583,561	1,228,183	1,469,485	342,259	1,289,213	1,539,419	92,053
710	Pension/OPEB Obligation	26,517,804	4,391,000	12,047,034	18,861,770	8,931,584	22,569,137	5,224,217	4,913,566	9,637,129	500,654
	Total Internal Service Funds	58,382,349	17,772,205	25,589,896	50,564,658	24,073,128	40,391,408	34,246,378	20,408,092	23,848,072	30,806,398
SPECIAL REVENUE FUNDS											
203-209	Gas Tax	141,407	1,685,138	1,329,574	496,971	2,581,226	2,154,426	923,771	2,577,655	2,659,623	841,803
214	SB1186 Disability Access	17,513	13,250	5,122	25,641	21,206	18,930	27,917	21,386	18,930	30,373
216	Police Grants	182,140	216,687	241,937	156,890	260,192	281,335	135,747	260,192	281,335	114,604
217	Grants	291,469	64,770	349,229	7,010	3,911,879	3,911,230	7,659	5,426,199	5,425,550	8,308
219	Economic Development Grant	259,840	175,000	191,777	243,063	186,310	225,320	204,053	191,810	225,320	170,543
220	Infrastructure Improvements	6,243	125	0	6,368	0	6,368	0	0	0	0
230	Citywide Park Assessment District	326,123	3,001,265	2,844,505	482,883	3,071,649	3,204,338	350,194	3,141,558	3,300,775	190,977
231	Community Facilities District #2	5,746	608,032	608,900	4,878	620,283	620,400	4,761	632,687	632,600	4,848
232	Community Facilities District #3	756,760	2,324,009	1,986,447	1,094,322	2,360,331	2,459,318	995,335	2,381,283	2,405,495	971,123
233,235	Community Facilities District #4	39,341	2,600,819	2,635,955	4,205	2,865,350	2,857,436	12,119	2,996,906	3,000,748	8,277
234	Community Facilities District #5	587,485	992,311	422,795	1,157,001	1,333,255	1,196,412	1,293,844	1,562,633	1,483,834	1,372,643
250	Water Development Impact Fee	4,790,014	2,355,697	2,262,763	4,882,948	1,557,422	3,302,937	3,137,433	2,388,187	1,819,668	3,705,952
251	Roadway Development Impact Fee	7,398,533	3,147,550	1,627,601	8,918,482	2,748,905	4,775,488	6,891,899	3,452,274	1,986,610	8,357,563
252	Parks and Trails Development Impact Fee	599,810	1,759,555	1,305,549	1,053,816	866,067	726,765	1,193,118	1,687,264	474,066	2,406,316
255	Wastewater Development Impact Fee	9,597,889	1,719,393	1,464,348	9,852,934	1,412,403	1,520,447	9,744,890	2,127,472	6,480,745	5,391,617
256	Community Development Impact Fee	715,936	608,962	2,601,571	(1,276,673)	424,195	1,014,332	(1,866,810)	541,570	232,551	(1,557,791)
257	Fire Development Impact Fee	5,214,528	275,504	7,376	5,482,656	318,731	8,345	5,793,042	438,152	5,856,345	374,849
261	Development Impact Fee Administration	627,412	287,650	501,600	413,462	345,990	501,648	257,804	340,608	476,697	121,715
262	Agriculture Land Administration	566,599	26,363	38,429	554,533	37,688	49,936	542,285	37,688	51,063	528,910
263	Agriculture Land Acquisition	1,216,591	105,450	16,342	1,305,699	128,576	178,736	1,255,539	128,576	176,236	1,207,879
264	First-Time Homebuyer	1,772,392	0	135,980	1,636,412	21,268	136,151	1,521,529	21,268	136,151	1,406,646
265	Affordable Housing In-Lieu Fee	4,408,461	590,000	550,859	4,447,602	427,626	610,852	4,264,376	427,626	519,092	4,172,910
267	Public Art Administration	527,796	0	50,542	477,254	9,813	537	486,530	9,813	537	495,806
268	Public Art Acquisition	1,783,432	0	202,491	1,580,941	33,715	2,423	1,612,233	33,715	2,443	1,643,505
269	Parking In-Lieu	28,361	0	22	28,339	571	50	28,860	571	50	29,381
272	Riparian Mitigation Site Maintenance	79,490	0	64	79,426	1,601	1,027	80,000	1,601	1,601	80,000
280	Asset Forfeiture	33,235	163,742	30,022	166,955	30,613	110,052	87,518	30,613	30,050	88,081
281	Abandoned Vehicle Abatement	250	40,000	40,000	250	40,917	40,050	1,117	40,917	40,050	1,984
285	PEG Media	843,954	0	5,788	838,166	16,948	5,916	849,198	16,948	5,916	860,230
286	Parks Advertising	58,224	19,000	19,064	58,160	20,211	19,065	59,306	20,211	19,065	60,452
293	Measure C/I	123,800	914,353	988,380	49,773	952,239	969,065	32,947	980,539	979,265	34,221
302	City Low Income Housing	1,054,866	0	22	1,054,844	292	50	1,055,086	292	50	1,055,328
6xx	Landscape and Lighting Assessment Districts	4,323,759	8,453,348	7,720,653	5,056,454	9,673,833	8,784,450	5,945,837	10,130,661	9,097,221	6,979,277
	Total Special Revenue Funds	48,379,399	32,147,973	30,185,707	50,341,665	36,281,305	39,693,833	46,929,137	42,048,875	47,819,682	41,158,330

(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 6/30/2017	2017/18 Projected		Fund Balance & Reserves at 6/30/2018	2018/19 Budget		Fund Balance & Reserves at 6/30/2019	2019/20 Budget		Fund Balance & Reserves at 6/30/2020
			Revenues	Expenditures		Revenues	Expenditures		Revenues	Expenditures	
DEBT SERVICE FUNDS											
<i>City Debt Obligations</i>											
445	Capital Improvement Revenue Refunding Bonds Series 2012	\$ 15,775,251	\$ 2,161,470	\$ 2,155,213	\$ 15,781,508	\$ 2,157,740	\$ 2,160,385	\$ 15,778,863	\$ 2,151,599	\$ 2,154,409	\$ 15,776,053
448	General Obligation Bonds Series 2002	85,979	474,242	495,621	64,600	518,291	520,791	62,100	543,291	545,791	59,600
461	2009 Civic Center Project Lease Revenue Bonds	14,904,474	5,387,012	5,368,219	14,923,267	5,331,172	5,321,681	14,932,758	5,278,703	5,273,485	14,937,976
466	2015 Lease Financing	0	791,784	791,782	2	792,454	792,450	6	792,585	792,582	9
	Total City Debt Obligations	30,765,704	8,814,508	8,810,835	30,769,377	8,799,657	8,795,307	30,773,727	8,766,178	8,766,267	30,773,638
<i>Assessment Districts</i>											
435	2018 A Refinance	0	954,662	954,662	0	3,936,743	3,422,271	514,472	3,930,126	3,954,962	489,636
436	2014 A & B Refinance	2,188,330	7,146,269	7,158,975	2,175,624	7,152,661	7,152,594	2,175,691	7,172,308	7,172,256	2,175,743
437	2012 A Refinance	1,026,177	2,770,412	2,908,848	887,741	1,317,525	1,325,163	880,103	1,305,931	1,314,463	871,571
438	Capital Improvement Financing Program 2003-1	868,189	1,258,918	1,262,054	865,053	1,280,813	1,262,500	883,366	1,281,782	1,259,163	905,985
439	Capital Improvement Financing Program 2002-1	1,164,432	11,968,677	12,272,062	861,047	1,230,198	1,208,749	882,496	1,229,945	1,204,519	907,922
441	Capital Improvement Financing Program 94-1	2,198,726	2,790,302	2,747,591	2,241,437	2,842,894	2,766,736	2,317,595	2,845,942	2,773,909	2,389,628
442	Capital Improvement Financing Program 98-1	544,330	695,886	698,783	541,433	712,398	704,009	549,822	714,486	702,107	562,201
443	Capital Improvement Financing Program 99-1	492,529	640,585	640,915	492,199	648,484	650,438	490,245	648,684	641,112	497,817
444	Capital Improvement Financing Program 2000-01	704,687	1,211,747	920,799	995,635	1,223,237	936,026	1,282,846	1,222,557	940,297	1,565,106
449	Capital Improvement Financing Program 2004-1	1,070,898	1,561,497	1,566,871	1,065,524	1,592,850	1,562,688	1,095,686	1,593,302	1,564,514	1,124,474
460	Randy Way Assessment District	130,266	57,991	63,037	125,220	59,461	58,944	125,737	58,280	57,932	126,085
462	2006 A & B Refinance	717,325	29,182,219	29,880,718	18,826	0	0	18,826	0	0	18,826
463	Capital Improvement Financing Program 2006-1	806,290	1,108,914	1,090,578	824,626	1,113,961	1,082,104	856,483	1,119,564	1,083,875	892,172
464	Capital Improvement Financing Program 2005-1	1,887,278	2,590,731	2,564,838	1,913,171	2,630,554	2,575,082	1,968,643	2,631,682	2,582,552	2,017,773
465	96R Assessment District	1,617,899	0	1,460,351	157,548	2,401	629	159,320	2,401	629	161,092
	Total Assessment Districts	15,417,356	63,938,810	66,191,082	13,165,084	25,744,180	24,707,933	14,201,331	25,756,990	25,252,290	14,706,031
	Total Debt Service Funds	46,183,060	72,753,318	75,001,917	43,934,461	34,543,837	33,503,240	44,975,058	34,523,168	34,018,557	45,479,669
CAPITAL FUNDS											
336	Roadway Improvements	6,225,134	4,678,438	2,266,427	8,637,145	7,022,160	15,659,305	0	4,109,254	4,109,254	0
337	Community Facilities Improvements	15,649,562	10,085,251	16,424,746	9,310,067	1,040,052	10,350,119	0	9,772,816	9,772,816	0
352	Parks and Trails Improvements	55,597	908,172	963,769	0	1,020,228	1,020,228	0	1,020,228	1,020,228	0
361	Civic Center Project Lease Revenue Bond Acquisition	59,251	864	60,115	0	0	0	0	0	0	0
366	2015 Lease Financing	5,363,705	41,104	4,972,617	432,192	7,808	440,000	0	0	0	0
380	Civic Center Capital Improvement Financing Program	1,441,592	2,194,329	1,370,454	2,265,467	1,997,119	1,362,778	2,899,808	1,191,972	1,353,791	2,737,989
381	City Capital Improvement Financing Program	28,223	271,703	203,573	96,353	465,313	403,414	158,252	472,470	434,298	196,424
392	Capital Infrastructure	4,028,151	0	3,247,743	780,408	40,320	510,658	310,070	10,320	4,858	315,532
393	Vineyards Projects	3,122,210	188,999	3,460	3,307,749	256,046	8,673	3,555,122	266,802	3,403,673	418,251
394	Vineyards Event Center Projects	1,895,135	16,412	1,911,547	0	17,493	1,489	16,004	17,493	1,489	32,008
542	Solid Waste Improvements	0	0	0	0	0	0	0	0	0	0
562	Water Improvements	1,135,741	4,790,410	5,861,151	65,000	7,579,323	7,644,323	0	6,841,482	6,841,482	0
592	Wastewater Improvements	11,647,984	2,695,457	8,689,254	5,654,187	48,642,112	54,296,299	0	28,323,149	28,323,149	0
	Total Capital Funds	50,652,285	25,871,139	45,974,856	30,548,568	68,087,974	91,697,286	6,939,256	52,025,986	55,265,038	3,700,204
	TOTAL OTHER FUNDS	\$ 453,881,461	\$ 194,884,030	\$ 231,202,953	\$ 417,562,538	\$ 214,078,056	\$ 264,631,682	\$ 367,008,912	\$ 202,193,998	\$ 223,293,863	\$ 345,909,047



SUMMARY OF CHANGES IN FUND BALANCE

Major Funds

The General Fund, Water Enterprise Fund and Wastewater Improvements Fund are classified as major budgetary funds in both FY 2018/19 and FY 2019/20. Both the General Fund and Water Enterprise Fund project no significant fund balance changes, with year-over-year changes projected at less than 10% for both fiscal years. The FY 2018/19 fund balance decrease in the Wastewater Improvements Fund is anticipated to be 100%. The majority of 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 30.

Non-Major Funds (in Aggregate)

The change in fund balance for all other non-major budgetary funds in the aggregate is projected to be 13.85% in FY 2018/19 and below 10% for FY 2019/20.

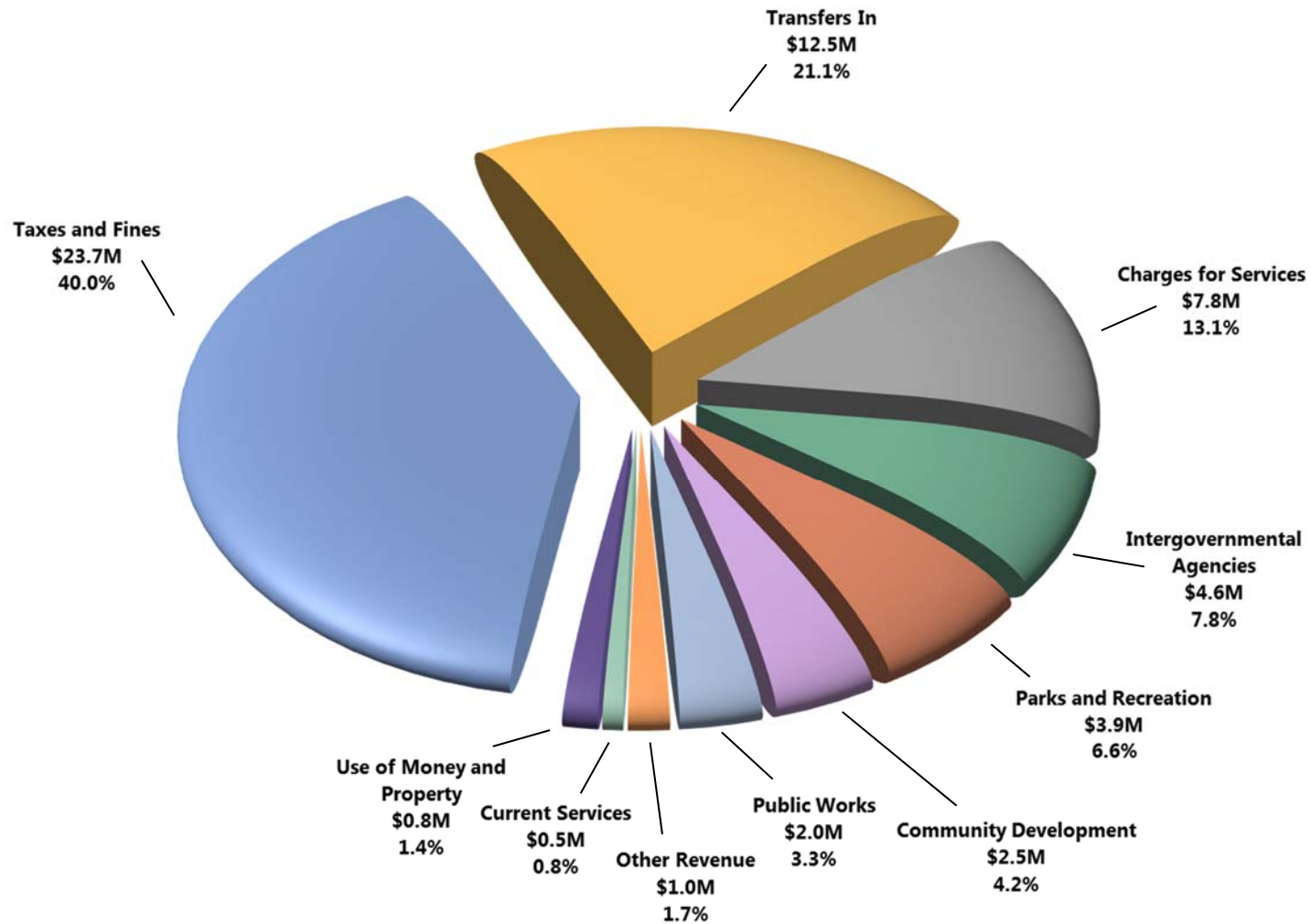
Fund #	Fund Name	Projected Fund Balance & Reserves at 6/30/2018	Budget Fund Balance & Reserves at 6/30/2019	Change	% Change
GENERAL FUND					
100	General Fund	\$ 28,327,557	\$ 27,796,683	\$ (530,874)	-1.87%
ENTERPRISE FUNDS					
560, 563	Water Enterprise	130,116,465	124,236,819	(5,879,646)	-4.52%
CAPITAL FUNDS					
592	Wastewater Improvements	5,654,187	0	(5,654,187)	-100.00%
ALL OTHER NON-MAJOR FUNDS					
xxx	All Other Non-Major Funds	281,791,886	242,772,093	(39,019,793)	-13.85%

Fund #	Fund Name	Budget Fund Balance & Reserves at 6/30/2019	Budget Fund Balance & Reserves at 6/30/2020	Change	% Change
GENERAL FUND					
100	General Fund	\$ 27,796,683	\$ 26,410,283	\$ (1,386,400)	-4.99%
ENTERPRISE FUNDS					
560, 563	Water Enterprise	124,236,819	118,337,500	(5,899,319)	-4.75%
CAPITAL FUNDS					
592	Wastewater Improvements	0	0	0	0.00%
ALL OTHER NON-MAJOR FUNDS					
xxx	All Other Non-Major Funds	242,772,093	227,571,547	(15,200,546)	-6.26%



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FY 2018/19 GENERAL FUND REVENUE BY CATEGORY \$59.3 Million





GENERAL FUND REVENUE SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Projected	2018/19 Budget	% Change	2019/20 Budget	% Change
Taxes and Fines	\$ 21,750,314	\$ 22,232,334	\$ 22,798,162	\$ 23,681,668	6.52%	\$ 24,642,619	4.06%
Use of Money and Property	220,269	460,240	226,332	846,689	83.97%	854,119	0.88%
Community Development	4,303,633	2,614,067	3,109,583	2,475,008	-5.32%	2,534,029	2.38%
Public Works	2,100,303	1,965,412	1,944,069	1,981,351	0.81%	2,055,264	3.73%
Parks and Recreation	3,500,572	3,706,354	3,622,142	3,915,928	5.65%	4,050,032	3.42%
Intergovernmental Agencies	4,683,482	4,290,996	4,416,059	4,633,610	7.98%	4,823,163	4.09%
Current Services	447,480	465,892	463,252	489,246	5.01%	254,877	-47.90%
Charges for Services	7,545,288	7,665,435	7,686,901	7,764,383	1.29%	7,710,162	-0.70%
Other Revenue	628,254	546,654	626,206	997,694	82.51%	670,405	-32.80%
Transfers In	9,520,696	14,558,525	13,145,478	12,489,854	-14.21%	12,508,499	0.15%
TOTAL GENERAL FUND REVENUE	<u>\$ 54,700,291</u>	<u>\$ 58,505,909</u>	<u>\$ 58,038,184</u>	<u>\$ 59,275,431</u>		<u>\$ 60,103,169</u>	
Annual Percentage Change			6.10%	1.32%		1.40%	



GENERAL FUND SCHEDULE OF INTERFUND TRANSFERS IN

From Fund	Purpose	2017/18 Projected	2018/19 Budget	2019/20 Budget
Gas Tax	Street Operations	\$ 1,329,574	\$ 1,614,063	\$ 1,659,260
Community Facilities District #2	Public Safety	602,000	613,000	625,000
Community Facilities District #3	Public Safety	584,505	1,065,000	1,020,000
Community Facilities District #4	Public Safety	2,282,000	2,505,000	2,650,000
Community Facilities District #5	Public Safety	306,000	1,078,355	1,365,846
Public Art Acquisition	Art Commission	600	620	640
Abandoned Vehicle Abatement	Vehicle Abatement	40,000	40,000	40,000
Roadway Projects	Interest	2,613	19,154	19,154
Roadway Projects	Return of Excess CIP Funding	115,011	0	0
Community Facility Projects	Interest	3,409	5,485	5,485
Community Facility Projects	Return of Excess CIP Funding	19,313	0	0
Parks and Trails Projects	Interest	411	1,297	1,297
Parks and Trails Projects	Return of Excess CIP Funding	22,837	0	0
CIP 2012	Debt Refinance Savings	158,457	159,207	158,094
Internal Services	Accumulated Savings	221,133	76,682	76,682
Pension/OPEB Obligation	Interest	0	217,041	217,041
Pension/OPEB Obligation	Successor Agency Payment Plan Reserve	3,890,615	0	0
Pension/OPEB Obligation	Brentwood Blvd. Improvements Reserve	678,000	0	0
Pension/OPEB Obligation	Strategic Initiatives	0	794,085	0
Pension/OPEB Obligation	Pension/OPEB Funding Contribution	2,889,000	4,300,865	4,670,000
Total Transfers In		\$ 13,145,478	\$ 12,489,854	\$ 12,508,499

MAJOR GENERAL FUND RECURRING REVENUE SOURCES

Major Recurring Revenue Sources	2016/17 Actual	% of General Fund Revenue	2017/18 Projected	% of General Fund Revenue	2018/19 Budget	% of General Fund Revenue	2019/20 Budget	% of General Fund Revenue
Property Tax	\$ 10,171,289	18.59%	\$ 10,848,108	18.69%	\$ 11,629,062	19.62%	\$ 12,157,149	20.23%
Sales Tax	8,188,046	14.97%	8,301,515	14.30%	8,301,515	14.00%	8,633,576	14.36%
Community Facilities District Assessments	4,009,571	7.33%	3,774,505	6.50%	5,261,355	8.88%	5,660,846	9.42%
Motor Vehicle In-Lieu Taxes	3,952,928	7.23%	4,291,792	7.39%	4,579,830	7.73%	4,771,259	7.94%
Development Fees	6,403,936	11.71%	5,053,652	8.71%	4,456,359	7.52%	4,589,293	7.64%
Parks and Recreation Property Taxes	2,105,655	3.85%	2,205,298	3.80%	2,365,888	3.99%	2,475,366	4.12%
Gas Tax	1,164,271	2.13%	1,329,574	2.29%	1,614,063	2.72%	1,659,260	2.76%
Franchise Fees	1,487,179	2.72%	1,502,050	2.59%	1,532,091	2.58%	1,562,733	2.60%

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) CFD Assessments; 4) Motor Vehicle In-Lieu Taxes; 5) Development Fees; 6) Parks and Recreation Property Taxes; 7) Gas Tax and 8) Franchise Fees. Detailed below are the assumptions used for estimating the major revenue sources for FY 2018/19 and FY 2019/20.



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. In recent years, the City has experienced strong increases in property tax revenues. In FY 2016/17, the City's property tax base increased by 8.10%, followed by an additional increase of 8.5% in FY 2017/18. These escalations were a direct result of property values increasing combined with steady increases in new housing development.



PROPERTY TAX		
City	1/1/2017 Population	2017/18 Est. Revenue Per Capita
Pleasanton	75,916	\$ 752.34
Dublin	59,686	586.32
Benicia	27,695	521.86
Livermore	89,648	345.78
Fremont	231,664	298.52
Martinez	37,658	223.03
Walnut Creek	70,974	222.90
Oakland	426,074	216.36
Danville	43,355	215.40
San Ramon	80,550	186.13
Brentwood	61,055	166.58
Vallejo	118,280	153.07
Union City	73,452	146.92
Tracy	90,890	142.54
Vacaville	98,456	136.59
Fairfield	114,157	112.38
Concord	128,370	109.33
Antioch	114,241	93.95
Pleasant Hill	34,657	84.47
Stockton	320,554	79.20
Oakley	41,199	58.20
Average Comparison City	111,359	\$ 231.04

Property tax revenues are expected to increase from \$154 per capita in FY 2015/16 to \$182 per capita in the FY 2018/19 budget. The FY 2018/19 estimate of property tax revenue of \$11.6 million represents 19.5% of General Fund revenues and is a 7.2% increase from projected FY 2017/18 property taxes. This increase was compared to estimates from the City's property tax revenue consultant's projections for FY 2018/19 for reasonableness.

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 2%. Typically, locally assessed real property subject to taxation is adjusted each year by 2% as noted in Proposition 13.

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 receives less property tax revenue per capita than the average comparison city.

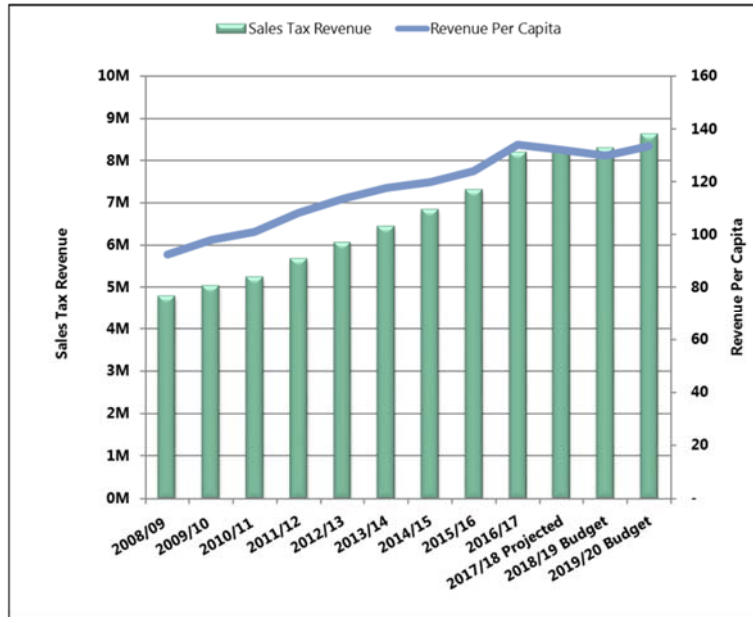


Sales Tax

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 2018/19 is \$8.3 million, not including the public safety portion. The budget for FY 2018/19 is flat compared to the FY 2017/18 projection. This is due to the loss of a couple of significant retailers in the latter half of FY 2017/18, which impacted the projected revenue for FY 2018/19. The loss of these retailers is offset in the projection by continued strong growth in local retail sales across the board. Actual sales tax growth has been robust in the recent periods with a 7.0% increase in FY 2015/16 over the prior fiscal year and an 11.9% increase in FY 2016/17, however with

continued pressure on brick and mortar retailers and a larger share of retail sales coming from receipts from on-line sales, a conservative forecast is warranted. The FY 2019/20 budget reflects an expected 4% growth in sales tax revenue reflecting expected increases in population and new retailers occupying the vacated spaces.



SALES TAX		
City	1/1/2017 Population	2017 Calendar Revenue Per Capita
Livermore	89,648	\$ 358.25
Dublin	59,686	347.90
Walnut Creek	70,974	347.53
Pleasanton	75,916	323.88
Concord	128,370	278.66
Tracy	90,890	263.82
Pleasant Hill	34,657	252.46
Fremont	231,664	237.01
Benicia	27,695	216.50
Vacaville	98,456	207.34
Fairfield	114,157	187.32
Stockton	320,554	152.80
Union City	73,452	151.42
Brentwood	61,055	143.68
Martinez	37,658	135.75
Danville	43,355	134.09
Oakland	426,074	132.85
Vallejo	118,280	123.38
San Ramon	80,550	121.16
Antioch	114,241	116.97
Oakley	41,199	42.99
Average Comparison City	112,444	\$ 195.88

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.

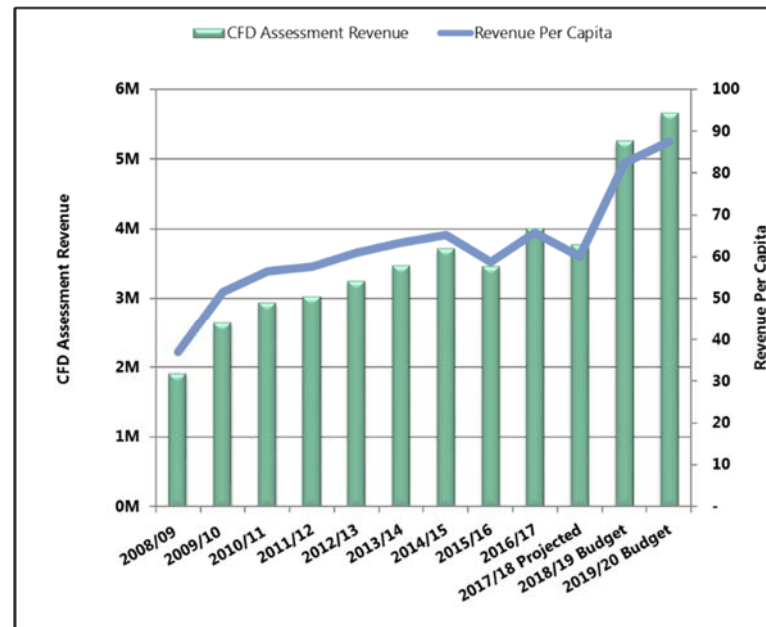
The chart on the previous page illustrates a continued upward trend. On a per capita basis, the City's sales tax revenue has increased an average of 5.1% per year from FY 2014/15 to the budgeted amount for FY 2018/19.

The multi-city comparison of calendar year 2017 sales tax revenue, shown on the previous page, 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.

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 the majority of this revenue into the General Fund on an annual basis, primarily to fund public safety services.

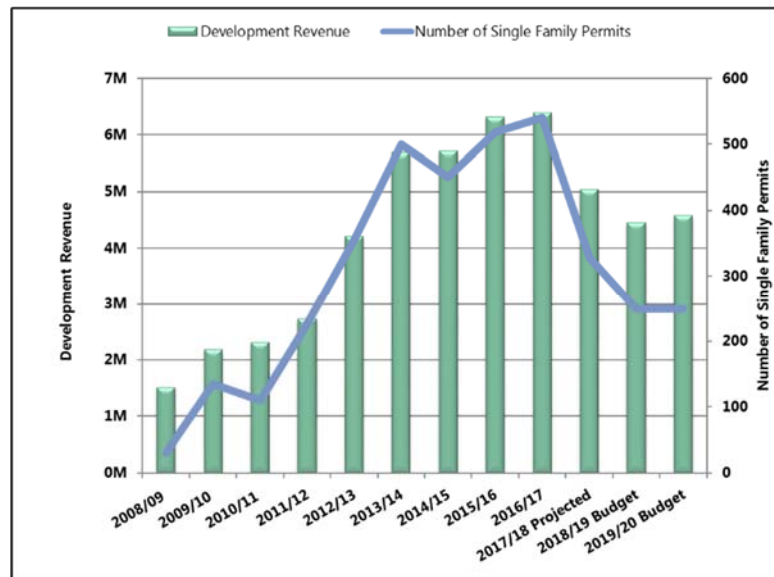
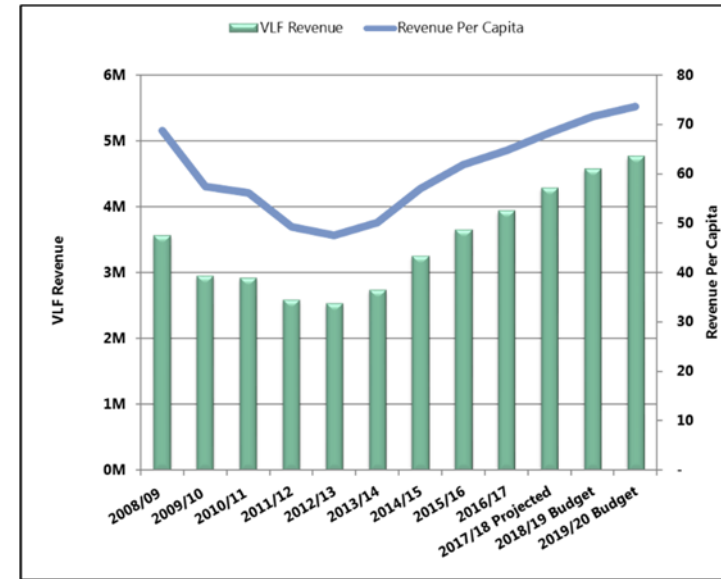
This revenue source has grown in line with increasing development over the past several years. Budgeted growth in this revenue source is driven by new development in the City, plus an annual 2% inflation increase in the existing assessment amounts. Projected new development includes 250 single-family residential permits projected to be issued in both FY 2018/19 and FY 2019/20.



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.

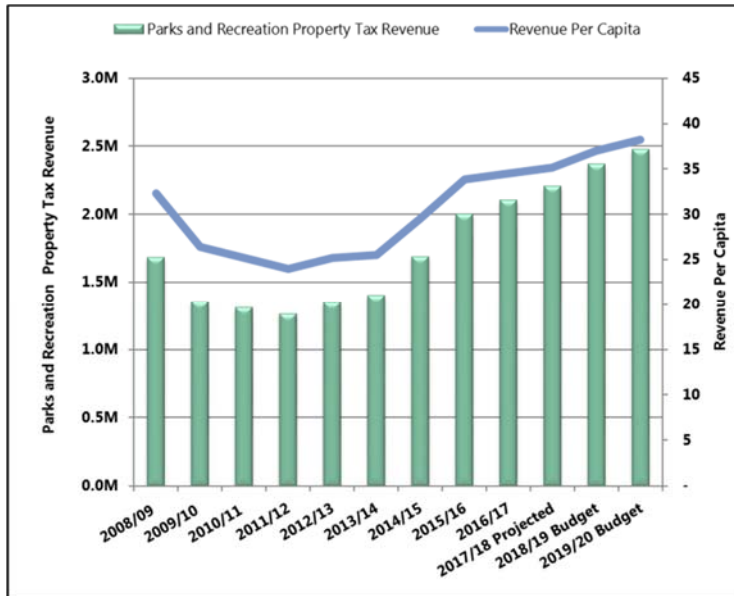
As a result of the State Budget Act of 2014, allocation of the Motor Vehicle In-Lieu Tax is driven by the change in the City's property tax values, not by population. Due to significant increases in the City's assessed valuation in the past two years, revenue from the Motor Vehicle In-Lieu Tax has increased an average of 9.7% per year from FY 2015/16 to the FY 2017/18 projection. The budget for FY 2018/19 includes a 6.7% increase to a total of \$4.6 million. This increase is based on the same analysis utilized in projecting property tax, discussed in the Property Tax section beginning on page 74.



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 519 single-family dwelling permits issued in FY 2015/16 and 541 issued in FY 2016/17. The current projection for FY 2017/18 shows a total of 328 permits to be issued by year end. The projected revenue for FY 2018/19 of \$4.5 million and \$4.6 million for FY 2019/20 is based on the issuance of an estimated 250 new single-family dwelling permits in each of the fiscal years.

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.



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 2018/19 estimate of Parks and Recreation property tax revenue of \$2.4 million represents 4.0% of the General Fund total revenue. These revenues are used to support the Parks and Recreation Department programs and services. 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 74.

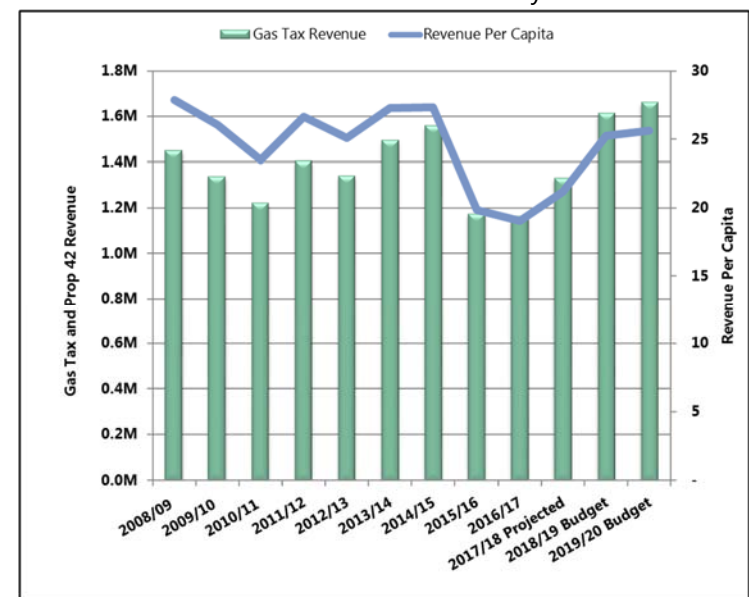
Gas Tax

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 increase in revenue projected for FY 2017/18, and continuing into FY 2019/20, is due to a change in allocation method by the State for one of the gas tax funds. The City has estimated the budgeted amounts for FY 2018/19 based on projections from the California Local Government Finance Almanac.

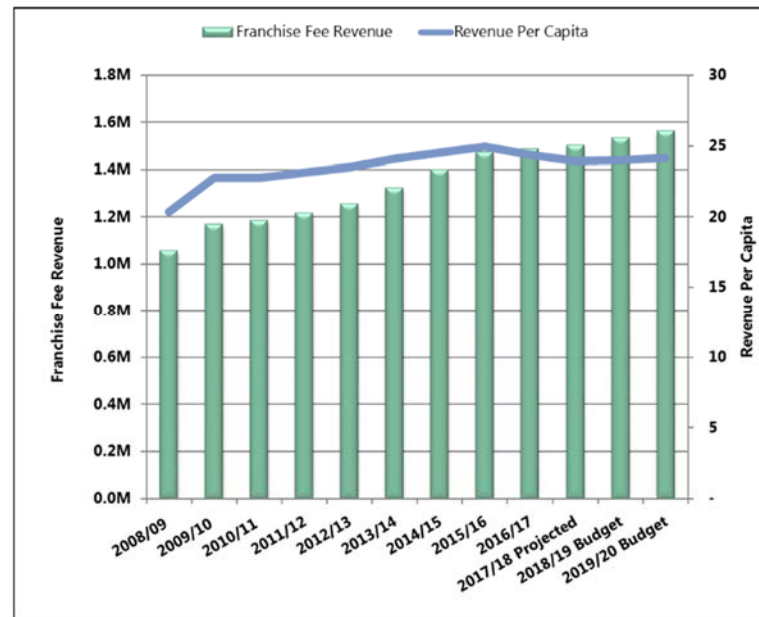


Additional taxes that will be collected under SB 1 – Road Maintenance and Rehabilitation Act will be used to directly fund road maintenance capital projects as a an initiative in the 2018/19 – 2019/20 Strategic Plan. Although not currently budgeted as a source revenue for the General Fund in the current year, SB 1 taxes are available support General Fund street maintenance in the future as an allowable use of the funds.

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 growth in franchise fee revenue. New technologies have reduced the rate of growth in fees in the most recent years, resulting in a slower growth rate in the budget. Regardless, these fees remain 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 development and population growth.



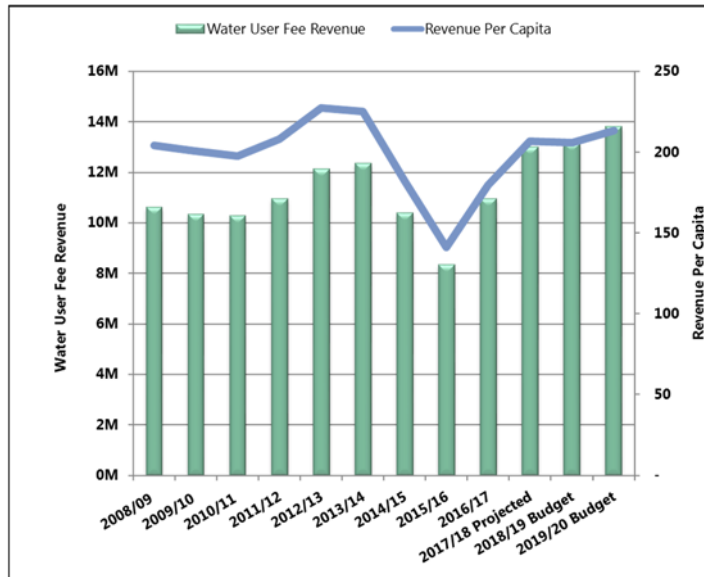
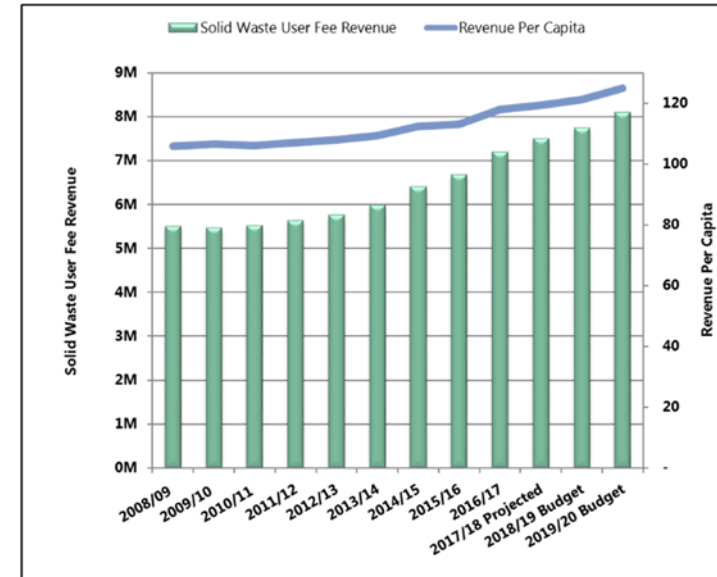
OTHER CITY REVENUE SOURCES

Solid Waste User Fees

Charges for Solid Waste Enterprise services provided by the City are set in accordance with Proposition 218 and are required to be sufficient to cover the necessary operating expenses and capital improvements costs of the Enterprise. Five-year rate studies are developed that include the future enterprise operating expenditures and capital budgets. City Council's approval of the enterprise rates for the five-year period provide the basis for the Solid Waste revenue budget.

Water User Fees

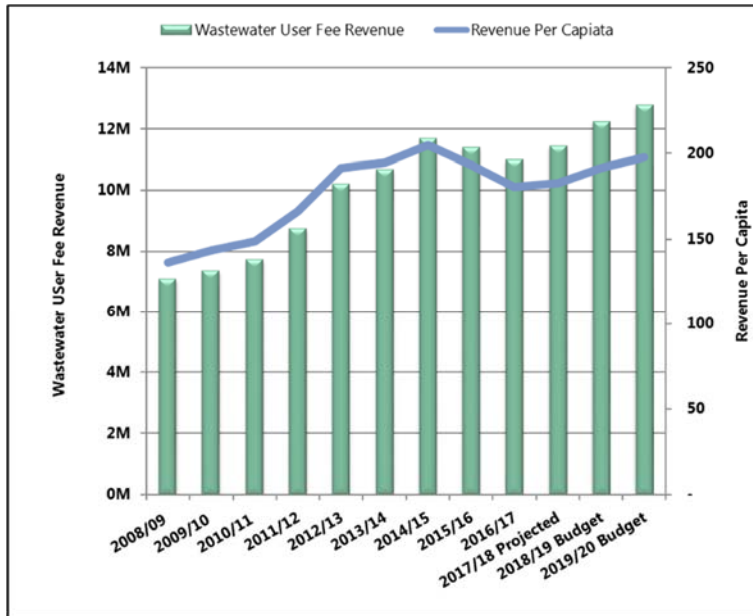
Charges for Water Enterprise services provided by the City are set in accordance with Proposition 218 and are required to be sufficient to cover the necessary operating expenses, debt service and capital improvements costs of the Enterprises. Five-year rate studies are developed that include the future enterprise operating expenditures, debt and capital budgets. City Council's approval of the enterprise rates for the five-year period provide the basis for the Water revenue budget.



approval of the enterprise rates for the five-year period provide the basis for the Water revenue budget.

In 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 resulted in the reduction of user fees in FY 2015/16.

In response to continued conservation by customers and permanent changes in water use habits, a two-year rate study was initiated through the Proposition 218 process which established annual average rate increases of 9% beginning on June 1, 2016, increasing user fee revenue for FY 2016/17 and projected revenue for FY 2017/18.



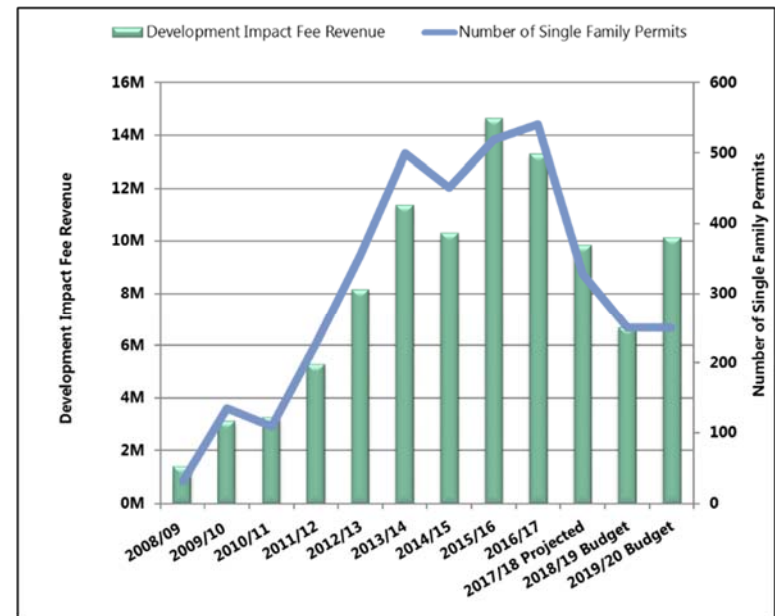
Wastewater User Fees

Charges for Wastewater Enterprise services provided by the City are set in accordance with Proposition 218 and are required to be sufficient to cover the necessary operating expenses, debt service and capital improvements costs of the Enterprises. Five-year rate studies are developed that include the future enterprise operating expenditures and capital budgets. City Council's approval of the enterprise rates for the five-year period provide the funding for the proposed budgets included in this draft.

Development Impact Fee Revenue

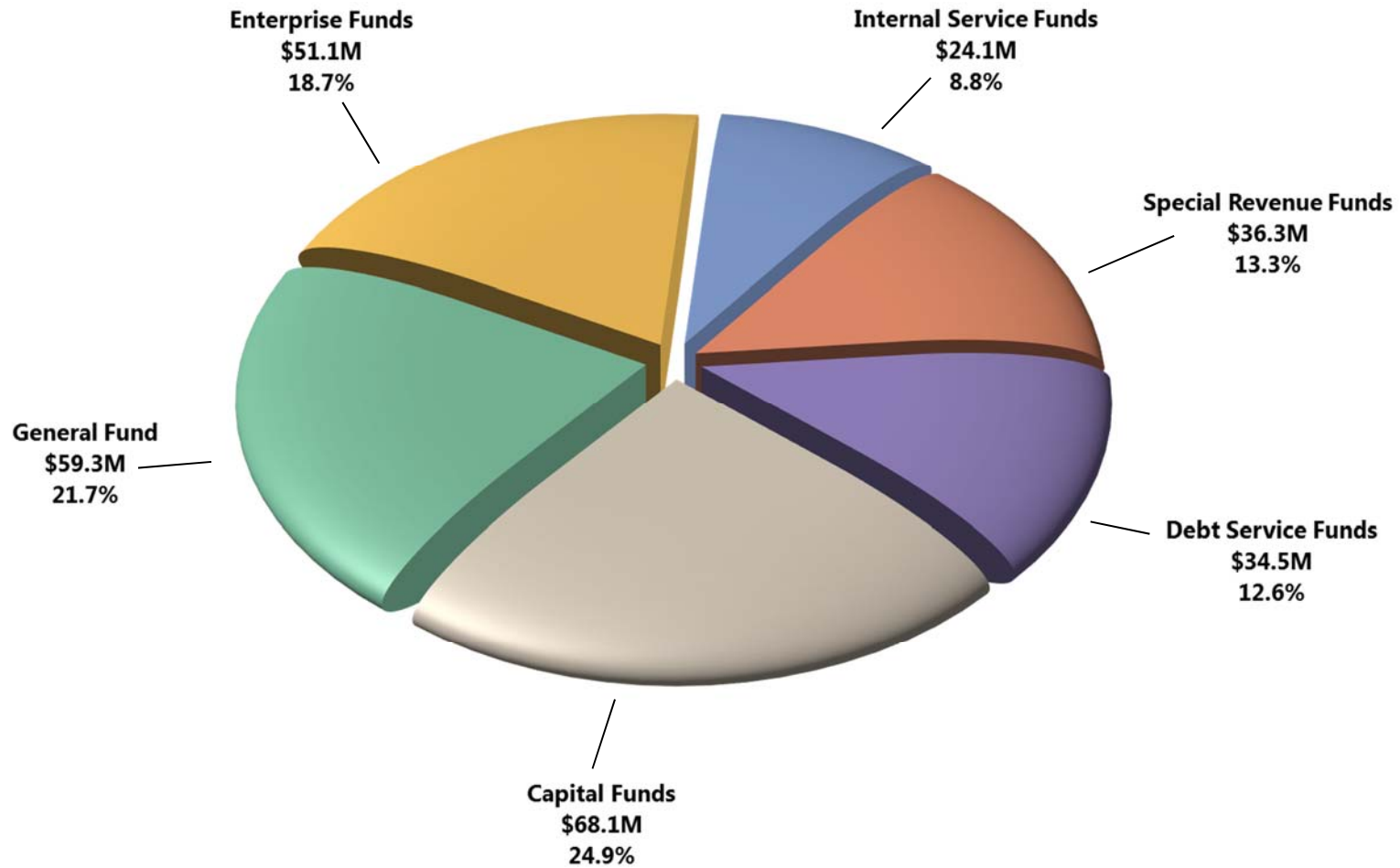
Water, Wastewater, Roadway, Community Facilities, Fire, and Parks and Trails development impact fees are collected for all new development in the City of Brentwood. These fees are collected for the purpose of constructing or improving Master Planned City infrastructure. The current fee schedule can be found in the City of Brentwood Development Fee Program adopted in November 2017.

The budgeted revenue of \$7.3 million in FY 2018/19 and \$10.6 million in FY 2019/20, is calculated based on the estimated number of single-family and multi-family dwelling units and commercial/office/industrial development permits projected to be issued in the respective fiscal years.



FY 2018/19 CITYWIDE REVENUE BY FUND TYPE

\$273.4 Million





FUND REVENUE SUMMARY

Fund #	Fund Name	2016/17 Actual	2017/18 Budget	2017/18 Projected	2018/19 Budget	Budget % Change	2019/20 Budget	Budget % Change
GENERAL FUND								
100	General Fund	\$ 54,700,291	\$ 58,505,909	\$ 58,038,184	\$ 59,275,431	1.32%	\$ 60,103,169	1.40%
	Total General Fund	<u>54,700,291</u>	<u>58,505,909</u>	<u>58,038,184</u>	<u>59,275,431</u>	1.32%	<u>60,103,169</u>	1.40%
ENTERPRISE FUNDS								
540,543	Solid Waste Enterprise	11,779,697	11,549,251	12,180,893	13,876,180	20.15%	14,485,645	4.39%
560,563	Water Enterprise	29,726,322	23,960,926	20,935,128	22,571,622	-5.80%	23,565,815	4.40%
590,593	Wastewater Enterprise	13,408,369	12,997,885	11,745,294	13,097,033	0.76%	13,652,639	4.24%
501	City Rentals Enterprise	496,944	607,907	606,416	577,684	-4.97%	601,245	4.08%
510,511,513	Housing Enterprise	915,063	938,524	871,664	969,293	3.28%	882,533	-8.95%
	Total Enterprise Funds	<u>56,326,395</u>	<u>50,054,493</u>	<u>46,339,395</u>	<u>51,091,812</u>	2.07%	<u>53,187,877</u>	4.10%
INTERNAL SERVICE FUNDS								
700	Emergency Preparedness	16,555	2,733	0	0	-100.00%	0	0.00%
701	Information Services	2,350,964	2,561,558	2,591,587	2,714,159	5.96%	2,788,951	2.76%
702	Equipment Replacement	1,894,192	1,793,953	1,701,862	2,077,741	15.82%	2,077,741	0.00%
703	Information Systems Replacement	1,085,801	1,239,735	1,230,152	1,341,214	8.19%	1,341,214	0.00%
704	Facilities Replacement	920,900	1,110,031	1,078,542	1,080,248	-2.68%	1,169,548	8.27%
705	Tuition	237	718	0	29,188	3965.18%	29,275	0.30%
706	Fleet Maintenance Services	1,372,483	1,508,986	1,504,832	1,753,829	16.23%	1,773,353	1.11%
707	Facilities Maintenance Service	1,901,333	1,961,936	1,952,990	2,235,959	13.97%	2,345,755	4.91%
708	Parks and LLAD Replacement	2,857,059	2,317,054	2,224,114	2,681,023	15.71%	2,679,476	-0.06%
709	Insurance	1,052,148	1,107,949	1,097,126	1,228,183	10.85%	1,289,213	4.97%
710	Pension/OPEB Obligation	7,883,485	4,613,806	4,391,000	8,931,584	93.58%	4,913,566	-44.99%
	Total Internal Service Funds	<u>21,335,157</u>	<u>18,218,459</u>	<u>17,772,205</u>	<u>24,073,128</u>	32.14%	<u>20,408,092</u>	-15.22%



FUND REVENUE SUMMARY (Continued)

Fund #	Fund Name	2016/17 Actual	2017/18 Budget	2017/18 Projected	2018/19 Budget	Budget % Change	2019/20 Budget	Budget % Change
SPECIAL REVENUE FUNDS								
203-209	Gas Tax	\$ 1,130,808	\$ 1,578,332	\$ 1,685,138	\$ 2,581,226	63.54%	\$ 2,577,655	-0.14%
214	SB1186 Disability Access	4,253	4,788	13,250	21,206	342.90%	21,386	0.85%
216	Police Grants	186,695	238,050	216,687	260,192	9.30%	260,192	0.00%
217	Grants	291,287	80	64,770	3,911,879	4889748.75%	5,426,199	38.71%
219	Economic Development Grant	175,880	199,590	175,000	186,310	-6.65%	191,810	2.95%
220	Infrastructure Improvements	16	69	125	0	-100.00%	0	0.00%
230	Citywide Park Assessment District	2,945,238	2,981,405	3,001,265	3,071,649	3.03%	3,141,558	2.28%
231	Community Facilities District #2	596,157	619,326	608,032	620,283	0.15%	632,687	2.00%
232	Community Facilities District #3	2,298,795	2,332,536	2,324,009	2,360,331	1.19%	2,381,283	0.89%
233,235	Community Facilities District #4	2,352,423	2,483,187	2,600,819	2,865,350	15.39%	2,996,906	4.59%
234	Community Facilities District #5	701,148	900,364	992,311	1,333,255	48.08%	1,562,633	17.20%
250	Water Development Impact Fee	2,182,334	1,326,266	2,355,697	1,557,422	17.43%	2,388,187	53.34%
251	Roadway Development Impact Fee	4,801,779	2,838,524	3,147,550	2,748,905	-3.16%	3,452,274	25.59%
252	Parks and Trails Development Impact Fee	3,033,657	1,672,284	1,759,555	866,067	-48.21%	1,687,264	94.82%
255	Wastewater Development Impact Fee	2,191,586	1,224,362	1,719,393	1,412,403	15.36%	2,127,472	50.63%
256	Community Development Impact Fee	1,324,823	776,796	608,962	424,195	-45.39%	541,570	27.67%
257	Fire Development Impact Fee	4,444,093	323,708	275,504	318,731	-1.54%	438,152	37.47%
261	Development Impact Fee Administration	538,324	298,306	287,650	345,990	15.98%	340,608	-1.56%
262	Agriculture Land Administration	46,765	5,603	26,363	37,688	572.64%	37,688	0.00%
263	Agriculture Land Acquisition	187,737	6,982	105,450	128,576	1741.54%	128,576	0.00%
264	First-Time Homebuyer	20,430	8,835	0	21,268	140.72%	21,268	0.00%
265	Affordable Housing In-Lieu Fee	1,031,933	446,919	590,000	427,626	-4.32%	427,626	0.00%
267	Public Art Administration	118,866	46,921	0	9,813	-79.09%	9,813	0.00%
268	Public Art Acquisition	386,644	188,541	0	33,715	-82.12%	33,715	0.00%
269	Parking In-Lieu	71	313	0	571	82.43%	571	0.00%
270	Arts Commission	11	0	0	0	0.00%	0	0.00%
272	Riparian Mitigation Site Maintenance	79,506	0	0	1,601	100.00%	1,601	0.00%
280	Asset Forfeiture	14,999	27,855	163,742	30,613	9.90%	30,613	0.00%
281	Abandoned Vehicle Abatement	122,974	121,207	40,000	40,917	-66.24%	40,917	0.00%
285	PEG Media	2,107	9,287	0	16,948	82.49%	16,948	0.00%
286	Parks Advertising	13,695	19,593	19,000	20,211	3.15%	20,211	0.00%
293	Measure C/J	907,492	891,389	914,353	952,239	6.83%	980,539	2.97%
302	City Low Income Housing	36	12,278	0	292	-97.62%	292	0.00%
6xx	Landscape and Lighting Assessment Districts	5,926,101	8,489,851	8,453,348	9,673,833	13.95%	10,130,661	4.72%
Total Special Revenue Funds		38,058,663	30,073,547	32,147,973	36,281,305	20.64%	42,048,875	15.90%



FUND REVENUE SUMMARY (Continued)

Fund #	Fund Name	2016/17 Actual	2017/18 Budget	2017/18 Projected	2018/19 Budget	Budget % Change	2019/20 Budget	Budget % Change
DEBT SERVICE FUNDS								
City Debt Obligations								
445	Capital Improvement Revenue Refunding Bonds Series 2012	\$ 1,512,844	\$ 2,154,362	\$ 2,161,470	\$ 2,157,740	0.16%	\$ 2,151,599	-0.28%
448	General Obligation Bonds Series 2002	481,238	489,730	474,242	518,291	5.83%	543,291	4.82%
461	2009 Civic Center Project Lease Revenue Bonds	5,156,331	5,375,164	5,387,012	5,331,172	-0.82%	5,278,703	-0.98%
466	2015 Lease Financing	707,062	796,390	791,784	792,454	-0.49%	792,585	0.02%
	Total City Debt Obligations	<u>7,857,475</u>	<u>8,815,646</u>	<u>8,814,508</u>	<u>8,799,657</u>	<u>-0.18%</u>	<u>8,766,178</u>	<u>-0.38%</u>
Assessment Districts								
435	2018 A Refinance	0	954,663	954,662	3,936,743	312.37%	3,930,126	-0.17%
436	2014 A & B Refinance	7,120,884	7,151,065	7,146,269	7,152,661	0.02%	7,172,308	0.27%
437	2012 A Refinance	2,645,573	2,771,235	2,770,412	1,317,525	-52.46%	1,305,931	-0.88%
438	Capital Improvement Financing Program 2003-1	1,264,680	1,273,516	1,258,918	1,280,813	0.57%	1,281,782	0.08%
439	Capital Improvement Financing Program 2002-1	1,210,383	11,978,809	11,968,677	1,230,198	-89.73%	1,229,945	-0.02%
441	Capital Improvement Financing Program 94-1	2,797,093	2,805,688	2,790,302	2,842,894	1.33%	2,845,942	0.11%
442	Capital Improvement Financing Program 98-1	704,309	708,949	695,886	712,398	0.49%	714,486	0.29%
443	Capital Improvement Financing Program 99-1	648,141	654,645	640,585	648,484	-0.94%	648,684	0.03%
444	Capital Improvement Financing Program 2000-01	921,652	937,189	1,211,747	1,223,237	30.52%	1,222,557	-0.06%
449	Capital Improvement Financing Program 2004-1	1,576,984	1,576,742	1,561,497	1,592,850	1.02%	1,593,302	0.03%
460	Randy Way Assessment District	59,059	59,215	57,991	59,461	0.42%	58,280	-1.99%
462	2006 A & B Refinance	2,783,380	29,182,276	29,182,219	0	-100.00%	0	0.00%
463	Capital Improvement Financing Program 2006-1	1,096,143	1,113,548	1,108,914	1,113,961	0.04%	1,119,564	0.50%
464	Capital Improvement Financing Program 2005-1	2,572,221	2,601,522	2,590,731	2,630,554	1.12%	2,631,682	0.04%
465	96R Assessment District	1,430,603	10,054	0	2,401	-76.12%	2,401	0.00%
	Total Assessment Districts	<u>26,831,105</u>	<u>63,779,116</u>	<u>63,938,810</u>	<u>25,744,180</u>	<u>-59.64%</u>	<u>25,756,990</u>	<u>0.05%</u>
	Total Debt Service Funds	<u>34,688,580</u>	<u>72,594,762</u>	<u>72,753,318</u>	<u>34,543,837</u>	<u>-52.42%</u>	<u>34,523,168</u>	<u>-0.06%</u>



FUND REVENUE SUMMARY (Continued)

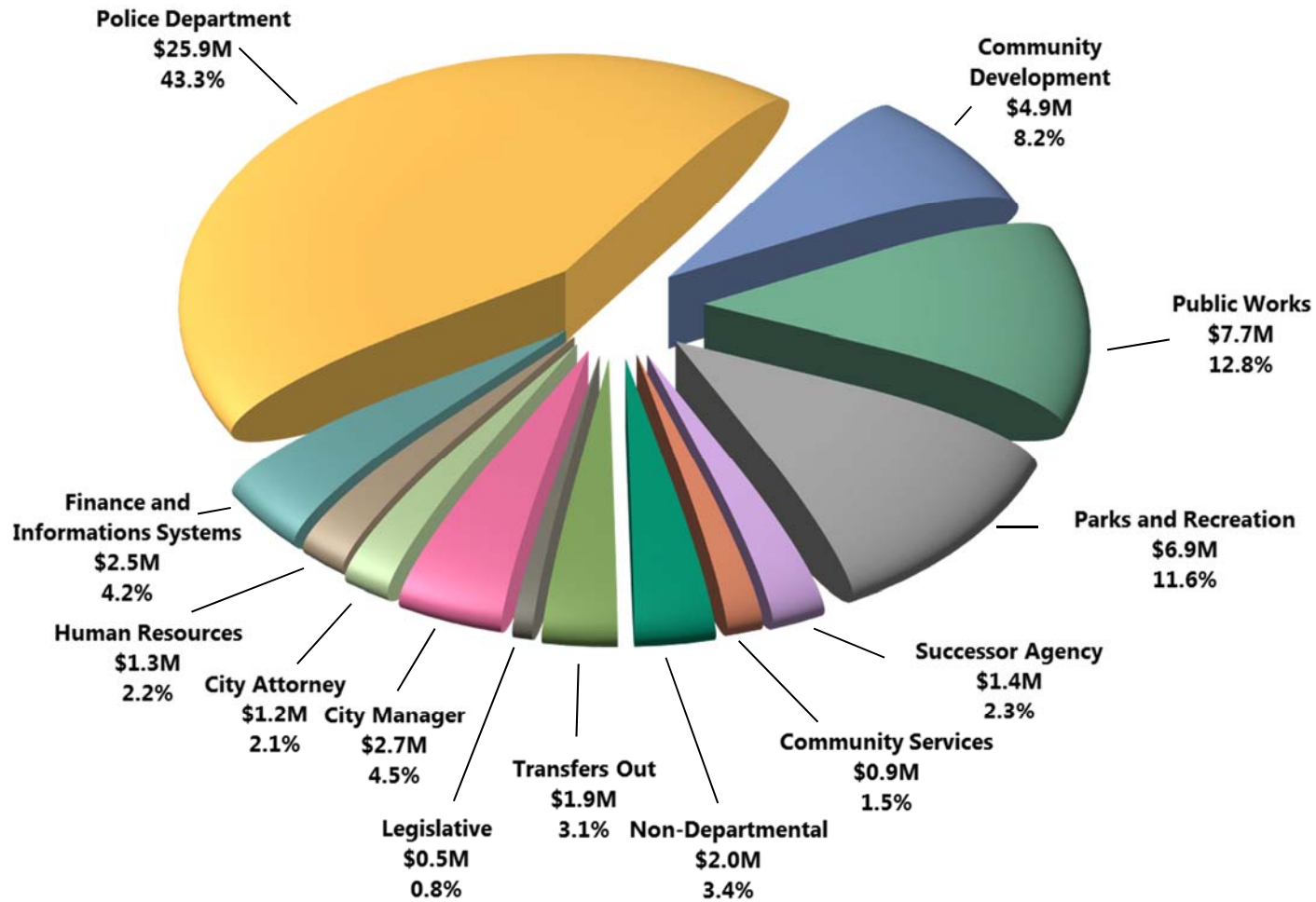
Fund #	Fund Name	2016/17 Actual	2017/18 Budget	2017/18 Projected	2018/19 Budget	Budget % Change	2019/20 Budget	Budget % Change
CAPITAL FUNDS								
336	Roadway Improvements	\$ 1,810,050	\$ 6,394,991	\$ 4,678,438	\$ 7,022,160	9.81%	\$ 4,109,254	-41.48%
337	Community Facilities Improvements	10,768,080	7,778,612	10,085,251	1,040,052	-86.63%	9,772,816	839.65%
352	Parks and Trails Improvements	891,340	951,240	908,172	1,020,228	7.25%	1,020,228	0.00%
361	Civic Center Project Lease Revenue Bond Acquisition	32,825	31,083	864	0	-100.00%	0	0.00%
366	2015 Lease Financing	40,286	9,117	41,104	7,808	-14.36%	0	-100.00%
380	Civic Center Capital Improvement Financing Program	2,033,243	2,163,356	2,194,329	1,997,119	-7.68%	1,191,972	-40.32%
381	City Capital Improvement Financing Program	249,809	272,805	271,703	465,313	70.57%	472,470	1.54%
391	Drainage Improvements	0	0	0	0	0.00%	0	0.00%
392	Capital Infrastructure	1,346,907	17,779	0	40,320	126.78%	10,320	-74.40%
393	Vineyards Projects	353,932	120,299	188,999	256,046	112.84%	266,802	4.20%
394	Vineyards Event Center Projects	18,158	10,558	16,412	17,493	65.68%	17,493	0.00%
542	Solid Waste Improvements	0	0	0	0	0.00%	0	0.00%
562	Water Improvements	1,630,172	5,683,519	4,790,410	7,579,323	33.36%	6,841,482	-9.73%
592	Wastewater Improvements	454,488	12,494,786	2,695,457	48,642,112	289.30%	28,323,149	-41.77%
	Total Capital Funds	<u>19,629,290</u>	<u>35,928,145</u>	<u>25,871,139</u>	<u>68,087,974</u>	89.51%	<u>52,025,986</u>	-23.59%
	TOTAL FUNDS	<u>\$ 224,738,376</u>	<u>\$ 265,375,315</u>	<u>\$ 252,922,214</u>	<u>\$ 273,353,487</u>	3.01%	<u>\$ 262,297,167</u>	-4.04%



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FY 2018/19 GENERAL FUND EXPENDITURE SUMMARY

\$59.8 Million





GENERAL FUND EXPENDITURE SUMMARY

	2016/17 Actual	2017/18 Budget	2017/18 Projected	2018/19 Budget	Budget % Change	2019/20 Budget	Budget % Change
Legislative	\$ 441,528	\$ 474,841	\$ 467,220	\$ 501,924	5.70%	\$ 513,644	2.34%
City Manager	1,906,592	2,710,587	2,001,232	2,706,189	-0.16%	2,644,201	-2.29%
City Attorney	1,094,533	1,426,604	1,293,743	1,243,332	-12.85%	1,281,622	3.08%
Human Resources	749,508	1,092,531	995,683	1,291,417	18.20%	1,212,228	-6.13%
Finance and Information Systems	2,011,404	2,224,283	2,085,745	2,499,236	12.36%	2,577,215	3.12%
Community Development	3,573,900	4,637,738	4,216,995	4,885,575	5.34%	5,047,711	3.32%
Parks and Recreation	5,566,766	6,481,807	6,214,520	6,926,980	6.87%	7,152,161	3.25%
Police Department	21,417,144	24,615,485	23,450,109	25,877,989	5.13%	26,708,594	3.21%
Public Works	6,441,406	7,403,628	7,120,398	7,675,745	3.68%	7,815,761	1.82%
Successor Agency	1,219,874	1,379,413	1,294,413	1,376,499	-0.21%	1,460,783	6.12%
Community Services	535,071	912,474	636,475	911,575	-0.10%	1,069,746	17.35%
Non-Departmental	1,230,746	1,233,986	736,424	2,026,725	64.24%	2,156,591	6.41%
Transfers Out	7,652,825	2,603,573	2,603,573	1,883,119	-27.67%	1,849,312	-1.80%
TOTAL GENERAL FUND EXPENDITURES	\$ 53,841,297	\$ 57,196,950	\$ 53,116,530	\$ 59,806,305		\$ 61,489,569	



GENERAL FUND SCHEDULE OF INTERFUND TRANSFERS OUT

To Fund	Purpose	2017/18 Projected	2018/19 Budget	2019/20 Budget
Transfers Out				
Citywide Park Assessment District	Park Maintenance	\$ 843,573	\$ 873,119	\$ 899,312
Roadway Improvements	Citywide Overhead Utility Replacement	70,000	0	0
Roadway Improvements	Pavement Management Program	200,000	0	0
Community Facilities Improvements	City Hall Automatic Transfer Switch	215,000	85,000	0
Community Facilities Improvements	Community Build-Out Plan	150,000	100,000	100,000
Community Facilities Improvements	License Plate Reader - Phase II	250,000	0	0
Community Facilities Improvements	Specific Plan for Priority Area 1	275,000	0	0
Community Facilities Improvements	Zoning Ordinance Update	0	200,000	200,000
Parks and LLAD Replacement	Park Replacement	600,000	625,000	650,000
	Total Transfers Out	\$ 2,603,573	\$ 1,883,119	\$ 1,849,312



GENERAL FUND EXPENDITURES BY CATEGORY

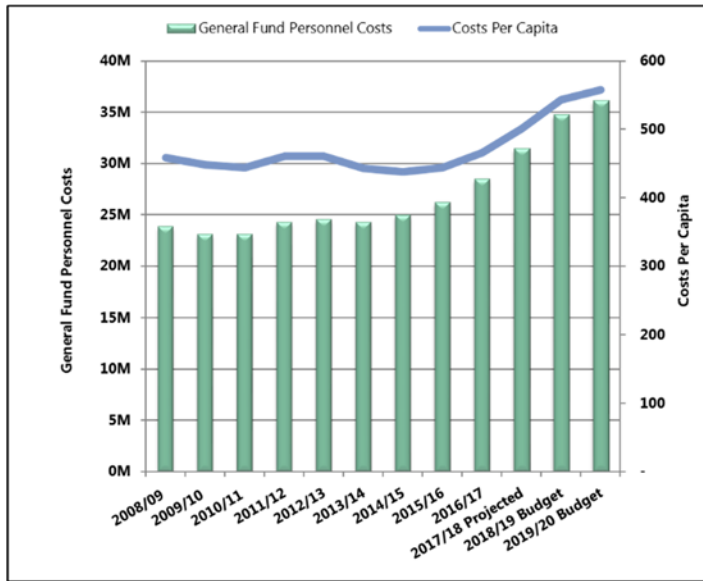
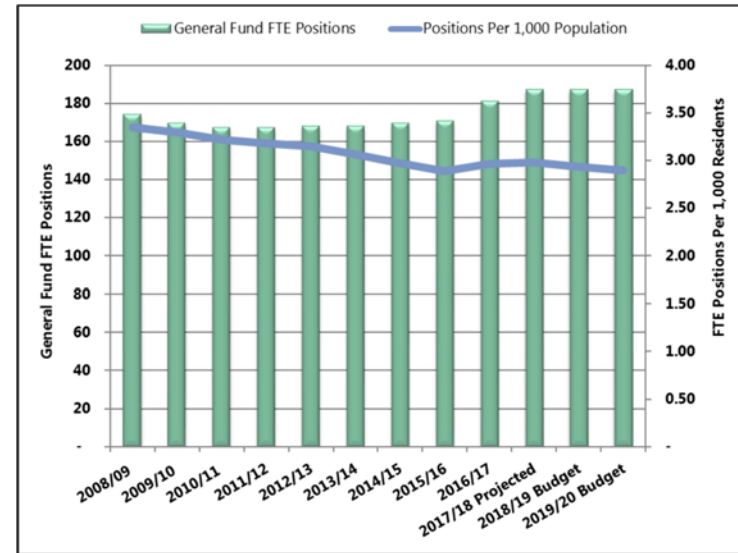
	2016/17 Actual	2017/18 Budget	2017/18 Projected	2018/19 Budget	% Change	2019/20 Budget	% Change
Personnel Services	\$ 28,463,580	\$ 33,056,623	\$ 31,458,525	\$ 34,708,885	5.00%	\$ 36,126,917	4.09%
Supplies and Services	9,161,724	10,651,863	8,175,583	11,404,507	7.07%	11,411,854	0.06%
Internal Services	8,528,045	9,488,638	9,488,638	10,258,772	8.12%	10,612,467	3.45%
Capital Outlay	35,123	1,396,253	1,390,211	1,551,022	11.08%	1,489,019	-4.00%
SUBTOTAL GENERAL FUND OPERATIONS	46,188,472	54,593,377	50,512,957	57,923,186	6.10%	59,640,257	2.96%
Transfers Out	7,652,825	2,603,573	2,603,573	1,883,119	-27.67%	1,849,312	-1.80%
TOTAL GENERAL FUND EXPENDITURES	\$ 53,841,297	\$ 57,196,950	\$ 53,116,530	\$ 59,806,305		\$ 61,489,569	
Annual Percentage Change			-1.35%	4.56%		2.81%	
Total General Fund Budgeted Full-Time Employees	181.99	186.99	186.99	187.35		187.35	
Total General Fund Elected and Appointed Positions	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 67% of General Fund total expenses. The total budgeted expenditures for FY 2018/19 are \$34.7 million, which is a 5.0% increase over the FY 2017/18 budget of \$33.1 million. This increase is driven by salary and benefit adjustments for existing employees.

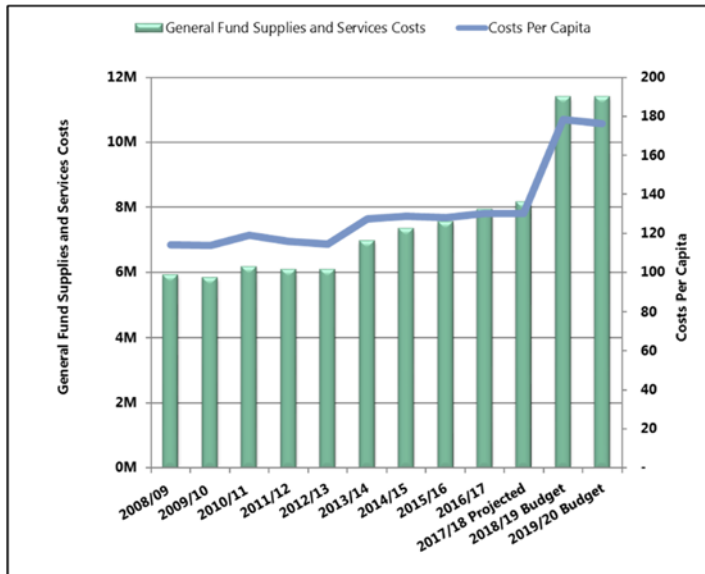
In FY 2016/17, at City Council's direction, the City established a Police dispatch center in Brentwood. This center provides dispatch services for Brentwood provided in the past by a contract with the City of Antioch. The establishment of the dispatch center ensures that Brentwood controls a critical public safety function, including the hiring of personnel, training standards, quality and budgets for operation.



The dispatch center operates on a 24-hour basis and required additional staff of 13 full time positions, increasing personnel costs in FY 2016/17 and FY 2017/18.

Since 2006, the City's population has increased by 25% and Brentwood has been the fastest growing City in Contra Costa County for several years in a row. Despite the growth in population and corresponding infrastructure, other than the addition of dispatch services, staffing had not increased in the last ten years. In June of 2017 in response to critical staffing needs to address the increasing demand on City services and to maintain the high-quality of life standard in Brentwood, Council authorized an increase in full time positions. Two Code Enforcement Officers, a Development Services Manager, a Parks Planning Technician and a Street Maintenance Worker were added to the staff in FY 2017/18.

There is only a slight increase in the number of General Fund employees as a result of minor reallocations of personnel from other funds in the FY 2018/19 and FY 2019/20 budget. As illustrated in the chart on the previous page, personnel costs are increasing due to the additional staff added in FY 2016/17 and FY 2017/18 for additional service levels and from contractual salary and benefit adjustments for existing General Fund employees. Personnel expenditures are projected to be \$543 per capita for FY 2018/19 and \$558 per capita for FY 2019/20.



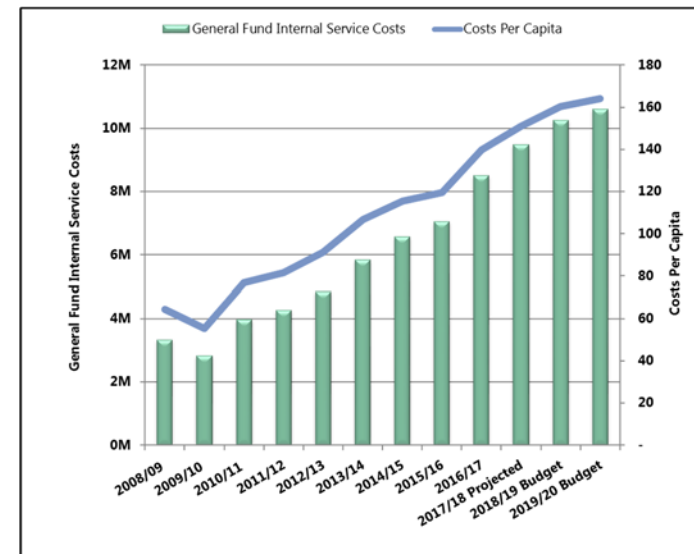
Supplies and Services

Supplies and services expenditures are increasing from \$10.7 million in the FY 2017/18 budget to \$11.4 million in the FY 2018/19 budget. Supplies and Services related to on-going City operations are budgeted to decrease by \$0.3 million (or 2.4%) in FY 2018/19 due mainly to a reduction in contractual services. The overall increase in supplies and services is for the support of the cost of strategic plan initiatives. These strategic initiative costs have been offset by one-time transfers in from other funds along with carryover strategic initiative reserves from the prior budget period.

Internal Services

Internal Service costs of \$10.3 million, budgeted for FY 2018/19, are an increase of 8.2% from

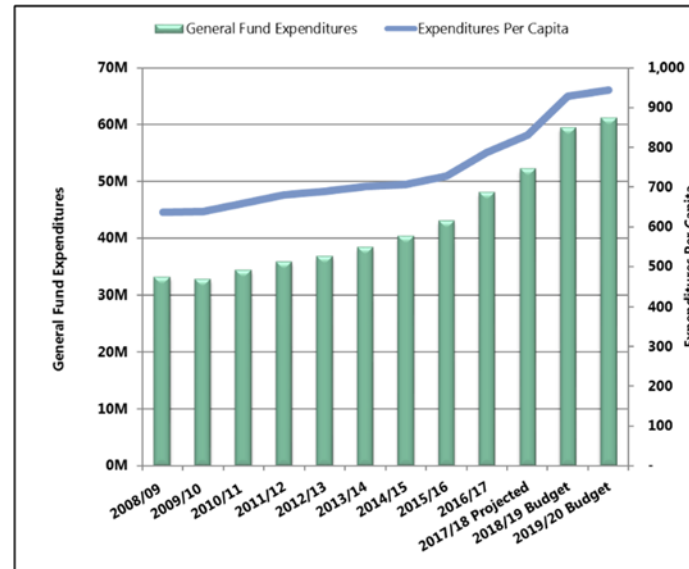
the FY 2017/18 budget of \$9.5 million. This increase is primarily from the impact of rising costs associated with facilities maintenance costs and the funding of future replacement of facilities, technology and equipment as assets age and new facilities are placed in service, such as the new Library scheduled to open in the fall of 2018. The historical increase in internal service funds is largely driven by increases in OPEB funding.



Total General Fund Expenditures

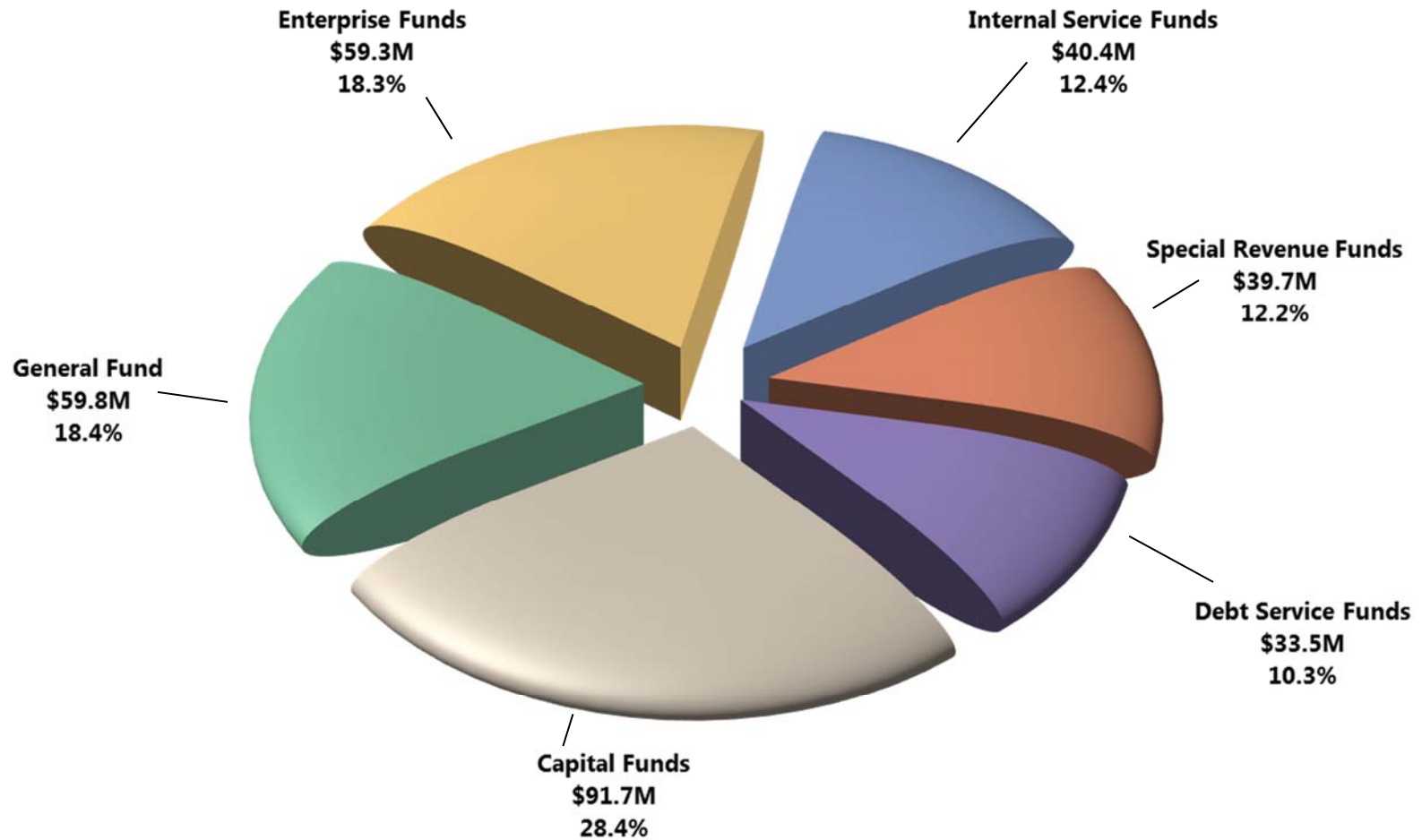
Total General Fund expenditures include personnel services, supplies and services and internal services, as well as operational transfers. Non-operating transfers, including funding for CIP projects, are not included in these totals, as the variation from one year to the next would diminish any value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

Total expenditures on a per capita basis will increase from the FY 2017/18 projection of \$832 to \$930 per capita in FY 2018/19. This increase is mainly due to the increase in expenditures for Strategic Initiatives, increases in contributions to internal service funds for the maintenance or replacement of facilities and equipment and contractual personnel costs increases.



FY 2018/19 CITYWIDE EXPENDITURES BY FUND TYPE

\$324.4 Million





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 expenditure increase in the Enterprise Funds in FY 2018/19 is mainly due to one-time payments made in support of the Pension Paydown Plan (see page 10.) The increase in FY 2019/20 budgeted expenditures is due substantially to the planned payoff of an existing SRF loan balance taken out for the construction of the existing wastewater treatment plant. The City is planning to pay off the current loan early in anticipation of a taking out a new SRF loan to fund the Wastewater Treatment Plant Expansion – Phase II capital project.

Internal Service Fund expenditures increased in FY 2018/19 mainly due to one-time payments in support of the Pension Paydown Plan (see page 10), that will reduce operating expenditures in the future. Internal Service Fund expenditures decrease in FY 2019/20 as there is no pension paydown planned and due to the timing of the need for equipment replacement expenditures.

Special Revenue Funds include grant expenditures increasing in FY 2018/19 for several non-potable water projects, which will be funded partially by grants received in conjunction with SRF loans. In addition, development impact fee funds are considered Special Revenue Funds and are used to pay for capital projects for infrastructure needs caused by growth and development. Several projects are funded by development impact fees in FY 2018/19, including substantial infrastructure improvement in PA-1. The additional increase in expenditures in FY 2019/20 is driven by development impact fee expenditures for the WWTP Expansion - Phase II and the Fire Station capital projects.

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 2018/19 budget includes \$36.8 million for the WWTP Expansion – Phase II, a non-recurring outlay of funds.

	FY 2016/17 Actual	FY 2017/18 Projected	FY 2018/19 Budget	FY 2019/20 Budget
General Fund	\$ 53,841,297	\$ 53,116,530	\$ 59,806,305	\$ 61,489,569
Enterprise Funds	48,121,197	54,450,577	59,345,915	62,342,514
Internal Service Funds	18,111,546	25,589,896	40,391,408	23,848,072
Special Revenue Funds	29,357,938	30,185,707	39,693,833	47,819,682
Debt Service Funds	35,456,779	75,001,917	33,503,240	34,018,557
Capital Funds	30,396,969	45,974,856	91,697,286	55,265,038
Total Expenditures	\$ 215,285,726	\$ 284,319,483	\$ 324,437,987	\$ 284,783,432



EXPENDITURE SUMMARY BY FUND

Fund #	Fund Name	2016/17 Actual	2017/18 Budget	2017/18 Projected	2018/19 Budget	Budget % Change	2019/20 Budget	Budget % Change
GENERAL FUND								
100	General Fund	\$ 53,841,297	\$ 57,196,950	\$ 53,116,530	\$ 59,806,305	4.56%	\$ 61,489,569	2.81%
	Total General Fund	<u>53,841,297</u>	<u>57,196,950</u>	<u>53,116,530</u>	<u>59,806,305</u>	4.56%	<u>61,489,569</u>	2.81%
ENTERPRISE FUNDS								
540,543	Solid Waste Enterprise	11,771,051	13,046,170	12,712,303	14,777,700	13.27%	13,811,176	-6.54%
560,563	Water Enterprise	24,064,646	29,124,437	27,249,367	28,451,268	-2.31%	29,465,134	3.56%
590,593	Wastewater Enterprise	10,932,104	13,500,180	13,066,372	14,651,800	8.53%	17,684,138	20.70%
501	City Rentals Enterprise	502,535	597,447	594,320	522,204	-12.59%	524,849	0.51%
510,511,513	Housing Enterprise	850,861	919,443	828,215	942,943	2.56%	857,217	-9.09%
	Total Enterprise Funds	<u>48,121,197</u>	<u>57,187,677</u>	<u>54,450,577</u>	<u>59,345,915</u>	3.77%	<u>62,342,514</u>	5.05%
INTERNAL SERVICE FUNDS								
700	Emergency Preparedness	2,916,990	0	0	0	0.00%	0	0.00%
701	Information Services	2,170,768	2,591,445	2,530,156	3,341,395	28.94%	2,934,377	-12.18%
702	Equipment Replacement	1,922,994	3,620,602	3,589,907	4,225,050	16.69%	2,352,947	-44.31%
703	Information Systems Replacement	900,219	996,718	980,246	1,467,568	47.24%	1,028,842	-29.89%
704	Facilities Replacement	295,014	765,573	501,149	912,855	19.24%	414,347	-54.61%
705	Tuition	11,224	27,552	25,016	32,747	18.86%	32,837	0.27%
706	Fleet Maintenance Services	1,362,264	1,579,675	1,524,703	1,969,660	24.69%	1,748,347	-11.24%
707	Facilities Maintenance Service	1,952,262	2,390,778	1,939,874	2,596,221	8.59%	2,394,003	-7.79%
708	Parks and LLAD Replacement	1,405,891	1,815,646	1,347,423	1,807,290	-0.46%	1,765,824	-2.29%
709	Insurance	1,105,550	1,224,596	1,104,388	1,469,485	20.00%	1,539,419	4.76%
710	Pension/OPEB Obligation	4,068,370	13,270,793	12,047,034	22,569,137	70.07%	9,637,129	-57.30%
	Total Internal Service Funds	<u>18,111,546</u>	<u>28,283,378</u>	<u>25,589,896</u>	<u>40,391,408</u>	42.81%	<u>23,848,072</u>	-40.96%



EXPENDITURE SUMMARY BY FUND (Continued)

Fund #	Fund Name	2016/17 Actual	2017/18 Budget	2017/18 Projected	2018/19 Budget	Budget % Change	2019/20 Budget	Budget % Change
SPECIAL REVENUE FUNDS								
203-209	Gas Tax	\$ 1,164,271	\$ 1,331,805	\$ 1,329,574	\$ 2,154,426	61.77%	\$ 2,659,623	23.45%
214	SB1186 Disability Access	414	5,150	5,122	18,930	267.57%	18,930	0.00%
216	Police Grants	160,282	261,537	241,937	281,335	7.57%	281,335	0.00%
217	Grants	15,097	1,839,301	349,229	3,911,230	112.65%	5,425,550	38.72%
219	Economic Development Grant	175,933	200,300	191,777	225,320	12.49%	225,320	0.00%
220	Infrastructure Improvements	6	50	0	6,368	12636.00%	0	-100.00%
230	Citywide Park Assessment District	2,924,861	3,060,355	2,844,505	3,204,338	4.70%	3,300,775	3.01%
231	Community Facilities District #2	596,215	609,100	608,900	620,400	1.86%	632,600	1.97%
232	Community Facilities District #3	2,523,025	1,987,198	1,986,447	2,459,318	23.76%	2,405,495	-2.19%
233,235	Community Facilities District #4	2,349,309	2,636,262	2,635,955	2,857,436	8.39%	3,000,748	5.02%
234	Community Facilities District #5	407,900	423,277	422,795	1,196,412	182.65%	1,483,834	24.02%
250	Water Facility Fee	2,606,127	2,283,002	2,262,763	3,302,937	44.68%	1,819,668	-44.91%
251	Roadway Facility Fee	2,141,144	2,003,082	1,627,601	4,775,488	138.41%	1,986,610	-58.40%
252	Parks and Trails Facility Fee	2,260,736	1,305,549	1,305,549	726,765	-44.33%	474,066	-34.77%
255	Wastewater Facility Fee	1,541,450	1,469,975	1,464,348	1,520,447	3.43%	6,480,745	326.24%
256	Community Facility Fee	1,028,829	2,686,262	2,601,571	1,014,332	-62.24%	232,551	-77.07%
257	Fire Facility Fee	3,865	12,376	7,376	8,345	-32.57%	5,856,345	70077.89%
261	Facility Fee Administration	450,532	501,600	501,600	501,648	0.01%	476,697	-4.97%
262	Agriculture Land Administration	35,826	48,496	38,429	49,936	2.97%	51,063	2.26%
263	Agriculture Land Acquisition	15,579	49,700	16,342	178,736	259.63%	176,236	-1.40%
264	First-Time Homebuyer	15,772	135,980	135,980	136,151	0.13%	136,151	0.00%
265	Affordable Housing In-Lieu Fee	556,418	631,125	550,859	610,852	-3.21%	519,092	-15.02%
267	Public Art Administration	50,441	52,500	50,542	537	-98.98%	537	0.00%
268	Public Art Acquisition	226,198	230,796	202,491	2,423	-98.95%	2,443	0.83%
269	Parking In-Lieu	27	28,050	22	50	-99.82%	50	0.00%
270	Arts Commission	4,523	0	0	0	0.00%	0	0.00%
272	Riparian Mitigation Site Maintenance	17	64	64	1,027	1504.69%	1,601	55.89%
280	Asset Forfeiture	9,263	30,050	30,022	110,050	266.22%	30,050	-72.69%
281	Abandoned Vehicle Abatement	238,540	120,200	40,000	40,050	-66.68%	40,050	0.00%
285	PEG Media	819	26,000	5,788	5,916	-77.25%	5,916	0.00%
286	Parks Advertising	16,662	19,200	19,064	19,065	-0.70%	19,065	0.00%
293	Measure C/J	1,101,770	989,100	988,380	969,065	-2.03%	979,265	1.05%
302	City Low Income Housing	14	8,300	22	50	-99.40%	50	0.00%
6xx	Landscape and Lighting Assessment Districts	6,736,073	8,301,855	7,720,653	8,784,450	5.81%	9,097,221	3.56%
Total Special Revenue Funds		<u>29,357,938</u>	<u>33,287,597</u>	<u>30,185,707</u>	<u>39,693,833</u>	<u>19.25%</u>	<u>47,819,682</u>	<u>20.47%</u>



EXPENDITURE SUMMARY BY FUND (Continued)

Fund #	Fund Name	2016/17 Actual	2017/18 Budget	2017/18 Projected	2018/19 Budget	Budget % Change	2019/20 Budget	Budget % Change
DEBT SERVICE FUNDS								
<i>City Debt Obligations</i>								
445	Capital Improvement Revenue Refunding Bonds Series 2012	\$ 2,149,223	\$ 2,161,306	\$ 2,155,213	\$ 2,160,385	-0.04%	\$ 2,154,409	-0.28%
448	General Obligation Bonds Series 2002	473,506	497,336	495,621	520,791	4.72%	545,791	4.80%
461	2009 Civic Center Project Lease Revenue Bonds	5,392,417	5,369,320	5,368,219	5,321,681	-0.89%	5,273,485	-0.91%
466	2015 Lease Financing	707,062	796,332	791,782	792,450	-0.49%	792,582	0.02%
	Total City Debt Obligations	<u>8,722,208</u>	<u>8,824,294</u>	<u>8,810,835</u>	<u>8,795,307</u>	-0.33%	<u>8,766,267</u>	-0.33%
<i>Assessment Districts</i>								
435	2018 A Refinance	0	954,663	954,662	3,422,271	258.48%	3,954,962	15.57%
436	2014 A & B Refinance	7,137,847	7,164,884	7,158,975	7,152,594	-0.17%	7,172,256	0.27%
437	2012 A Refinance	2,679,265	2,914,204	2,908,848	1,325,163	-54.53%	1,314,463	-0.81%
438	Capital Improvement Financing Program 2003-1	1,259,578	1,268,915	1,262,054	1,262,500	-0.51%	1,259,163	-0.26%
439	Capital Improvement Financing Program 2002-1	1,204,386	12,540,641	12,272,062	1,208,749	-90.36%	1,204,519	-0.35%
441	Capital Improvement Financing Program 94-1	2,746,722	2,760,961	2,747,591	2,766,736	0.21%	2,773,909	0.26%
442	Capital Improvement Financing Program 98-1	693,174	703,413	698,783	704,009	0.08%	702,107	-0.27%
443	Capital Improvement Financing Program 99-1	640,728	646,809	640,915	650,438	0.56%	641,112	-1.43%
444	Capital Improvement Financing Program 2000-01	917,150	928,185	920,799	936,026	0.84%	940,297	0.46%
449	Capital Improvement Financing Program 2004-1	1,577,977	1,571,302	1,566,871	1,562,688	-0.55%	1,564,514	0.12%
460	Randy Way Assessment District	59,750	64,779	63,037	58,944	-9.01%	57,932	-1.72%
462	2006 A & B Refinance	2,788,610	30,555,091	29,880,718	0	-100.00%	0	0.00%
463	Capital Improvement Financing Program 2006-1	1,088,948	1,106,078	1,090,578	1,082,104	-2.17%	1,083,875	0.16%
464	Capital Improvement Financing Program 2005-1	2,557,342	2,574,348	2,564,838	2,575,082	0.03%	2,582,552	0.29%
465	96R Assessment District	1,383,094	1,477,157	1,460,351	629	-99.96%	629	0.00%
	Total Assessment Districts	<u>26,734,571</u>	<u>67,231,430</u>	<u>66,191,082</u>	<u>24,707,933</u>	-63.25%	<u>25,252,290</u>	2.20%
	Total Debt Service Funds	<u>35,456,779</u>	<u>76,055,724</u>	<u>75,001,917</u>	<u>33,503,240</u>	-55.95%	<u>34,018,557</u>	1.54%



EXPENDITURE SUMMARY BY FUND (Continued)

Fund #	Fund Name	2016/17 Actual	2017/18 Budget	2017/18 Projected	2018/19 Budget	Budget % Change	2019/20 Budget	Budget % Change
CAPITAL FUNDS								
336	Roadway Improvements	\$ 1,633,227	\$ 8,934,668	\$ 2,266,427	\$ 15,659,305	75.26%	\$ 4,109,254	-73.76%
337	Community Facilities Improvements	3,239,854	19,628,845	16,424,746	10,350,119	-47.27%	9,772,816	-5.58%
352	Parks and Trails Improvements	447,822	1,232,240	963,769	1,020,228	-17.21%	1,020,228	0.00%
361	Civic Center Project Lease Revenue Bond Acquisition	7,160,076	60,149	60,115	0	-100.00%	0	0.00%
366	2015 Lease Financing	5,971,504	4,972,617	4,972,617	440,000	-91.15%	0	-100.00%
380	Civic Center Capital Improvement Financing Program	1,461,009	1,370,989	1,370,454	1,362,778	-0.60%	1,353,791	-0.66%
381	City Capital Improvement Financing Program	227,954	291,562	203,573	403,414	38.36%	434,298	7.66%
392	Capital Infrastructure	43,405	3,247,783	3,247,743	510,658	-84.28%	4,858	-99.05%
393	Vineyards Projects	2,789	102,500	3,460	8,673	-91.54%	3,403,673	39144.47%
394	Vineyards Event Center Projects	1,449,327	1,911,547	1,911,547	1,489	-99.92%	1,489	0.00%
562	Water Improvements	4,122,726	5,885,381	5,861,151	7,644,323	29.89%	6,841,482	-10.50%
592	Wastewater Improvements	4,637,276	22,032,473	8,689,254	54,296,299	146.44%	28,323,149	-47.84%
	Total Capital Funds	<u>30,396,969</u>	<u>69,670,754</u>	<u>45,974,856</u>	<u>91,697,286</u>	31.62%	<u>55,265,038</u>	-39.73%
TOTAL FUNDS		<u>\$ 215,285,726</u>	<u>\$ 321,682,080</u>	<u>\$ 284,319,483</u>	<u>\$ 324,437,987</u>	0.86%	<u>\$ 284,783,432</u>	-12.22%



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INTRODUCTION TO PERFORMANCE BUDGETS

The City of Brentwood 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 27, 2018, City Council adopted the Strategic Plan for FY 2018/19 and FY 2019/20 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 2018/19 and FY 2019/20. Please refer to the Strategic Plan section, beginning on page 14, for information on the focus areas and Goals.

The table below represents the performance budgets funding sources, by City department, for FY 2018/19 as well as the associated full-time employees (FTEs).

Department	2018/19 Fund Type				Total	Full-Time Employees
	General Fund	Enterprise	Special Revenue	Internal Service		
Legislative	\$ 501,924	\$ 0	\$ 0	\$ 0	\$ 501,924	0.50
City Manager	2,706,189	0	0	0	2,706,189	7.50
City Attorney	1,243,332	0	0	0	1,243,332	4.00
Human Resources	1,291,417	0	0	0	1,291,417	4.00
Finance and Information Systems	2,499,236	3,239,021	0	3,341,395	9,079,652	31.00
Community Development	4,885,575	659,392	0	0	5,544,967	21.00
Parks and Recreation	6,926,980	0	1,253,687	1,189,318	9,369,985	25.00
Police	25,877,989	0	0	0	25,877,989	95.00
Public Works	7,675,745	48,806,702	0	3,240,359	59,722,806	111.00
Total	\$ 53,608,387	\$ 52,705,115	\$ 1,253,687	\$ 7,771,072	\$ 115,338,261	299.00
Full-Time Employees	187.35	80.87	4.99	25.79	299.00	

LEGISLATIVE



Mayor

Robert Taylor
Term Expires
November 2020

Vice Mayor

Joel R. Bryant
Term Expires
November 2018

Council Member

Balwinder
"Bailey" Grewal
Term Expires
November 2018

Council Member

Karen Rarey
Term Expires
November 2020

Council Member

Claudette Staton
Term Expires
November 2020



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 Neighborhood Committee (BNC); Planning Commission; Park and Recreation Commission; Youth Commission and Arts Commission.

DEPARTMENT BUDGET SUMMARY

Expenditures by Division		2016/17	2017/18	2017/18	2018/19	2019/20
Division #	Division Name	Actual	Budget	Projected	Budget	Budget
General Fund						
100-1201	City Council	\$ 405,043	\$ 425,390	\$ 418,629	\$ 447,880	\$ 459,110
100-1414	BNC	1,286	2,000	1,500	2,000	2,000
100-2202	Planning Commission	25,795	36,584	36,556	37,166	37,619
100-5106	Park and Recreation Commission	7,356	7,867	7,735	9,858	9,875
100-5107	Youth Commission	1,461	2,400	2,200	4,400	4,400
100-5109	Arts Commission	586	600	600	620	640
	Total	<u>\$ 441,527</u>	<u>\$ 474,841</u>	<u>\$ 467,220</u>	<u>\$ 501,924</u>	<u>\$ 513,644</u>
	Annual Percentage Change			5.82%	5.70%	2.34%



LEGISLATIVE

Expenditures by Category	2016/17 Actual	2017/18 Budget	2017/18 Projected	2018/19 Budget	2019/20 Budget
Personnel Services	\$ 238,304	\$ 236,853	\$ 230,012	\$ 243,337	\$ 247,787
Supplies and Services	50,505	70,300	69,520	75,923	77,592
Internal Services	152,720	167,688	167,688	182,664	188,265
Total	<u>\$ 441,529</u>	<u>\$ 474,841</u>	<u>\$ 467,220</u>	<u>\$ 501,924</u>	<u>\$ 513,644</u>
Total Budgeted Full-Time Employees	0.50	0.50	0.50	0.50	0.50
Total Elected and Appointed Employees	40.00	40.00	40.00	40.00	40.00

Expenditure Analysis

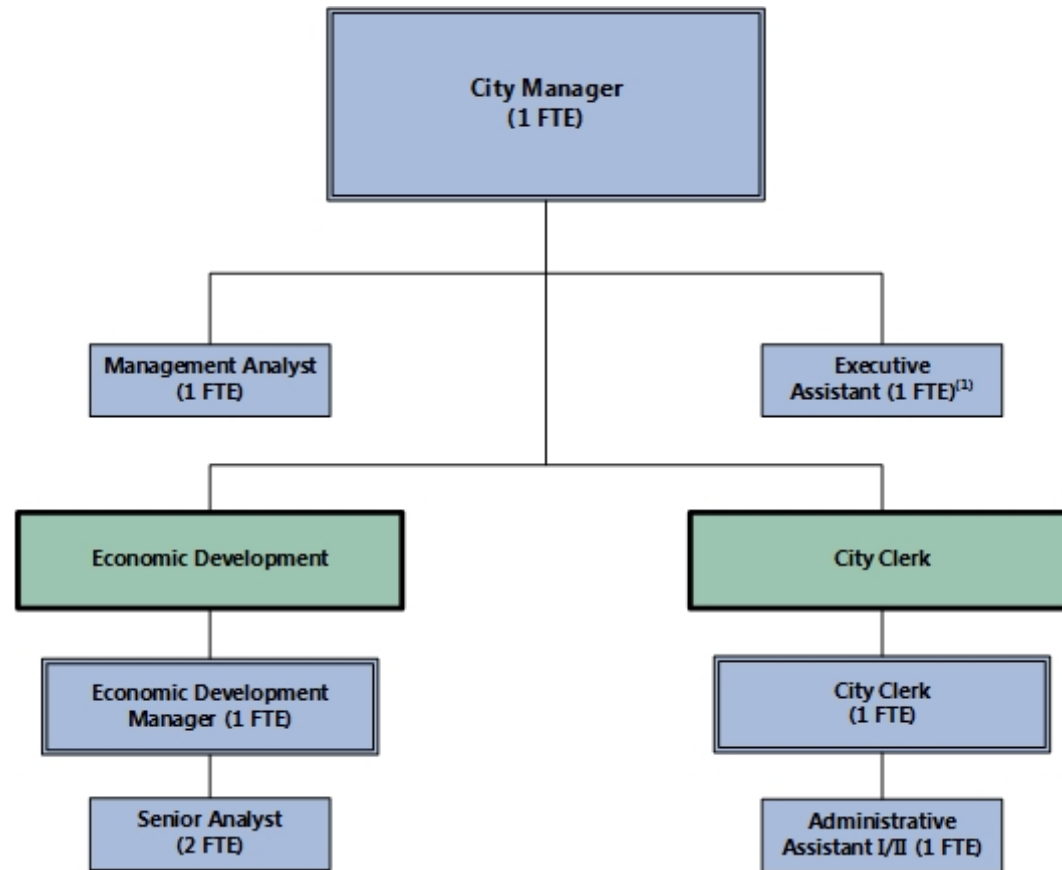
- Personnel** No FTE Changes.

- Supplies and Services** The increase in the Supplies and Services budget, for both FY 2018/19 and FY 2019/20, is due to increased costs for training and development.

- Internal Services** Increases in Internal Service costs are primarily due to increases in the cost of support services to the department.

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 and oversees the following Departments: Community Development; Finance and Information Systems; Human Resources; Parks and Recreation; Police and Public Works.

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

FY 2018/19 - 2019/20 Strategic Initiatives

Goal	Strategic Initiatives	FY 2018/19 Target	FY 2019/20 Target
2.4.a.	Contract with ECCFPD for a two-person squad vehicle	50%	100%
2.4.b.	Construct a new fire station at the City's Shady Willow property	30%	100%
3.1.a.	Create a Vision for the Downtown of the Future	50%	100%
3.1.b.	Implement a Parking Management Plan	50%	100%
3.1.c.	Expand Beautification Program for Downtown	50%	100%
3.2.a.	Continue Implementing the Downtown Main Street	50%	100%
3.3.a.	Business Development Center	100%	-
3.3.b.	Full-scale Hospital	50%	100%
3.3.c.	Visitors and Tourism Bureau	0%	100%
3.3.d.	Citywide Restaurant Association	50%	100%
3.3.e.	Next Generation Business Park	25%	100%
3.3.f.	Economic Development Gardening	0%	100%
3.3.g.	Farm to Fork Program	50%	100%
3.3.h.	Economic Development "Corridor of Opportunity"	25%	100%
3.4.a.	Create marketing materials tailored to specific sectors	25%	100%
3.4.b.	Develop an Agriculture Business Program	50%	100%
3.4.c.	Pursue opportunities to financially leverage public investment	50%	100%
3.5.a.	Design and install new wayfinding and pedestrian signage	0%	100%



CITY MANAGER

DEPARTMENT BUDGET SUMMARY

Expenditures by Division		2016/17	2017/18	2017/18	2018/19	2019/20
Division #	Division Name	Actual	Budget	Projected	Budget	Budget
General Fund						
100-1202	City Manager	\$ 686,423	\$ 749,666	\$ 743,330	\$ 746,901	\$ 754,924
100-1204	Economic Development	768,742	1,509,369	814,452	1,328,947	1,420,110
100-1205	City Clerk	451,428	451,552	443,450	630,341	469,167
	Total	<u>\$ 1,906,593</u>	<u>\$ 2,710,587</u>	<u>\$ 2,001,232</u>	<u>\$ 2,706,189</u>	<u>\$ 2,644,201</u>
	Annual Percentage Change			4.96%	-0.16%	-2.29%
Expenditures by Category		2016/17	2017/18	2017/18	2018/19	2019/20
		Actual	Budget	Projected	Budget	Budget
	Personnel Services	\$ 1,225,393	\$ 1,487,603	\$ 1,292,540	\$ 1,551,000	\$ 1,581,455
	Supplies and Services	358,288	877,807	363,515	838,851	736,415
	Internal Services	321,956	345,177	345,177	316,338	326,331
	Total	<u>\$ 1,905,637</u>	<u>\$ 2,710,587</u>	<u>\$ 2,001,232</u>	<u>\$ 2,706,189</u>	<u>\$ 2,644,201</u>
	Total Budgeted Full-Time Employees	7.50	7.50	7.50	7.50	7.50

CITY MANAGER

Expenditure Analysis

Personnel	No FTE Changes.
Supplies and Services	<p>Included in the FY 2018/19 budget are costs associated with the upcoming election. Excluding Strategic Initiatives and the election costs, all other Supplies and Services expenditures have decreased overall.</p> <p>Even though the Economic Development expenditures have decreased due to the elimination of a one-time contractual service, the proposed budget will include continued funding for the Better in Brentwood marketing campaign as well as additional advertising and marketing costs.</p> <p>Included in total Supplies and Services is approximately \$301,000 in FY 2018/19 and \$366,000 in FY 2019/20 for Strategic Plan initiative costs.</p>
Internal Services	Decreases in Internal Service costs are primarily due to updates to cost allocation methodology.



CITY MANAGER

FY 2016/17 - 2017/18 Strategic Initiatives

Goal	Strategic Initiatives	FY 2016/17		FY 2017/18	
		Target	Actual	Target	Actual
3.1.a.	<p>Work within the boundary of the Downtown core and identify key opportunity sites</p> <p><i>This initiative will be carried over to the 2018/19 – 2019/20 Strategic Plan and implemented in conjunction with 3.1.b.</i></p>	70%	0%	100%	0%
3.1.b.	<p>Explore a sustainable business structure and income source for the Downtown</p> <p><i>Staff and Downtown stakeholders are working together for the formation of a structured Main Street program.</i></p>	75%	0%	100%	25%
3.1.c.	<p>Develop a Beautification Program for Downtown</p> <p><i>Downtown Beautification Program will include an Outdoor Dining Furniture Grant Program and a Façade Improvement Grant Program and will be implemented in the 2018/19 – 2019/20 Strategic Plan.</i></p>	50%	0%	100%	0%
3.2.a.	<p>Update the Economic Development Strategy</p> <p><i>The Economic Development Strategy was completed and accepted in Spring 2018 by the City Council. This document contains an action plan which is the roadmap for staff to implement programs and projects.</i></p>	50%	75%	100%	100%
3.3.a.	<p>Create marketing materials that are tailored to specific industries and sectors</p> <p><i>Marketing materials will be created within the 2018/19 – 2019/20 Strategic Initiatives.</i></p>	75%	0%	100%	10%
3.3.b.	<p>Improve the overall identity and signage of the city</p> <p><i>The City Council approved the first of four locations for Gateway Art Monuments. The first location is in the median on Sand Creek Road near Highway 4. Additional signage projects will be created with the 2018/19 – 2019/20 Strategic Initiatives.</i></p>	50%	0%	100%	50%



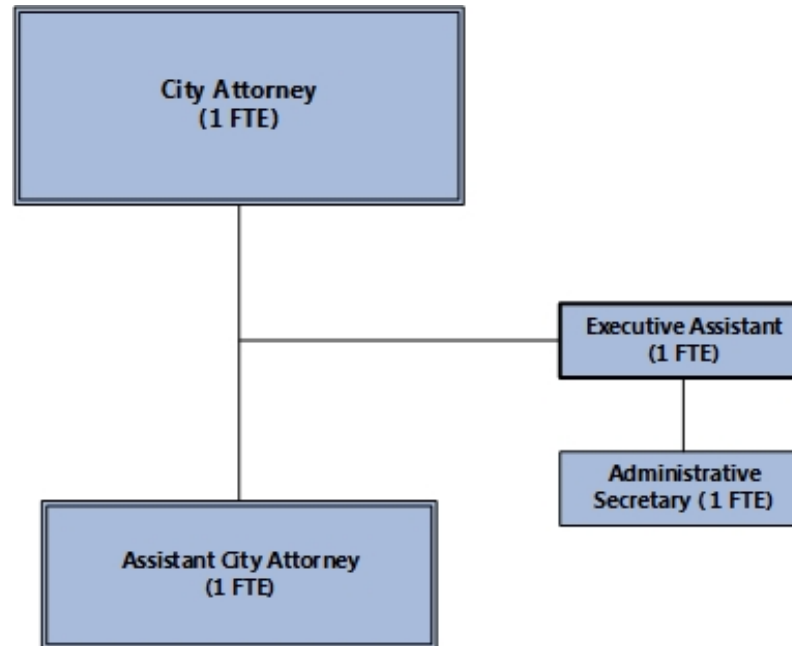
CITY MANAGER

FY 2016/17 - 2017/18 Strategic Initiatives (Continued)

Goal	Strategic Initiatives	FY 2016/17		FY 2017/18	
		Target	Actual	Target	Actual
3.3.c.	Identify potential incentives that facilitate commerce <i>The adoption of a Sales Tax Sharing Policy was the first incentive created to facilitate commerce. Other incentives will be developed in coordination with regional and state economic development organizations and with the adoption and implementation of the Economic Development Strategy and Action Plan.</i>	0%	25%	100%	50%
3.4.a.	Coordinate a year-round calendar of special events that focuses on all of Brentwood <i>The Better in Brentwood citywide community events calendar is active and is a one-stop location for everything Shop-Dine-Explore-Live-Play.</i>	50%	50%	100%	100%
3.4.b.	Develop the "Explore Brentwood" Marketing Program <i>The Better in Brentwood marketing program was launched in 2016 and promotes Brentwood through local and regional advertising, merchandise, educational programs, and more.</i>	50%	40%	100%	100%
3.4.c.	Establish and implement a Citywide Banner Program <i>The Better in Brentwood Banner program was launched in 2017 with the Military Veterans Banner program as well as Banner Up, the art banner program. Additional banners will be installed citywide promoting other programs.</i>	40%	100%	100%	-
6.3.b.	Implement a Citywide Social Media Program <i>The City implemented a Social Media Program utilizing the Facebook and Instagram platforms. The City will continue to develop other forms of communication through social media in the 2018/19 – 2019/20 Strategic Plan.</i>	100%	50%	-	100%

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 City government's Legal counsel, under the direction of the City Council. Among other duties, the City Attorney's Office 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; Enforcement of City Codes; Constitutional; Employment; Environmental and Land Use/Real Estate.



CITY ATTORNEY

DEPARTMENT BUDGET SUMMARY

Expenditures by Division		2016/17	2017/18	2017/18	2018/19	2019/20
Division #	Division Name	Actual	Budget	Projected	Budget	Budget
General Fund						
100-1203	City Attorney	\$ 1,094,533	\$ 1,426,604	\$ 1,293,743	\$ 1,243,332	\$ 1,281,622
	Total	<u>\$ 1,094,533</u>	<u>\$ 1,426,604</u>	<u>\$ 1,293,743</u>	<u>\$ 1,243,332</u>	<u>\$ 1,281,622</u>
	Annual Percentage Change			18.20%	-12.85%	3.08%
Expenditures by Category		2016/17	2017/18	2017/18	2018/19	2019/20
		Actual	Budget	Projected	Budget	Budget
	Personnel Services	\$ 799,112	\$ 853,006	\$ 772,645	\$ 857,820	\$ 868,090
	Supplies and Services	123,261	388,800	336,500	216,082	238,741
	Internal Services	172,160	184,598	184,598	169,430	174,791
	Total	<u>\$ 1,094,533</u>	<u>\$ 1,426,404</u>	<u>\$ 1,293,743</u>	<u>\$ 1,243,332</u>	<u>\$ 1,281,622</u>
	Total Budgeted Full-Time Employees	4.00	4.00	4.00	4.00	4.00

CITY ATTORNEY

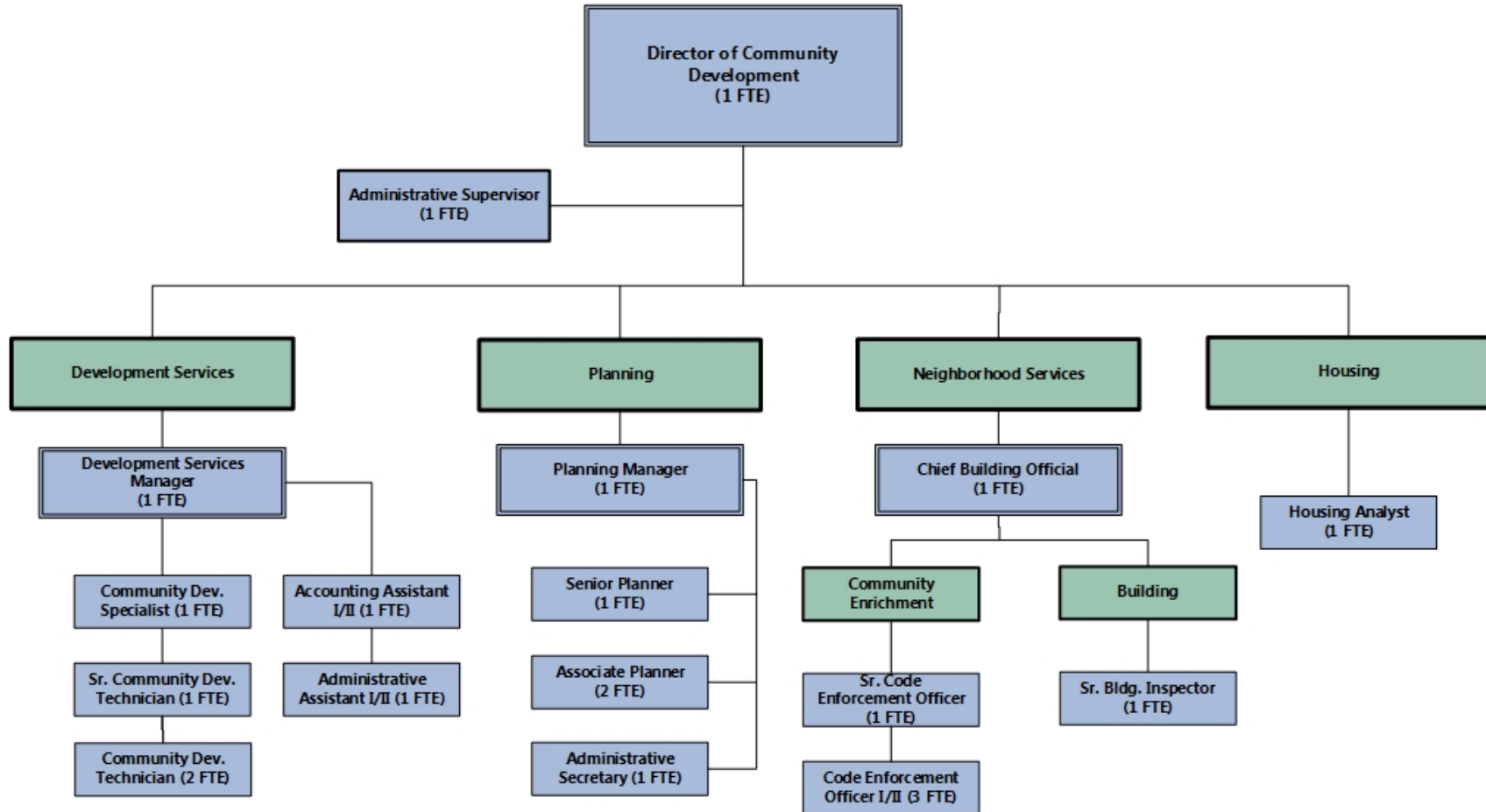
Expenditure Analysis

Personnel	No FTE changes.
Supplies and Services	Decreases in Supplies and Services are primarily associated with an anticipated reduction in outside legal costs. Included in total Supplies and Services is approximately \$30,000 in FY 2018/19 and \$42,000 in FY 2019/20 for legal support of the Strategic Plan.
Internal Services	Decreases in Internal Service costs are primarily due to updates to cost allocation methodology.



COMMUNITY DEVELOPMENT

21 FTEs



COMMUNITY DEVELOPMENT

Mission Statement

Dedicated to the development of an exceptional community that will enhance the quality of life for Brentwood residents and businesses.

The Community Development Department is responsible for implementing City Council policies related to planning, zoning, community enrichment, 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 four components of Community Development provide the following services:

- **Development Services** – One Stop Permit Center; Building Permits; Plan Review; and Passport Application Processing
- **Housing** – Affordable Housing Programs; First-Time Homebuyer Programs
- **Neighborhood Services** – Building Inspections; and Community Enrichment
- **Planning** – General Plan; Specific Plans; Zoning Ordinance; Environmental Review; Design Review and Land Development

COMMUNITY DEVELOPMENT

FY 2018/19 - 2019/20 Strategic Initiatives

Goal	Strategic Initiatives	FY 2018/19	FY 2019/20
		Target	Target
4.1.a.	Complete the community build-out plan for the phasing of future development	100%	-
4.1.b.	Work with school districts to prepare a framework for collaborative planning for future school sites	40%	100%
4.1.c.	Prepare a Zoning Ordinance comprehensive update	50%	100%
4.1.d.	Prepare Annual General Plan status report card	100%	-





COMMUNITY DEVELOPMENT

DEPARTMENT BUDGET SUMMARY

Expenditures by Division		2016/17	2017/18	2017/18	2018/19	2019/20
Division #	Division Name	Actual	Budget	Projected	Budget	Budget
General Fund						
100-2101	Building	\$ 2,212,111	\$ 3,084,854	\$ 2,682,012	\$ 2,653,360	\$ 2,738,812
100-2102	Community Enrichment	0	0	0	714,282	747,274
100-2201	Planning	1,376,646	1,552,884	1,534,983	1,517,933	1,561,625
Enterprise Funds						
510-5010	Housing Administration	598,980	671,339	593,872	659,392	567,681
	Total	<u>\$ 4,187,737</u>	<u>\$ 5,309,077</u>	<u>\$ 4,810,867</u>	<u>\$ 5,544,967</u>	<u>\$ 5,615,392</u>

Expenditures by Category		2016/17	2017/18	2017/18	2018/19	2019/20
		Actual	Budget	Projected	Budget	Budget
	Personnel Services	\$ 2,680,372	\$ 3,295,546	\$ 3,011,795	\$ 3,446,994	\$ 3,576,639
	Supplies and Services	713,694	1,175,124	962,909	1,084,314	1,105,463
	Internal Services	778,814	834,163	834,163	1,010,537	930,168
	Total	<u>\$ 4,187,737</u>	<u>\$ 5,309,077</u>	<u>\$ 4,810,867</u>	<u>\$ 5,544,967</u>	<u>\$ 5,615,392</u>

Total Budgeted Full-Time Employees	18.00	21.00	21.00	21.00	21.00
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COMMUNITY DEVELOPMENT

Expenditure Analysis

- Personnel** The increase in personnel FTEs from FY 2016/17 includes two Code Enforcement Officers and one Development Services Manager to the Building division. These positions were added in FY 2017/18 in response to demand for services due to growth in development.
- Supplies and Services** The increase in Supplies and Services is due to project specific costs for plan review and inspections for several City projects including the Contra Costa County Library, Municipal Service Center and Wastewater Treatment Plant Expansion. Additionally, consulting costs for plan review and inspections typically increase 3-5% annually and are projected to continually increase until 2020.
- Internal Services** Increases in Internal Service costs for FY 2018/19 are primarily due to costs associated with the Pension Paydown Plan. The remaining increases are due to updated cost allocations relating to new FTEs.

COMMUNITY DEVELOPMENT

FY 2016/17 - 2017/18 Strategic Initiatives

Goal	Strategic Initiatives	FY 2016/17		FY 2017/18	
		Target	Actual	Target	Actual
4.1.a.	<p>Prepare a community build-out plan for the phasing of future development</p> <p><i>4.1.a. is in progress and will continue into the 2018/19 – 2019/20 Strategic Plan. The process has begun to hire project consultants. The lead consultant will prepare the plan and corresponding environmental review. A community engagement consultant will also be retained. These contracts will be presented to the City Council in the early summer of 2018, whereupon the plan process will commence.</i></p>	45%	5%	100%	10%
4.1.b.	<p>Prepare a specific plan for General Plan Priority Area 1</p> <p><i>4.1.b. is in progress and will continue into the 2018/19 – 2019/20 Strategic Plan. The plan working group has completed its review of the draft specific plan. The City Council held a workshop on May 22, 2018 to review the draft plan. A community workshop will then be held, affording the public an opportunity to comment on the draft plan. The draft plan and corresponding environmental impact report (EIR) is scheduled to be reviewed by the Planning Commission in early August 2018. The City Council is scheduled to consider the plan and EIR in late August 2018.</i></p>	55%	55%	100%	75%
4.1.d.	<p>Work with the City of Antioch to prepare an updated boundary agreement</p> <p><i>4.1.d. is no longer a Strategic Initiative. The City of Brentwood will continue to engage with the City of Antioch on shared matters of interest, particularly General Plan Special Planning Area 2, during the upcoming community build-out plan process.</i></p>	40%	0%	100%	0%

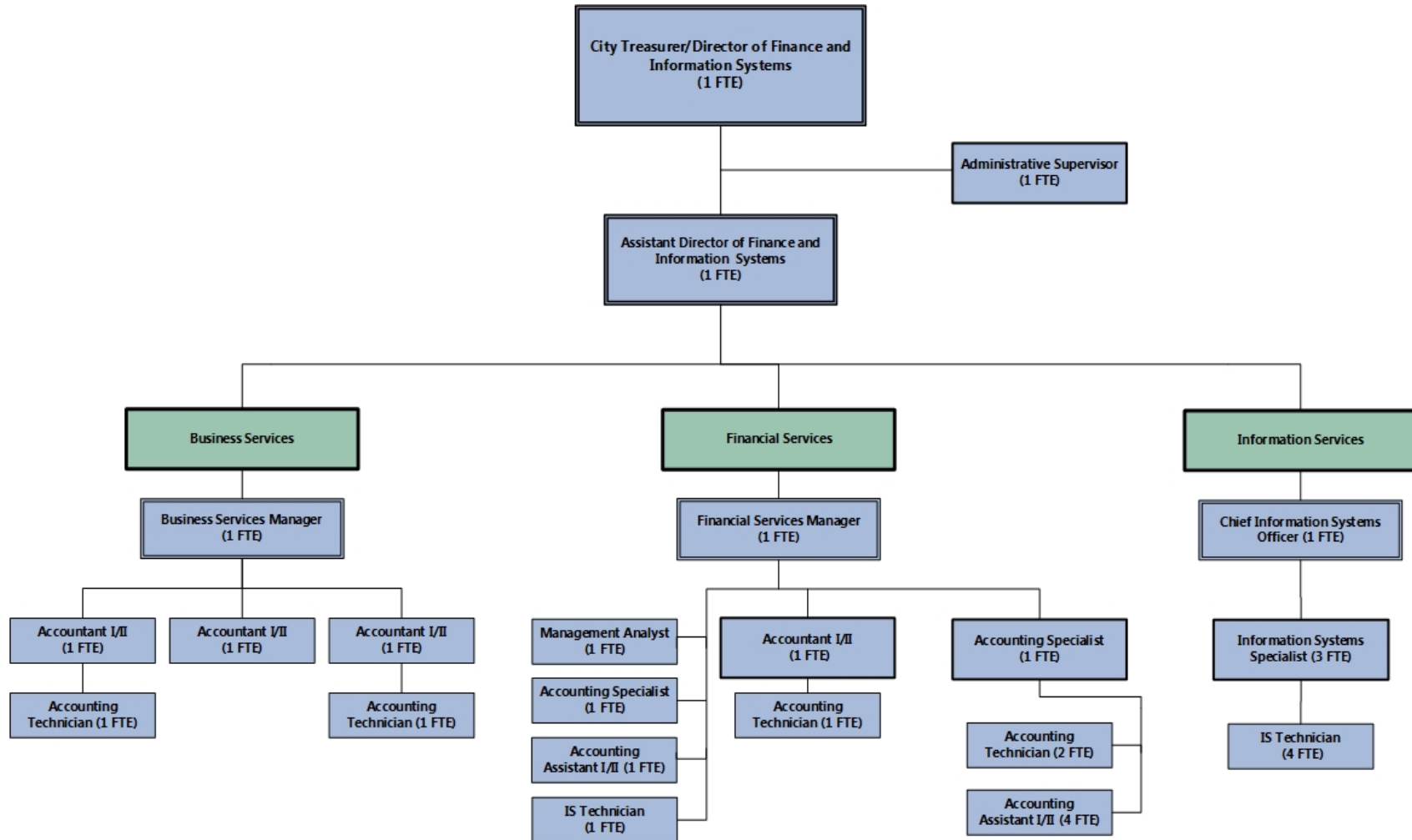
COMMUNITY DEVELOPMENT

FY 2016/17 - 2017/18 Strategic Initiatives (Continued)

Goal	Strategic Initiatives	FY 2016/17		FY 2017/18	
		Target	Actual	Target	Actual
4.1.e.	<p>Work with the school districts to prepare a plan for future school sites</p> <p><i>4.1.e. is in progress and will continue into the 2018/19 – 2019/20 Strategic Plan. Rather than preparation of a formal “plan,” the intention of this initiative is to complete a mutually agreed upon framework for selecting future school sites.</i></p>	40%	5%	100%	10%
4.1.f.	<p>Prepare a plan for future disposition or development of City-owned parcels</p> <p><i>4.1.f. is in progress and will continue into the 2018/19 – 2019/20 Strategic Plan. A lead consultant is currently being selected. The contract and revised work program will be presented to the City Council in the early summer of 2018, whereupon the plan process will commence.</i></p>	0%	0%	100%	10%

FINANCE AND INFORMATION SYSTEMS

31 FTEs



FINANCE AND INFORMATION SYSTEMS

Mission Statement

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

The Finance and Information Systems Department oversees the financial and administrative services of the City, including budgeting, accounting, cash management, utility billing, purchasing, accounts payable, payroll, as well as the information technology needs of the City. The department consists of Business Services, Financial Services and Information Services.

The three 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 (CAFR); Debt Service; Financial Dashboard; Independent Financial Audit; General Fund Fiscal Model; Investments; Development Impact Fee Report and Operations Budget
- **Financial Services** – Accounts Payable; Accounts Receivable; Business Licenses; Cash Receipts; Cost Allocation Plan (CAP); Payroll; Purchasing; Utility Billing and Council/Administrative Policies
- **Information Services** – Client-Server Management; Desktop Support; Network Management; Systems and Programming; Voice Over Internet Protocol (VOIP) and Phone Systems Support; Web Administration; Cellular Management; 911 Systems; System Security Management and Wi-Fi

FINANCE AND INFORMATION SYSTEMS

FY 2018/19 - 2019/20 Strategic Initiatives

Goal	Strategic Initiatives	FY 2018/19 Target	FY 2019/20 Target
6.2.a.	Develop Information Technology Master Plan	10%	100%





FINANCE AND INFORMATION SYSTEMS

DEPARTMENT BUDGET SUMMARY

Expenditures by Division		2016/17	2017/18	2017/18	2018/19	2019/20
Division #	Division Name	Actual	Budget	Projected	Budget	Budget
General Fund						
100-1303	Business Services	\$ 1,112,285	\$ 1,144,077	\$ 1,083,039	\$ 1,383,547	\$ 1,427,066
100-1304	Financial Services	899,119	1,080,206	1,002,706	1,115,689	1,150,149
Enterprise Funds						
540-5302	Solid Waste Utility Billing	874,803	1,026,131	963,510	1,077,476	977,331
560-5502	Water Utility Billing	1,016,702	1,051,846	994,074	1,130,578	1,030,634
590-5802	Wastewater Utility Billing	822,897	957,649	903,642	1,030,967	937,675
Internal Service Fund						
701-7101	Information Services	2,170,768	2,591,445	2,530,156	3,341,395	2,934,377
	Total	<u>\$ 6,896,574</u>	<u>\$ 7,851,354</u>	<u>\$ 7,477,127</u>	<u>\$ 9,079,652</u>	<u>\$ 8,457,232</u>
	Annual Percentage Change			8.42%	15.64%	-6.86%
Expenditures by Category		2016/17	2017/18	2017/18	2018/19	2019/20
		Actual	Budget	Projected	Budget	Budget
	Personnel Services	\$ 4,192,592	\$ 4,671,169	\$ 4,482,330	\$ 5,139,883	\$ 5,304,655
	Supplies and Services	1,468,932	1,844,742	1,659,354	1,715,272	1,831,882
	Internal Services	1,235,050	1,335,443	1,335,443	2,224,497	1,320,695
	Total	<u>\$ 6,896,574</u>	<u>\$ 7,851,354</u>	<u>\$ 7,477,127</u>	<u>\$ 9,079,652</u>	<u>\$ 8,457,232</u>
	Total Budgeted Full-Time Employees	31.00	31.00	31.00	31.00	31.00

FINANCE AND INFORMATION SYSTEMS

Expenditure Analysis

- Personnel** In FY 2017/18, a portion of personnel budget savings from vacancies was transferred to the newly formed Human Resources department to support the creation of a Director of Human Resources. In the prior budget, Human Resources was a division in the Administrative Services department. After the formation of a separate Human Resources department, the Administrative Services department was renamed the Finance and Information Systems department.
- Supplies and Services** The FY 2018/19 decrease in Supplies and Services is primarily due to updates to the cost allocation of interfund services. Included in total Supplies and Services is approximately \$35,000 in FY 2018/19 and \$180,000 in FY 2019/20 for Strategic Plan initiative costs.
- Internal Services** Increases in Internal Service costs for FY 2018/19 are primarily due to costs associated with the Pension Paydown Plan.

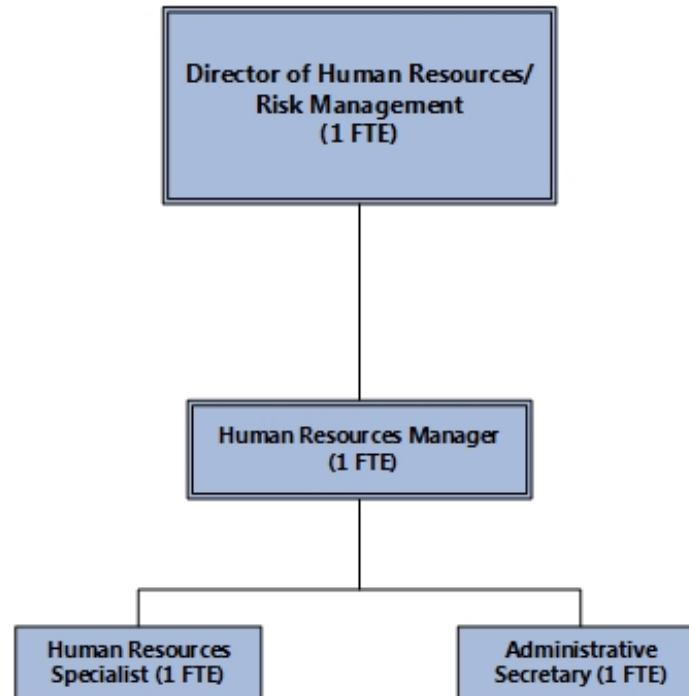
FINANCE AND INFORMATION SYSTEMS

FY 2016/17 - 2017/18 Strategic Initiatives

Goal	Strategic Initiatives	FY 2016/17		FY 2017/18	
		Target	Actual	Target	Actual
6.2.a.	<p>Implement a performance-based budget</p> <p><i>The performance-based budget was implemented in the 2016/17 – 2017/18 Operating Budget, adopted by City Council on June 14, 2016.</i></p>	100%	100%	-	-
6.3.a.	<p>Expand Wi-Fi to Sunset Park and Corp. Yard</p> <p><i>Wi-Fi was expanded to Sunset Park to improve the visitors experience by providing free Wi-Fi, in addition to improving employee mobility/productivity while at the fields.</i></p>	100%	100%	-	-
6.3.c.	<p>Implement Voice Over Internet Protocol (VOIP) phone system</p> <p><i>The VOIP system was implemented and provided new mobile features and enhanced productivity by integrating computers and phones. The systems now have a call center, phone blast capabilities and an updated voicemail system.</i></p>	100%	100%	-	-

HUMAN RESOURCES

4 FTEs



HUMAN RESOURCES

Mission Statement

To deliver exceptional service and support to the organization.

The Human Resources Department strives to create a diverse and inclusive workforce of innovative and forward-thinking employees who are customer-focused and committed to excellence. Dedicated to fostering a continuous learning environment for employees enriched with career development opportunities, Human Resources serves as a strategic business partner with City departments. The Department provides citywide support in employer-employee and labor relations, recruitment and selection, classification and compensation, risk management, benefits administration and workforce training and development.



HUMAN RESOURCES

FY 2018/19 - 2019/20 Strategic Initiatives

Goal	Strategic Initiatives	FY 2018/19	FY 2019/20
		Target	Target
6.1.a.	Implement the Career Passport Program	50%	100%
6.1.b.	Develop a New Employee Orientation Program	100%	-
6.1.c.	Develop an Internship Program for local government	50%	100%





HUMAN RESOURCES

DEPARTMENT BUDGET SUMMARY

Expenditures by Division		2016/17	2017/18	2017/18	2018/19	2019/20
Division #	Division Name	Actual	Budget	Projected	Budget	Budget

General Fund

100-1206	Human Resources	\$ 749,508	\$ 1,092,531	\$ 995,683	\$ 1,291,417	\$ 1,212,228
	Total	<u>\$ 749,508</u>	<u>\$ 1,092,531</u>	<u>\$ 995,683</u>	<u>\$ 1,291,417</u>	<u>\$ 1,212,228</u>

Annual Percentage Change			32.84%	18.20%	-6.13%
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Expenditures by Category		2016/17	2017/18	2017/18	2018/19	2019/20
		Actual	Budget	Projected	Budget	Budget

Personnel Services	\$ 510,886	\$ 674,851	\$ 674,832	\$ 728,528	\$ 775,197
Supplies and Services	111,946	282,562	185,733	394,590	263,500
Internal Services	125,957	135,118	135,118	168,299	173,531
Capital Outlay and Transfers Out	719	0	0	0	0
Total	<u>\$ 749,508</u>	<u>\$ 1,092,531</u>	<u>\$ 995,683</u>	<u>\$ 1,291,417</u>	<u>\$ 1,212,228</u>

Total Budgeted Full-Time Employees	3.00	4.00	4.00	4.00	4.00
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HUMAN RESOURCES

Expenditure Analysis

Personnel

In FY 2016/17, a new Human Resources Director position was added to run the newly formed Human Resources department. Prior to this, Human Resources was a division in the Administrative Services department. After the formation of a separate Human Resources department, the Administrative Services department was renamed the Finance and Information Systems department.

Supplies and Services

Increases in Supplies and Services are primarily associated with Citywide Customer Service Training and Safety Training programs that were implemented with the 2016/17 – 2017/18 Strategic Plan. Ongoing costs associated with this training totals \$30,000 in FY 2018/19 and \$30,000 in FY 2019/20. Also included in FY 2018/19 are amounts for consulting services.

Excluding the ongoing Customer Service Training, Safety Training and Citywide Compensation Study costs, Supplies and Services costs are increasing 3% each year.

Included in total Supplies and Services is approximately \$52,000 in FY 2018/19 and \$40,000 in FY 2019/20 for Strategic Plan initiative costs.

Internal Services

Increases in Internal Service costs are primarily due to updated cost allocations relating to new FTEs.

HUMAN RESOURCES

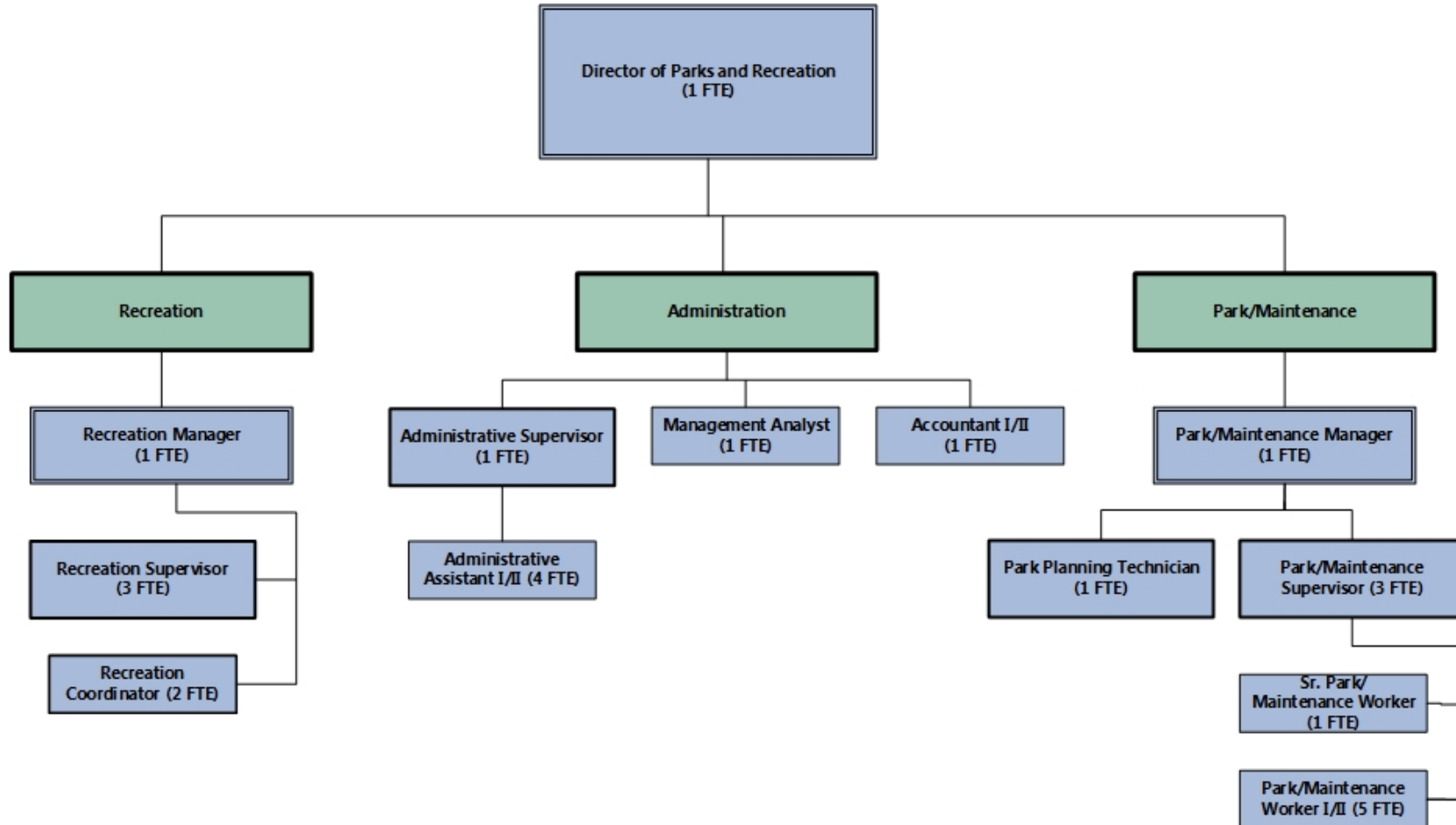
FY 2016/17 - 2017/18 Strategic Initiatives

Goal	Strategic Initiatives	FY 2016/17		FY 2017/18	
		Target	Actual	Target	Actual
6.1.a.	<p>Establish a Citywide customer service training program</p> <p><i>Created and initiated the Citywide Customer Service Training program to continue delivery of quality service.</i></p>	50%	0%	100%	75%
6.1.b.	<p>Establish a Citywide work force training and development program</p> <p><i>Began development of the Citywide Passport Training program to provide training and development to City employees. This initiative will be continued as a part of the 2018/19 – 2019/20 Strategic Plan.</i></p>	50%	0%	100%	25%



PARKS AND RECREATION

25 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 244 developed acres of parkland, 77 award winning parks and facilities, 40 miles of beautiful trails and 60 miles of bike lanes. There are over 150 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 Neighborhood Committee; City Pool; Community Center; Senior Center; Special Events; Special Classes; Youth and Adult Sports Programs; Special Event Permits and Athletic Field Rentals.
- **Parks/Maintenance** – Park and Recreation Commission; Landscape; Irrigation Control; Play Structures; Open Space Weed Abatement; Tree Inventory Program; Trail Management and Sport Field/Court Maintenance.
- **Administration** – Parks and Recreation Administration

PARKS AND RECREATION

FY 2018/19 - 2019/20 Strategic Initiatives

Goal	Strategic Initiatives	FY 2018/19 Target	FY 2019/20 Target
5.1.a.	Begin implementation phase of the updated Parks, Trails and Recreation Master Plan	100%	-
5.1.b.	Update the Park and Trail Development Fee to incorporate community recreation facilities as prioritized in the Master Plan	100%	-
5.1.c.	Consider amphitheater feasibility study recommendations for possible implementation	100%	-
5.2.a.	Update the Joint Use Facilities Agreements with the school districts	20%	100%
5.2.b.	Identify partners to expand recreation/cultural arts programming opportunities	20%	100%



PARKS AND RECREATION

DEPARTMENT BUDGET SUMMARY

Expenditures by Division		2016/17	2017/18	2017/18	2018/19	2019/20
Division #	Division Name	Actual	Budget	Projected	Budget	Budget
General Fund						
100-5101	Parks and Recreation Administration	\$ 1,981,101	\$ 2,271,981	\$ 2,208,112	\$ 2,407,089	\$ 2,481,712
100-5102	City Pool	840,344	919,655	908,826	985,130	1,026,306
100-5110	Community Center	618,677	657,872	652,735	763,043	786,941
100-5111	Senior Programs	209,974	252,255	224,755	256,076	268,683
100-5112	Brentwood Senior Activity Center	277,617	290,598	290,598	325,831	338,838
100-62xx	Sports Programs	284,750	346,704	318,195	377,560	390,982
100-63xx	Recreation Programs	346,634	402,474	334,574	417,278	427,275
100-1602	Landscape Operations	1,007,669	1,340,268	1,276,725	1,394,973	1,431,424
Special Revenue Fund						
230-2501	Citywide Park Assessment District	1,302,910	1,133,513	1,047,870	1,253,687	1,262,303
Internal Service Fund						
707-7701	Facilities Maintenance - Parks	872,987	987,536	838,472	1,189,318	1,109,965
	Total	<u>\$ 7,742,663</u>	<u>\$ 8,602,856</u>	<u>\$ 8,100,862</u>	<u>\$ 9,369,985</u>	<u>\$ 9,524,429</u>
	Annual Percentage Change			4.63%	8.92%	1.65%

PARKS AND RECREATION

Expenditures by Category	2016/17 Actual	2017/18 Budget	2017/18 Projected	2018/19 Budget	2019/20 Budget
Personnel Services	\$ 3,729,773	\$ 4,228,947	\$ 4,023,069	\$ 4,425,526	\$ 4,614,940
Supplies and Services	2,042,062	2,497,895	2,203,877	2,604,541	2,654,253
Internal Services	1,954,530	1,829,964	1,829,964	2,304,918	2,250,236
Capital Outlay and Transfers Out	16,297	46,050	43,952	35,000	5,000
Total	\$ 7,742,662	\$ 8,602,856	\$ 8,100,862	\$ 9,369,985	\$ 9,524,429
Total Budgeted Full-Time Employees	24.00	25.00	25.00	25.00	25.00



PARKS AND RECREATION

Expenditure Analysis

Personnel	The increase in personnel from FY 2016/17 includes the addition of a Parks Planning Technician in FY 2017/18 in response to demand for services due to growth in development.
Supplies and Services	<p>The FY 2018/19 Supplies and Services budget increase of approximately 4% is due to annual CPI increases for contract maintenance services, increase in water costs for landscape maintenance and increases in utility costs for facilities. Increases are approximately 2% higher than an expected inflationary increase due to additional programs and office equipment added to the Brentwood Senior Center. Budgets for recreation sports and programs, and special events have increased by approximately 14% to accommodate the growing interest by participants.</p> <p>The FY 2019/20 Supplies and Services budget for all divisions is increasing 2%, an expected inflationary increase for Supplies and Services.</p>
Internal Services	Increases in Internal Service costs are primarily due to increases in fleet maintenance, facilities maintenance and park replacement costs. FY 2018/19 also includes additional costs associated with the Pension Paydown Plan.
Capital Outlay and Transfers Out	No significant changes.

PARKS AND RECREATION

FY 2016/17 - 2017/18 Strategic Initiatives

Goal	Strategic Initiatives	FY 2016/17		FY 2017/18	
		Target	Actual	Target	Actual
5.1.a.	<p>Update the 2002 Parks, Trails and Recreation Master Plan</p> <p><i>The updated Parks, Trails and Recreation Master Plan will guide the City as it reaches buildout. The new plan captures community interest and identifies key parks, recreation facilities, and programs to meet the Communities needs and wants to ensure that Brentwood maintains a high quality of life for residents.</i></p>	80%	80%	100%	100%
5.1.b.	<p>Prepare a plan for development of a regional multi-purpose park and recreational facility</p> <p><i>This need and plan for a regional multi-purpose park and recreation facility will be addressed in the updated Parks, Trails and Recreation Master Plan.</i></p>	80%	80%	100%	100%
5.1.c.	<p>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</p> <p><i>The City continues to support these important strategic projects. A market feasibility study is being conducted on the Vineyards Amphitheater/Event Center. The Three Creeks Parkway Restoration Project is moving forward with the City as a key partner. The City continues to support the development of the Marsh Creek State Park and recognizes the significant recreational, cultural and historic importance of this park to Brentwood and the region.</i></p>	50%	50%	100%	100%
5.2.a.	<p>Update the Joint Use Facilities Agreement with the school districts</p> <p><i>The Joint Use Facilities Agreements are planned to be updated in the 2018/19 – 2019/20 Strategic Plan.</i></p>	10%	0%	100%	10%

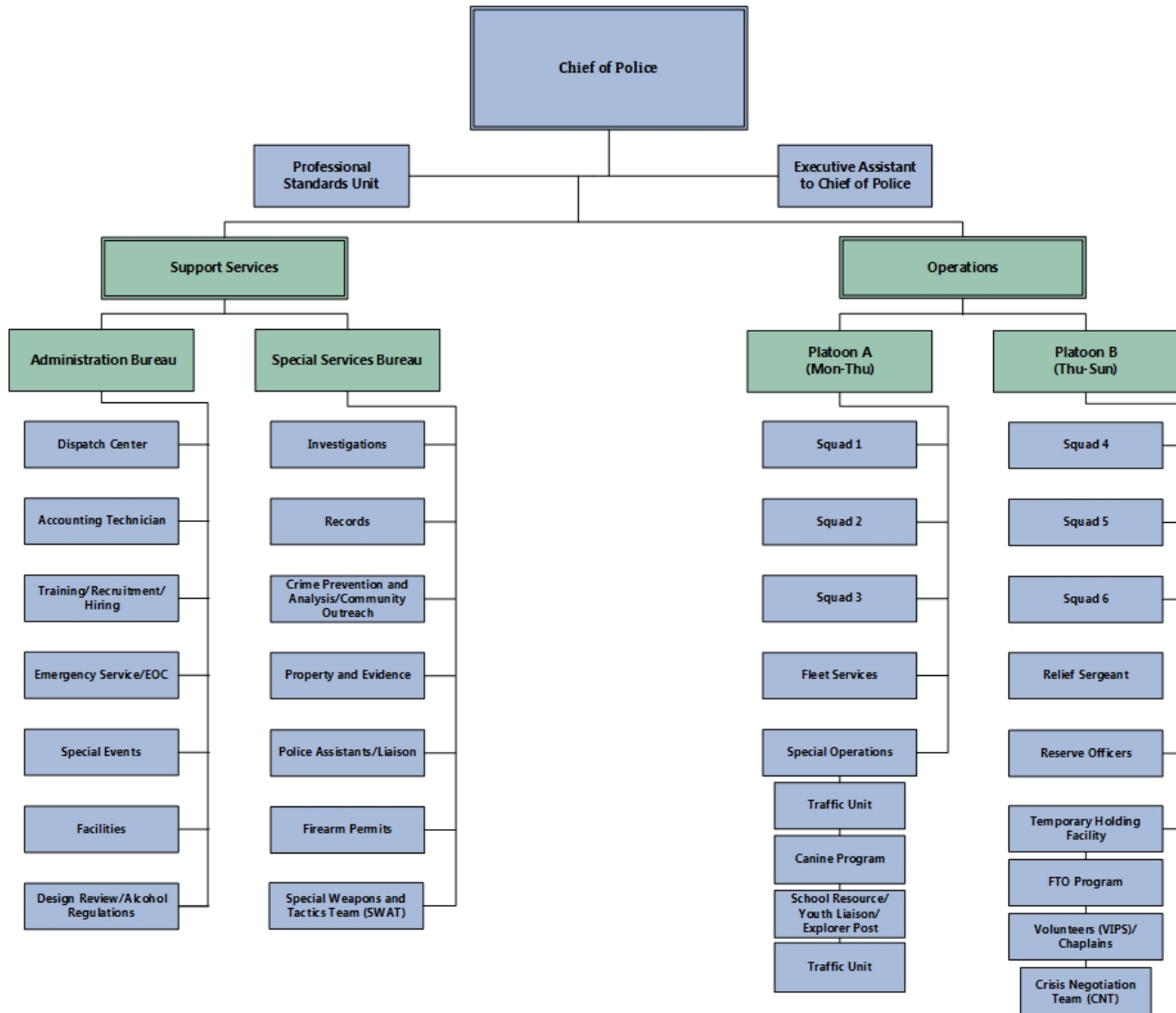
PARKS AND RECREATION

FY 2016/17 - 2017/18 Strategic Initiatives (Continued)

Goal	Strategic Initiatives	FY 2016/17		FY 2017/18	
		Target	Actual	Target	Actual
5.2.b.	Implement the recreation registration software <i>The Parks and Recreation Department has updated its recreation registration software. The new software improves customer services and increases operational efficiencies for program management and scheduling.</i>	80%	80%	100%	100%
5.2.c.	Explore partnerships with community service providers to expand opportunities for recreation, community events, education, cultural arts and social resources <i>The Parks and Recreation Department continues to explore key partnerships to expand opportunities. Working with community partners is an ongoing strategy to leverage resources and enhance the services offered to the residents of our community.</i>	60%	50%	100%	100%

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 3 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: Patrol, Investigations, Administration, Records and Community Services. In addition to these services the Police Department operates a state of the art Communications Center. The following volunteer programs are managed by police personnel: Police Activities League (PAL), Explorer Post 415 (youth), Volunteers In Police Services (VIPS - adults), Chaplains and the Community Emergency Response Team (CERT). Police Department employees also participate in the following community outreach programs: Neighborhood Watch, Red Ribbon Week, National Night Out, Operation Identification, Every Fifteen Minutes, TRIAD (Senior Outreach Program), Coffee With A Cop, Shop With A Cop, Tip A Cop, Special Olympics Torch Run and the Drug Enforcement Administration's (DEA) Prescription Drug Take-back Events.

POLICE

FY 2018/19 - 2019/20 Strategic Initiatives

Goal	Strategic Initiatives	FY 2018/19 Target	FY 2019/20 Target
2.1.a.	Conduct one emergency/disaster table top exercise that involves the activation of the Emergency Operations Center (facilitated by a consultant)	100%	-
2.1.b.	Purchase and utilize Mobile Vehicle Barriers at special events	100%	-
2.2.a.	Analyze intersections and install latest traffic safety devices	100%	-
2.2.b.	Conduct 2 community traffic safety presentations	50%	100%
2.2.c.	Conduct 6 traffic enforcement saturation details	50%	100%
2.3.a.	Certify 4 additional officers as CPR/First Aid/AED Instructors	100%	-
2.3.b.	Conduct 4 community CPR/First Aid/AED classes, to include a public education component regarding prescription drug abuse	50%	100%
2.3.c.	Conduct CPR/First Aid/ AED classes for members of Brentwood Commissions	100%	-
2.3.d.	Purchase and distribute smoke detectors	0%	100%
2.3.e.	Equip patrol vehicles with improved fire extinguisher capability	100%	-



POLICE

DEPARTMENT BUDGET SUMMARY

Expenditures by Division		2016/17	2017/18	2017/18	2018/19	2019/20
Division #	Division Name	Actual	Budget	Projected	Budget	Budget
General Fund						
100-1501	Police Department	\$ 20,152,422	\$ 21,839,053	\$ 21,177,406	\$ 22,830,640	\$ 23,574,240
100-1511	Police Dispatch Center	1,264,721	2,776,432	2,272,703	3,047,349	3,134,354
	Total	<u>\$ 21,417,143</u>	<u>\$ 24,615,485</u>	<u>\$ 23,450,109</u>	<u>\$ 25,877,989</u>	<u>\$ 26,708,594</u>
	Annual Percentage Change			9.49%	5.13%	3.21%

Expenditures by Category		2016/17	2017/18	2017/18	2018/19	2019/20
		Actual	Budget	Projected	Budget	Budget
	Personnel Services	\$ 15,232,169	\$ 17,845,490	\$ 17,079,963	\$ 18,569,814	\$ 19,417,426
	Supplies and Services	2,345,096	2,399,711	2,000,062	2,479,375	2,381,870
	Internal Services	3,824,747	4,358,584	4,358,584	4,766,800	4,893,642
	Capital Outlay and Transfers Out	15,131	11,700	11,500	62,000	15,656
	Total	<u>\$ 21,417,143</u>	<u>\$ 24,615,485</u>	<u>\$ 23,450,109</u>	<u>\$ 25,877,989</u>	<u>\$ 26,708,594</u>
	Total Budgeted Full-Time Employees	95.00	95.00	95.00	95.00	95.00

POLICE

Expenditure Analysis

Personnel	No FTE Changes.
Supplies and Services	<p>Excluding Strategic initiative costs, the FY 2018/19 Supplies and Services budget decreased by approximately 3% due primarily to adjustments in the Police Dispatch Center supplies and services costs. Better estimates are available now that the Dispatch Center has been operational for over a year. The FY 2019/20 Supplies and Services budget increased by 3% due to rising costs in contractual services and supplies including background investigations, medical supplies, safety equipment, training and annual software maintenance.</p> <p>Included in the cost of Supplies and Services are budgeted expenditures for Strategic Initiatives which total \$190,000 in FY 2018/19 and \$24,000 in FY 2019/20.</p>
Internal Services	Increases in Internal Service costs are primarily due to the information systems replacement costs for the new Police Dispatch Center.
Capital Outlay and Transfers Out	FY 2018/19 includes a one-time cost of \$45,000 for police radio upgrades.

POLICE

FY 2016/17 - 2017/18 Strategic Initiatives

Goal	Strategic Initiatives	FY 2016/17		FY 2017/18	
		Target	Actual	Target	Actual
2.1.a.	Establish a new Police Dispatch/Communications Center for Brentwood <i>The state of the art Police Dispatch/Communication Center was completed in March of 2017 and is fully functional.</i>	100%	100%	-	-
2.1.b.	Update the existing Computer Aided Dispatch (CAD) and Records Management System (RMS) platform <i>The new CAD and RMS platform was implemented in March of 2017 and is fully functional.</i>	100%	100%	-	-
2.2.a.	Develop a comprehensive public education and communication plan <i>Developed a 20 minute video for high school driver education classes, deployed the traffic radar trailer 3-4 times a week with traffic related information displayed, conducted nine traffic safety presentations, partnering with California Highway Patrol to hold public meetings related to teen driving.</i>	100%	100%	-	-
2.2.b.	Design a data-driven traffic enforcement plan to reduce traffic collisions <i>Identified the top five intersections with the most collisions, identified the top 3 collision factors, re-assigned traffic officers' shifts to enhance enforcement based off of data collected and enhanced red light runner detection technology.</i>	0%	0%	100%	100%
2.3.a.	Increase the number of Neighborhood Watch participants in Brentwood <i>Staff met with unrepresented neighborhoods and added four new neighborhood watch groups to the program.</i>	100%	100%	-	-
2.3.b.	Hold four crime prevention seminars throughout the City <i>Conducted crime prevention seminars for the Village Resource Center and Summerset, participated in the Child Safety Fair with other agencies and participated in a Public Safety Fair amongst the School Districts.</i>	100%	100%	-	-

POLICE

FY 2016/17 - 2017/18 Strategic Initiatives (Continued)

Goal	Strategic Initiatives	FY 2016/17		FY 2017/18	
		Target	Actual	Target	Actual
2.3.c.	Acquire and install License Plate Reader Cameras <i>License Plate Reader Cameras were installed at four intersections in the City, attached to five patrol vehicles and a mobile trailer. The results from the pilot project, Phase 1 were presented to City Council in May 2017. Phase 2 of the project was approved by City Council on April 24, 2018 and includes adding cameras to our City Street Sweepers and four more patrol vehicles. Over 18,560,000 license plates have been scanned.</i>	100%	100%	-	-
2.4.a.	Design and implement a communication strategy to increase community awareness and engagement <i>We have designated a Lieutenant as our Public Information Officer (PIO) to help streamline responses to media requests.</i>	100%	100%	-	-
2.4.b.	Design and implement a media strategy <i>Implemented the use of social media to include the use of Facebook and Nextdoor.com.</i>	0%	0%	100%	100%
2.4.c.	Conduct one Citizens Academy <i>The Citizen's Academy was held between June 22 and August 13, 2016, with 17 participants.</i>	0%	0%	100%	100%
2.5.a.	Conduct one emergency/disaster table top exercise that involves the activation of the Emergency Operations Center (EOC) <i>Conducted a full activation table top exercise in June of 2017 with City and County participants.</i>	100%	100%	-	-

POLICE

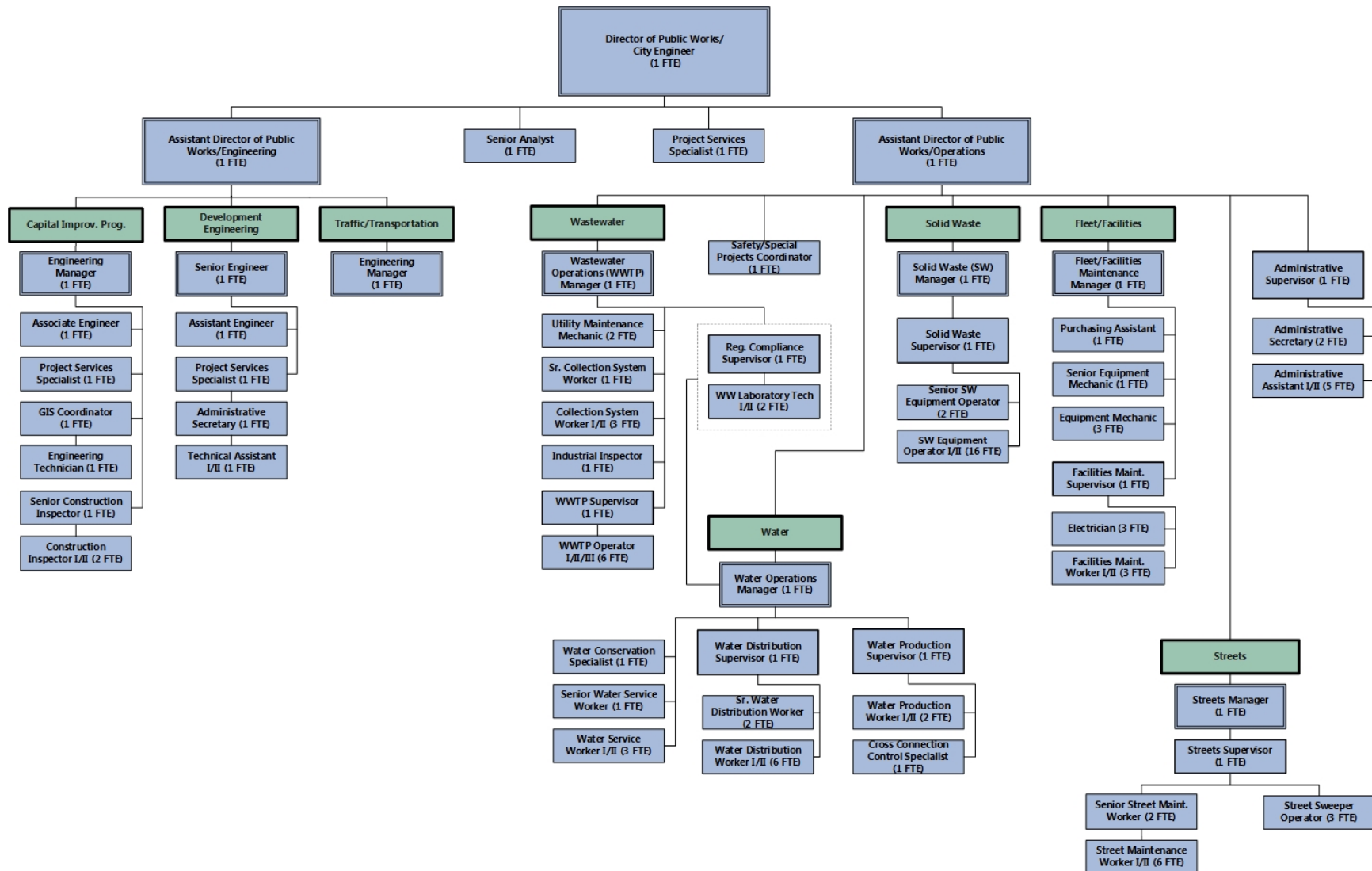
FY 2016/17 - 2017/18 Strategic Initiatives (Continued)

Goal	Strategic Initiatives	FY 2016/17		FY 2017/18	
		Target	Actual	Target	Actual
2.5.b.	<p>Increase public access to disaster preparedness information</p> <p><i>Increased the number of CERT classes offered and made disaster preparedness information available to the public on our website and in pamphlets available in the Police Department lobby.</i></p>	0%	0%	100%	100%
2.5.c.	<p>Conduct one joint training exercise between police and fire for the management of a critical incident involving hazardous materials</p> <p><i>A hazmat exercise was conducted on April 26, 2018.</i></p>	0%	0%	100%	100%



PUBLIC WORKS

111 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 provides the following services:

- **Engineering** – Infrastructure Master Plans; Project Management and Administration; CIP Project Design and Estimates; Construction Inspections; Development Plans and Review; Grading and Encroachment Permits; Storm water Permit Coordination and Inspections; Geographic Information System (GIS); Traffic Alerts; Traffic Control Plans; Traffic Signals and Transportation Permits
- **Operations** – Vehicle, Equipment and Facilities Maintenance and Repair; Streetlight Maintenance and Repair; Garbage, Recycle and Green Waste 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

FY 2018/19 - 2019/20 Strategic Initiatives

Goal	Strategic Initiatives	FY 2018/19	FY 2019/20
		Target	Target
1.1.a.	Leverage funding from Measure RR (BART) in development of the Multimodal Transit Center within the PA-1 planning area. Ensure that the Transit Center will accommodate a variety of transportation modes, including autonomous vehicles	50%	100%
1.1.b.	Ensure that PA-1 will be well-positioned as a future Planned Development Area, and that PA-1 properties will be "shovel-ready" for economic development	50%	100%
1.2.a.	Ensure water supply resiliency by supporting local and regional projects, such as the Los Vaqueros Reservoir Expansion Project and non-potable water storage projects	50%	100%
1.2.b.	Continue to promote the beneficial use of recycled water, including for agricultural purposes	50%	100%
1.3.a.	Coordinate the design and construction of roadway improvements, including bike lanes, with stakeholders to induce the development of PA-1 per the City's General Plan and the PA-1 Specific Plan	50%	100%
1.3.b.	Effectively utilize SB 1 funding for the long-term maintenance and improvements of City roadways	50%	100%



PUBLIC WORKS

DEPARTMENT BUDGET SUMMARY

Expenditures by Division		2016/17	2017/18	2017/18	2018/19	2019/20
Division #	Division Name	Actual	Budget	Projected	Budget	Budget
General Fund						
100-1603	Streets	\$ 3,213,775	\$ 3,680,102	\$ 3,631,260	\$ 4,049,886	\$ 4,079,849
100-2301	Engineering Division	1,497,716	1,716,265	1,612,115	1,848,635	1,904,262
100-2303	Transportation	659,453	740,729	706,754	513,955	529,161
100-3601	CIP Administration	1,070,463	1,266,532	1,170,269	1,263,269	1,302,489
Enterprise Funds						
540-5301	Solid Waste Operations	9,434,595	10,228,463	9,963,405	11,859,571	11,025,028
540-5303	Solid Waste Transfer Station	1,448,130	1,585,299	1,584,174	1,639,438	1,607,602
560-5501	Water Operations	20,509,578	24,091,933	22,374,366	22,961,249	23,774,731
560-5504	Non Potable	365,118	546,018	493,100	498,583	490,068
590-5801	Wastewater Operations	9,797,363	10,308,603	10,152,298	11,546,814	14,332,942
590-5803	Wastewater Lateral Maintenance	197,304	260,617	260,556	301,047	273,049
Internal Service Fund						
706-7601	Fleet Maintenance Services	1,362,264	1,579,675	1,524,703	1,969,660	1,748,347
707-7702	Facilities Maintenance - Public Works	771,088	1,019,893	968,593	1,270,699	1,145,431
	Total	<u>\$ 50,326,847</u>	<u>\$ 57,024,129</u>	<u>\$ 54,441,593</u>	<u>\$ 59,722,806</u>	<u>\$ 62,212,959</u>
	Annual Percentage Change			8.18%	4.73%	4.17%

PUBLIC WORKS

Expenditures by Category	2016/17 Actual	2017/18 Budget	2017/18 Projected	2018/19 Budget	2019/20 Budget
Personnel Services	\$ 13,967,330	\$ 15,382,952	\$ 14,592,716	\$ 16,707,412	\$ 17,415,962
Supplies and Services	26,013,811	30,410,119	28,618,992	29,424,838	30,158,688
Internal Services	5,734,308	6,162,472	6,162,472	9,573,464	6,794,320
Capital Outlay and Transfers Out	4,611,398	5,068,586	5,067,413	4,017,092	7,843,989
Total	<u>\$ 50,326,847</u>	<u>\$ 57,024,129</u>	<u>\$ 54,441,593</u>	<u>\$ 59,722,806</u>	<u>\$ 62,212,959</u>
 Total Budgeted Full-Time Employees	 100.00	 105.00	 105.00	 111.00	 111.00



PUBLIC WORKS

Expenditure Analysis

Personnel

The increase in personnel from FY 2016/17 includes the addition of a street maintenance worker, facilities maintenance worker, an electrician and equipment mechanic. These positions were added in FY 2017/18 in response to demand for services due to growth in development.

The increase in personnel from FY 2017/18 includes two wastewater treatment plant operators, a collection system worker, wastewater lab technician and industrial inspector. These positions were added due to the expansion of the wastewater treatment plant operations and to address increasing regulatory requirements. In addition, one solid waste equipment operator has been added to respond to demand for services due to growth in development.

Supplies and Services

Supplies and Services costs decreased by 3% in FY 2018/19. Cost increases due to the overall rising cost of goods and services were offset by the following decreases:

- 1) Strategic Initiatives budgeted and completed in FY 2017/18, totaled \$447,737;
- 2) Maintenance and upgrade costs for the Brentwood Water Treatment Plant decreased by \$489,000;
- 3) Operational transfers out for pavement management decreased by \$204,268 and
- 4) Interest Expense decreased by \$319,895.

Supplies and Services costs increased less than 2.5% for FY 2019/20.

Internal Services

Increases in Internal Service costs are primarily due to updated cost allocations relating to new FTEs. FY 2018/19 also includes additional costs associated with the Pension Paydown Plan.

Capital Outlay and Transfers Out

The decrease in Capital Outlay and Transfers Out in FY 2018/19 from FY 2017/18 is due primarily to the final principal payment on the Water Revenue Bond Series 2008 being made in FY 2017/18. The subsequent budget increase in FY 2019/20 is due to 1) the City's plan to payoff of the remaining principal balance, \$2.9 million, of the SWRCB loan which financed the existing Wastewater Treatment Plant and 2) an increase in water capital projects funding of \$1.2 million.

PUBLIC WORKS

FY 2016/17 - 2017/18 Strategic Initiatives

Goal	Strategic Initiatives	FY 2016/17		FY 2017/18	
		Target	Actual	Target	Actual
1.1.a.	<p>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</p> <p><i>In 2016, voters did not pass a half cent sales tax measure for regional transportation projects, but did pass BART's Measure RR \$3.5 billion general obligation bonds for replacement, repair, and modernization of BART's infrastructure. In addition, the State Legislature passed SB 1, the Road Repair and Accountability Act of 2017, which will provide additional revenue for roadway maintenance projects.</i></p>	50%	50%	100%	100%
1.1.b.	<p>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</p> <p><i>The State Route 4/Balfour Road Interchange project is under construction and expected to be completed by early 2019.</i></p>	50%	50%	100%	100%
1.2.a.	<p>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</p> <p><i>The Urban Water Management Plan was approved by City Council in 2016. The updated Water Master Plan was completed in 2017.</i></p>	75%	75%	100%	100%

PUBLIC WORKS

FY 2016/17 - 2017/18 Strategic Initiatives (Continued)

Goal	Strategic Initiatives	FY 2016/17		FY 2017/18	
		Target	Actual	Target	Actual
1.2.b.	<p>Bay Delta Conservation Plan (“BDCP”) and Related Issues: Monitor and collaborate with other stakeholders on the BDCP/California WaterFix project and related issues. Protect City’s water supply and quality interests from BDCP project impacts</p> <p><i>The City is actively engaged with various stakeholders and the State on protecting our water supply and quality from the California WaterFix project (previously known as the BDCP).</i></p>	50%	50%	100%	100%
1.2.c.	<p>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</p> <p><i>While the State ended the drought state of emergency, the City continues to comply with ongoing requirements on water conservation.</i></p>	50%	50%	100%	100%
1.2.d.	<p>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</p> <p><i>The updated Wastewater Plans were completed in 2017.</i></p>	75%	75%	100%	100%
1.2.e.	<p>Recycled Water System and Financing: Secure additional funding sources to expand the recycled water system including construction of recycled water storage and distribution lines</p> <p><i>Design completed on the non-potable water storage facility and the State agreement for funding has been executed. Completed construction of recycled water line along Fairview Avenue south of Balfour Road.</i></p>	100% Design 50% Const.	100% Design 0% Const.	100% Const.	25% Const.

PUBLIC WORKS

FY 2016/17 - 2017/18 Strategic Initiatives (Continued)

Goal	Strategic Initiatives	FY 2016/17		FY 2017/18	
		Target	Actual	Target	Actual
1.2.f.	Wastewater Treatment Plant Expansion: To accommodate new developments per General Plan, commence design and construction of Wastewater Treatment Plant expansion <i>The grant and loan applications are being reviewed by the State. Design is 100% complete.</i>	100% Design	50% Design	50% Const.	100% Design 0% 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 <i>The City amended the agreement for solid waste disposal service in 2017.</i>	25%	25%	100%	100%
1.3.a.	Roadway Improvements for Priority Area 1 (PA-1) per General Plan Vision: Coordinate the design and construction of roadway improvements, including bike lanes, with stakeholders to induce the development of PA-1 per the General Plan vision <i>The City prepared a new Capital Improvement Project for roadway and infrastructure improvements in PA-1 including Heidorn Ranch Road widening and utility extensions from Empire Avenue. This project will carry over into the 2018/19 – 2019/20 Strategic Plan.</i>	100% Design	0% Design	50% Const.	0% Const.
1.3.b.	Brentwood Blvd. (North) Annexation Area Improvements ⁽¹⁾ : Coordinate the Brentwood Blvd. improvements with potential development projects in the northeast Brentwood annexation area <i>The City will be mindful of Brentwood Blvd. improvements in conjunction with any potential development projects in the northeast Brentwood annexation area.</i> <i>(1) Dependent upon development of adjacent properties.</i>	0%	0%	25%	0%

PUBLIC WORKS

FY 2016/17 - 2017/18 Strategic Initiatives (Continued)

Goal	Strategic Initiatives	FY 2016/17		FY 2017/18	
		Target	Actual	Target	Actual
1.4.a.	<p>City's Development Fee Program ("DFP") Update: Administer and monitor the DFP to ensure new developments pay their share for new infrastructure and provide necessary funding</p> <p><i>The City updated the Development Fee Program in 2017.</i></p>	0%	0%	100%	100%
1.4.b.	<p>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</p> <p><i>The City is currently in the process of analyzing and updating the Enterprise Rate Studies. It is anticipated proposed rates will be brought forward for Council consideration in June 2018.</i></p>	100%	0%	0%	100%
1.4.c.	<p>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.</p> <p><i>Grant and loan applications for the Wastewater Treatment Plant expansion, recycled water projects, and various roadway improvement and maintenance projects are currently being reviewed by the State and respective agencies.</i></p>	50%	50%	100%	100%



RESOLUTION NO. 2018-77

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BRENTWOOD AMENDING THE 2017/18 OPERATING BUDGET; ADOPTING THE 2018/19 – 2019/20 OPERATING BUDGET; APPROVING THE ADDITION OF SIX (6) NEW FULL-TIME POSITIONS TO THE CITY STAFF; AND AMENDING THE 2017/18 FUND BALANCE RESTRICTIONS AND COMMITMENTS IN THE GENERAL FUND

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

WHEREAS, a draft of the proposed 2018/19 – 2019/20 Operating Budget was presented to the City Council for review, direction and comment on May 8, 2018; 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 8, 2018; 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 six (6) new positions for FY 2018/19 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.

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

1. Amends the FY 2017/18 Operating Budget as detailed in Exhibit A.
2. Amends the 2017/18 fund balance restrictions and commitments in the General Fund, as detailed in Exhibit A.
3. Adopts the revenues and appropriations as detailed in the 2018/19 - 2019/20 Operating Budget.
4. Approves the addition of six (6) new positions to the City staff in the FY 2018/19 budget, as follows:

- Two (2) Wastewater Treatment Plant Operator III
- One (1) Solid Waste Equipment Operator I
- One (1) Industrial Inspector
- One (1) Collection Systems Worker I
- One (1) Wastewater Lab Tech I

PASSED, APPROVED AND ADOPTED by the City Council of the City of Brentwood at a regular meeting held on the 12th day of June, 2018 by the following vote:

AYES: Bryant, Grewal, Rarey, Staton
NOES: None
ABSENT: Taylor
RECUSE: None



RESOLUTION NO. 2018-77 (Continued)

Joel Bryant

Joel Bryant
Vice Mayor

ATTEST:

Margaret Wimberly

Margaret Wimberly, MMC
City Clerk

Exhibit A			
Appropriation and Revenue Amendments to the 2017/18 Operating Budget of the City of Brentwood and Amendments to the 2017/18 General Fund Fund Balance Restrictions and Commitments			
Fiscal Year 2017/18 Budget Adjustments			
Fund Name	Increase (Decrease)		Net Effect on Fund
	Revenue	Expenditure	
Enterprise Funds:			
Water Enterprise	\$ 500,000	\$ -	\$ 500,000
Water Replacement	-	500,000	(500,000)
Other Funds:			
Landscape and Lighting Assessment Districts (LLAD)	-	8,052	(8,052)
Sub-Total Enterprise and Other Funds	500,000	508,052	(8,052)
Total 2017/18 Adjustment	\$ 500,000	\$ 508,052	\$ (8,052)
Fiscal Year 2017/18 General Fund - Fund Balance Restrictions and Commitments			
	Original	Current	Amended
Restricted:			
RDA Escrow Reserve	\$ -	\$ 95,620	\$ 95,620
Committed:			
General Plan Update	300,000	300,000	300,000
Brentwood Blvd Improvements	-	678,000	678,000
Future Strategic Initiatives	350,000	423,990	930,303
Successor Agency Payment Plan	5,108,713	8,999,328	10,078,572
Total Committed	5,758,713	10,401,318	11,986,875
Total Restricted and Committed	\$ 5,758,713	\$ 10,496,938	\$ 12,082,495



RESOLUTION NO. 2018-55

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BRENTWOOD ADOPTING THE 2018/19 PROPOSITION 4 APPROPRIATION LIMIT USING THE CHANGE IN THE STATE PER CAPITA INCOME OF 3.67% AS THE COST-OF-LIVING FACTOR AND THE CHANGE IN CITY POPULATION FACTOR OF 2.70% 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 3.67% 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 2.70% for the City population for the prior calendar year; and

WHEREAS, On June 27, 2017 the City Council approved Resolution No. 2017-92 adopting the 2017/18 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, 2019.

NOW, THEREFORE BE IT RESOLVED that the City Council of the City of Brentwood, adopts the Appropriations Limit for the City of Brentwood for fiscal year ending June 30, 2019, of \$83,957,557, using the change in State per capita income of 3.67% as the cost-of-living factor and the change in the City population factor of 2.70% to calculate the Limit.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Brentwood at a regular meeting held on May 22, 2018 by the following vote:

- AYES:** Bryant, Grewal, Rarey, Staton, Taylor
- NOES:** None
- ABSENT:** None
- ABSTAIN:** None

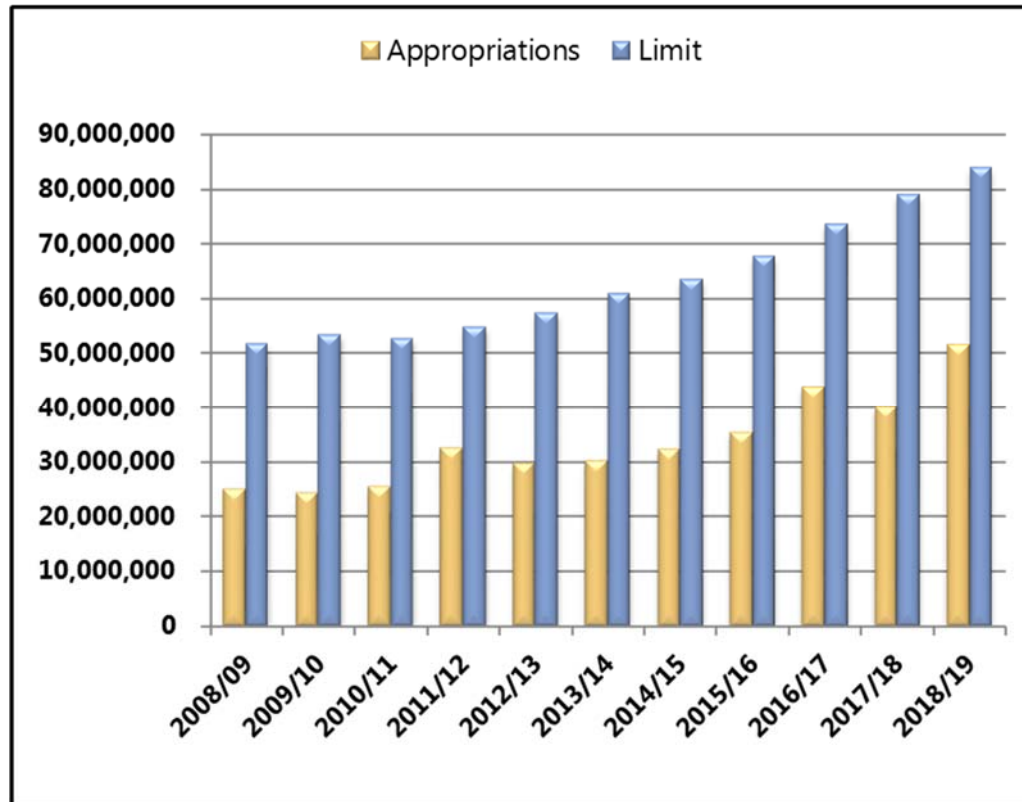
Robert Taylor
Robert Taylor
Mayor

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 2018/19 has been calculated to be \$83,957,557. 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 2018/19

Appropriations Limit for Fiscal Year 2017/18	<u>\$78,856,274</u>
Population in January 2017	61,383
Population in January 2018	63,042
Percentage Increase in Population - City	2.70%
Percentage Increase in Non-residential New Construction	1.09%
Factor to be applied to Prior Year (Population Factor x New Construction Factor)	<u>1.064690900</u>
Appropriations Limit for Fiscal Years 2018/19	<u>\$83,957,557</u>



PERSONNEL SUMMARY BY DEPARTMENT

	2016/17 Authorized	2017/18 Authorized	2018/19 Budget	2019/20 Budget
<u>Legislative</u>				
Executive Assistant	0.50	0.50	0.50	0.50
Legislative FTE Total	0.50	0.50	0.50	0.50
<u>City Manager</u>				
<i>City Manager</i>				
City Manager	1.00	1.00	1.00	1.00
Executive Assistant	0.50	0.50	0.50	0.50
Management Analyst	1.00	1.00	1.00	1.00
City Manager FTE Total	2.50	2.50	2.50	2.50
<i>Economic Development</i>				
Economic Development Manager	1.00	1.00	1.00	1.00
Senior Analyst	2.00	2.00	2.00	2.00
Economic Development FTE Total	3.00	3.00	3.00	3.00
<i>City Clerk</i>				
Administrative Assistant I/II	1.00	1.00	1.00	1.00
City Clerk	1.00	1.00	1.00	1.00
City Clerk FTE Total	2.00	2.00	2.00	2.00
City Manager FTE Total	7.50	7.50	7.50	7.50
<u>City Attorney</u>				
City Attorney	1.00	1.00	1.00	1.00
Assistant City Attorney	1.00	1.00	1.00	1.00
Administrative Secretary	1.00	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)

	2016/17 Authorized	2017/18 Authorized	2018/19 Budget	2019/20 Budget
Community Development				
<i>Building</i>				
Director of Community Development	0.34	0.34	0.38	0.38
Accounting Assistant I/II	0.48	0.48	0.48	0.48
Administrative Assistant I/II	0.48	0.48	0.48	0.48
Administrative Supervisor	0.34	0.34	0.40	0.40
Senior Building Inspector	1.00	1.00	1.00	1.00
Chief Building Official	0.80	0.80	0.95	0.95
Code Enforcement Officer I/II	1.00	3.00	0.00	0.00
Community Development Specialist	1.00	1.00	1.00	1.00
Community Development Technician	1.85	1.85	1.85	1.85
Development Services Manager	0.00	1.00	1.00	1.00
Housing Analyst	0.10	0.10	0.10	0.10
Senior Code Enforcement Officer	1.00	1.00	0.00	0.00
Senior Technician	1.00	1.00	1.00	1.00
Building FTE Total	9.39	12.39	8.64	8.64
<i>Community Enrichment</i>				
Code Enforcement Officer I/II	0.00	0.00	3.00	3.00
Senior Code Enforcement Officer	0.00	0.00	1.00	1.00
Community Enrichment FTE Total	0.00	0.00	4.00	4.00
<i>Planning</i>				
Director of Community Development	0.33	0.33	0.37	0.37
Accounting Assistant I/II	0.47	0.47	0.47	0.47
Administrative Assistant I/II	0.47	0.47	0.47	0.47
Administrative Secretary	1.00	1.00	1.00	1.00
Administrative Supervisor	0.33	0.33	0.40	0.40
Associate Planner	2.00	2.00	2.00	2.00
Community Development Technician	0.15	0.15	0.15	0.15
Planning Manager	0.95	0.95	0.95	0.95
Senior Planner	1.00	1.00	1.00	1.00
Planning FTE Total	6.70	6.70	6.81	6.81



PERSONNEL SUMMARY BY DEPARTMENT (Continued)

	2016/17 Authorized	2017/18 Authorized	2018/19 Budget	2019/20 Budget
<i>Housing Administration</i>				
Director of Community Development	0.33	0.33	0.25	0.25
Accounting Assistant I/II	0.05	0.05	0.05	0.05
Administrative Assistant I/II	0.05	0.05	0.05	0.05
Administrative Supervisor	0.33	0.33	0.20	0.20
Chief Building Official	0.20	0.20	0.05	0.05
Housing Analyst	0.90	0.90	0.90	0.90
Planning Manager	0.05	0.05	0.05	0.05
<i>Housing Administration FTE Total</i>	1.91	1.91	1.55	1.55
Community Development FTE Total	18.00	21.00	21.00	21.00
<u>Finance and Information Systems</u>				
<i>Business Services</i>				
Director of Finance and Information Systems	0.25	0.25	0.25	0.25
Assistant Director of Finance and Information Systems	0.25	0.25	0.25	0.25
Accountant I/II	1.45	2.45	2.45	2.45
Accounting Manager	0.85	0.85	0.85	0.85
Accounting Specialist	1.00	0.00	0.00	0.00
Accounting Technician	1.60	1.60	1.60	1.60
Administrative Supervisor	0.20	0.20	0.20	0.20
Information Systems Technician	0.05	0.05	0.05	0.05
<i>Business Services FTE Total</i>	5.65	5.65	5.65	5.65
<i>Financial Services</i>				
Director of Finance and Information Systems	0.25	0.25	0.25	0.25
Assistant Director of Finance and Information Systems	0.25	0.25	0.25	0.25
Accountant I/II	1.00	1.00	1.00	1.00
Accounting Assistant I/II	1.15	1.15	1.15	1.15
Accounting Manager	0.10	0.10	0.10	0.10
Accounting Specialist	1.00	1.00	1.00	1.00
Accounting Technician	0.40	0.40	0.40	0.40
Administrative Supervisor	0.20	0.20	0.20	0.20
Management Analyst	0.70	0.70	0.70	0.70
<i>Financial Services FTE Total</i>	5.05	5.05	5.05	5.05



PERSONNEL SUMMARY BY DEPARTMENT (Continued)

	2016/17 Authorized	2017/18 Authorized	2018/19 Budget	2019/20 Budget
<i>Information Systems</i>				
Director of Finance and Information Systems	0.25	0.25	0.25	0.25
Assistant Director of Finance and Information Systems	0.25	0.25	0.25	0.25
Chief Information Systems Officer	1.00	1.00	1.00	1.00
Accounting Assistant I/II	0.35	0.35	0.35	0.35
Accounting Manager	0.15	0.15	0.15	0.15
Accounting Technician	0.25	0.25	0.25	0.25
Administrative Supervisor	0.30	0.30	0.30	0.30
Information Systems Specialist	3.00	3.00	3.00	3.00
Information Systems Technician	4.80	4.80	4.80	4.80
Management Analyst	0.30	0.30	0.30	0.30
Information Services FTE Total	10.65	10.65	10.65	10.65
<i>Solid Waste Utility Billing</i>				
Director of Finance and Information Systems	0.10	0.10	0.10	0.10
Assistant Director of Finance and Information Systems	0.09	0.09	0.09	0.09
Accountant I/II	0.20	0.20	0.20	0.20
Accounting Assistant I/II	1.16	1.16	1.16	1.16
Accounting Manager	0.30	0.30	0.30	0.30
Accounting Specialist	0.33	0.33	0.33	0.33
Accounting Technician	0.91	0.91	0.91	0.91
Administrative Supervisor	0.10	0.10	0.10	0.10
Information Systems Technician	0.05	0.05	0.05	0.05
Solid Waste Utility Billing FTE Total	3.24	3.24	3.24	3.24



PERSONNEL SUMMARY BY DEPARTMENT (Continued)

	2016/17 Authorized	2017/18 Authorized	2018/19 Budget	2019/20 Budget
<i>Water Utility Billing</i>				
Director of Finance and Information Systems	0.10	0.10	0.10	0.10
Assistant Director of Finance and Information Systems	0.08	0.08	0.08	0.08
Accountant I/II	0.20	0.20	0.20	0.20
Accounting Assistant I/II	1.19	1.19	1.19	1.19
Accounting Manager	0.30	0.30	0.30	0.30
Accounting Specialist	0.34	0.34	0.34	0.34
Accounting Technician	0.93	0.93	0.93	0.93
Administrative Supervisor	0.10	0.10	0.10	0.10
Information Systems Technician	0.05	0.05	0.05	0.05
Water Utility Billing FTE Total	3.29	3.29	3.29	3.29
<i>Wastewater Waste Utility Billing</i>				
Director of Finance and Information Systems	0.05	0.05	0.05	0.05
Assistant Director of Finance and Information Systems	0.08	0.08	0.08	0.08
Accountant I/II	0.15	0.15	0.15	0.15
Accounting Assistant I/II	1.15	1.15	1.15	1.15
Accounting Manager	0.30	0.30	0.30	0.30
Accounting Specialist	0.33	0.33	0.33	0.33
Accounting Technician	0.91	0.91	0.91	0.91
Administrative Supervisor	0.10	0.10	0.10	0.10
Information Systems Technician	0.05	0.05	0.05	0.05
Wastewater Waste Utility Billing FTE Total	3.12	3.12	3.12	3.12
Finance and Information Systems FTE Total	31.00	31.00	31.00	31.00



PERSONNEL SUMMARY BY DEPARTMENT (Continued)

	2016/17 Authorized	2017/18 Authorized	2018/19 Budget	2019/20 Budget
Human Resources				
Director of Human Resources/Risk Manager	1.00	1.00	1.00	1.00
Administrative Secretary	1.00	1.00	1.00	1.00
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	4.00	4.00	4.00	4.00
Parks and Recreation				
<i>Recreation Administration</i>				
Director of Parks and Recreation	0.85	0.85	0.85	0.85
Accountant I/II	0.30	0.30	0.30	0.30
Administrative Assistant I/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
Parks Planning Technician	0.00	0.85	0.85	0.85
Recreation Coordinator	2.00	2.00	2.00	2.00
Recreation Manager	1.00	1.00	1.00	1.00
Recreation Supervisor	2.00	2.00	2.00	2.00
Recreation Administration FTE Total	11.00	11.85	11.85	11.85
<i>CIP Administration</i>				
Parks Planning Technician	0.00	0.15	0.15	0.15
CIP Administration FTE Total	0.00	0.15	0.15	0.15
<i>City Pool</i>				
Administrative Assistant I/II	0.25	0.25	0.25	0.25
Park/Maintenance Supervisor	0.25	0.25	0.25	0.25
City Pool FTE Total	0.50	0.50	0.50	0.50



PERSONNEL SUMMARY BY DEPARTMENT (Continued)

	2016/17 Authorized	2017/18 Authorized	2018/19 Budget	2019/20 Budget
<i>Citywide Park Assessment District</i>				
Director of Parks and Recreation	0.05	0.05	0.05	0.05
Accountant I/II	0.30	0.30	0.30	0.30
Administrative Assistant I/II	0.25	0.25	0.25	0.25
Park/Maintenance Manager	0.34	0.34	0.34	0.34
Park/Maintenance Supervisor	2.35	0.65	0.65	0.65
Park/Maintenance Worker I/II	1.00	2.70	2.70	2.70
Senior Park/Maintenance Worker	0.70	0.70	0.70	0.70
Citywide Park Assessment District FTE Total	4.99	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 I/II	0.40	0.40	0.40	0.40
Administrative Assistant I/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/II	0.30	0.30	0.30	0.30
Senior Park/Maintenance Worker	0.30	0.30	0.30	0.30
Landscape Operations FTE Total	2.93	2.93	2.93	2.93
<i>Facilities Maintenance Services</i>				
Administrative Assistant I/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/II	2.00	2.00	2.00	2.00
Facilities Maintenance Services FTE Total	3.58	3.58	3.58	3.58
Parks and Recreation FTE Total	24.00	25.00	25.00	25.00



PERSONNEL SUMMARY BY DEPARTMENT (Continued)

	2016/17 Authorized	2017/18 Authorized	2018/19 Budget	2019/20 Budget
Police				
<i>Police</i>				
Police Chief	1.00	1.00	0.98	0.98
Accounting Technician	1.00	1.00	0.85	0.85
Administrative Assistant I/II	1.00	1.00	1.00	1.00
Community Service Officer I/II	4.00	4.00	4.00	4.00
Executive Assistant	1.00	1.00	0.99	0.99
Police Captain	2.00	2.00	1.95	1.95
Police Lieutenant	4.00	4.00	3.70	3.70
Police Officer	36.00	35.00	32.00	32.00
Police Officer - Special Assignment	13.00	14.00	17.00	17.00
Police Records Clerk I/II	6.00	6.00	6.00	6.00
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	2.95	2.95
Police FTE Total	83.00	83.00	82.42	82.42
<i>Police Dispatch Services</i>				
Police Chief	0.00	0.00	0.02	0.02
Accounting Technician	0.00	0.00	0.15	0.15
Executive Assistant	0.00	0.00	0.01	0.01
Police Captain	0.00	0.00	0.05	0.05
Police Lieutenant	0.00	0.00	0.30	0.30
Police Officer - Special Assignment	0.00	0.00	0.05	0.05
Dispatch Supervisor	2.00	2.00	2.00	2.00
Dispatcher I/II	10.00	10.00	10.00	10.00
Police Dispatch Services FTE Total	12.00	12.00	12.58	12.58
Police FTE Total	95.00	95.00	95.00	95.00



PERSONNEL SUMMARY BY DEPARTMENT (Continued)

	2016/17 Authorized	2017/18 Authorized	2018/19 Budget	2019/20 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	0.10	0.10	0.10	0.10
Administrative Assistant I/II	1.00	1.00	1.00	1.00
Administrative Supervisor	0.20	0.20	0.20	0.20
Electrician	1.00	1.00	1.00	1.00
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 Street Maintenance Worker	2.00	2.00	2.00	2.00
Street Maintenance Worker I/II	5.00	6.00	6.00	6.00
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	14.86	15.86	15.86	15.86
<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/II	0.75	0.00	0.00	0.00
Administrative Secretary	0.30	0.30	0.30	0.30
Assistant Engineer	0.50	0.50	0.50	0.50
Associate Engineer	0.80	0.80	0.20	0.20
Construction Inspector I/II	1.30	1.30	1.30	1.30
Engineering Technician	0.35	0.35	0.70	0.70
Project Services Specialist	1.47	1.47	1.87	1.87
Senior Analyst	0.25	0.25	0.25	0.25
Senior Construction Inspector	0.80	0.80	0.80	0.80
Senior Engineer	0.00	0.00	0.50	0.50
Technical Assistant I/II	0.00	0.75	0.85	0.85
Development Engineering FTE Total	6.76	6.76	7.51	7.51



PERSONNEL SUMMARY BY DEPARTMENT (Continued)

	2016/17 Authorized	2017/18 Authorized	2018/19 Budget	2019/20 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	0.00	0.00	0.00
Administrative Secretary	0.30	0.30	0.00	0.00
Engineering Manager	1.00	1.00	1.00	1.00
Engineering Technician	0.35	0.35	0.00	0.00
Project Services Specialist	0.27	0.27	0.00	0.00
Senior Analyst	0.10	0.10	0.10	0.10
Technical Assistant I/II	0.00	0.25	0.00	0.00
Traffic and Transportation FTE Total	2.37	2.37	1.20	1.20
<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	0.70	0.70
Assistant Engineer	0.50	0.50	0.50	0.50
Associate Engineer	0.20	0.20	0.80	0.80
Construction Inspector I/II	0.50	0.50	0.50	0.50
Engineering Manager	0.20	0.20	0.20	0.20
Engineering Technician	0.30	0.30	0.30	0.30
Project Services Specialist	0.73	0.73	0.60	0.60
Senior Analyst	0.05	0.05	0.05	0.05
Senior Associate Engineer	1.00	0.00	0.00	0.00
Senior Construction Inspector	0.20	0.20	0.20	0.20
Senior Engineer	0.00	1.00	0.50	0.50
Technical Assistant I/II	0.00	0.00	0.15	0.15
CIP Administration FTE Total	4.58	4.58	5.00	5.00
<i>City Pool</i>				
Facilities Maintenance Worker I/II	0.20	0.20	0.20	0.20
City Pool FTE Total	0.20	0.20	0.20	0.20



PERSONNEL SUMMARY BY DEPARTMENT (Continued)

	2016/17 Authorized	2017/18 Authorized	2018/19 Budget	2019/20 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/II	2.60	2.60	2.60	2.60
Administrative Supervisor	0.16	0.16	0.16	0.16
Project Services Specialist	0.15	0.15	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	0.20	0.20	0.20	0.20
Senior Solid Waste Equipment Operator	0.80	1.80	1.80	1.80
Solid Waste Equipment Operator I/II	14.00	14.00	15.00	15.00
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	20.35	21.35	22.35	22.35
<i>Solid Waste Transfer Station</i>				
Assistant Director Public Works/Operations	0.05	0.05	0.05	0.05
Administrative Assistant I/II	0.40	0.40	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 I/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	2.17	2.17	2.17	2.17



PERSONNEL SUMMARY BY DEPARTMENT (Continued)

	2016/17 Authorized	2017/18 Authorized	2018/19 Budget	2019/20 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 Secretary	1.00	1.00	1.00	1.00
Administrative Supervisor	0.20	0.20	0.20	0.20
Cross Connection Control Specialist	1.00	1.00	1.00	1.00
Electrician	0.50	1.00	1.00	1.00
Engineering Manager	0.40	0.40	0.40	0.40
Project Services Specialist	0.15	0.15	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	0.20	0.20	0.20	0.20
Senior Water Distribution Worker	1.00	2.00	2.00	2.00
Senior Water Service Worker	1.00	1.00	1.00	1.00
Wastewater Lab Technician I/II	0.50	0.50	1.00	1.00
Water Distribution Supervisor	1.00	1.00	1.00	1.00
Water Distribution Worker I/II	7.00	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 I/II	2.00	2.00	2.00	2.00
Water Service Worker I/II	3.00	3.00	3.00	3.00
Water Operations FTE Total	22.50	23.00	23.50	23.50
<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)

	2016/17 Authorized	2017/18 Authorized	2018/19 Budget	2019/20 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	0.30	0.30	0.30	0.30
Administrative Assistant I/II	1.00	0.00	0.00	0.00
Administrative Secretary	0.00	1.00	1.00	1.00
Administrative Supervisor	0.20	0.20	0.20	0.20
Collection Systems Worker I/II	2.00	1.00	2.00	2.00
Construction Inspector I/II	0.20	0.20	0.20	0.20
Electrician	0.50	1.00	1.00	1.00
Engineering Manager	0.40	0.40	0.40	0.40
Industrial Inspector	0.00	0.00	1.00	1.00
Project Services Specialist	0.15	0.15	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	0.20	0.20	0.20	0.20
Senior Collection Systems Worker	0.00	1.00	1.00	1.00
Utilities Maintenance Mechanic	2.00	2.00	2.00	2.00
Wastewater Lab Technician I/II	0.50	0.50	1.00	1.00
Wastewater Operations Manager	1.00	1.00	1.00	1.00
Wastewater Treatment Operator I/II/III	4.00	4.00	6.00	6.00
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	14.95	15.45	19.95	19.95
<i>Wastewater Lateral Maintenance</i>				
Collection Systems Worker I/II	1.00	1.00	1.00	1.00
Wastewater Lateral Maintenance FTE Total	1.00	1.00	1.00	1.00



PERSONNEL SUMMARY BY DEPARTMENT (Continued)

	2016/17 Authorized	2017/18 Authorized	2018/19 Budget	2019/20 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 I/II	0.50	0.50	0.50	0.50
Administrative Supervisor	0.10	0.10	0.10	0.10
Equipment Mechanic	2.00	3.00	3.00	3.00
Fleet/Facilities Manager	0.75	0.75	0.75	0.75
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 Equipment Mechanic	1.00	1.00	1.00	1.00
Fleet Maintenance Services FTE Total	4.66	5.66	5.66	5.66
<i>Facilities Maintenance Services</i>				
Assistant Director Public Works/Operations	0.05	0.05	0.05	0.05
Administrative Assistant I/II	0.50	0.50	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 I/II	1.80	2.80	2.80	2.80
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
Facilities Maintenance Services FTE Total	3.90	4.90	4.90	4.90
<i>Information Services</i>				
GIS Coordinator	1.00	1.00	1.00	1.00
Information Services FTE Total	1.00	1.00	1.00	1.00
Public Works FTE Total	100.00	105.00	111.00	111.00



PERSONNEL SUMMARY BY DEPARTMENT (Continued)

	2016/17 Authorized	2017/18 Authorized	2018/19 Budget	2019/20 Budget
Regular Part-Time				
Police Assistant	0.50	0.50	0.50	0.50
Police Assistant	0.50	0.50	0.50	0.50
Police Liaison I/II	0.50	0.50	0.50	0.50
Regular Part-Time FTE Total	1.50	1.50	1.50	1.50
Legislative - Elected and Appointed Employees				
<i>City Council</i>				
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 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	284.00	293.00	299.00	299.00
TOTAL REGULAR PART-TIME	1.50	1.50	1.50	1.50
TOTAL ELECTED AND APPOINTED EMPLOYEES	40.00	40.00	40.00	40.00
GRAND TOTALS	325.50	334.50	340.50	340.50

Total New Personnel Requests (Included in Full-Time Employee Count Above)				
Department	Division		2018/19 Budget	2019/20 Budget
Public Works	Solid Waste Operations		1.00	0.00
Public Works	Water Operations		0.50	0.00
Public Works	Wastewater Operations		4.50	0.00
Total			6.00	0.00



FUND EXPENDITURE SUMMARY BY DIVISION

Fund #	Fund Name	2016/17		2017/18		2018/19		2019/20	
		Actual	Budget	Projected	Budget	% Change	Budget	% Change	
100 - GENERAL FUND									
100-1101	General Fund Transfers	\$ 7,637,969	\$ 2,603,573	\$ 2,603,573	\$ 1,883,119	-27.67%	\$ 1,849,312	-1.80%	
100-1201	City Council	405,043	425,390	418,629	447,880	5.29%	459,110	2.51%	
100-1202	City Manager	686,423	749,666	743,330	746,901	-0.37%	754,924	1.07%	
100-1203	City Attorney	1,094,533	1,426,604	1,293,743	1,243,332	-12.85%	1,281,622	3.08%	
100-1204	Economic Development	768,742	1,509,369	814,452	1,328,947	-11.95%	1,420,110	6.86%	
100-1205	City Clerk	451,428	451,552	443,450	630,341	39.59%	469,167	-25.57%	
100-1206	Human Resources	749,508	1,092,531	995,683	1,291,417	18.20%	1,212,228	-6.13%	
100-1303	Business Services	1,112,285	1,144,077	1,083,039	1,383,547	20.93%	1,427,066	3.15%	
100-1304	Financial Services	899,119	1,080,206	1,002,706	1,115,689	3.28%	1,150,149	3.09%	
100-1305	Successor Agency	1,219,874	1,379,413	1,294,413	1,376,499	-0.21%	1,460,783	6.12%	
100-1401	Village Resource Center	45,000	40,000	40,000	0	-100.00%	0	0.00%	
100-1403	Library	110,395	467,256	192,257	484,423	3.67%	616,122	27.19%	
100-1409	Women's Club	11,406	11,041	11,041	9,533	-13.66%	9,851	3.34%	
100-1413	Delta Community Services	24,000	24,000	24,000	24,000	0.00%	24,000	0.00%	
100-1414	Brentwood Neighborhood Committee	1,286	2,000	1,500	2,000	0.00%	2,000	0.00%	
100-1416	Youth Diversion Program	0	1,000	0	0	-100.00%	0	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	324,270	349,177	349,177	373,619	7.00%	399,773	7.00%	
100-1501	Police Department	20,152,422	21,839,053	21,177,406	22,830,640	4.54%	23,574,240	3.26%	
100-1511	Police Dispatch Center	1,264,721	2,776,432	2,272,703	3,047,349	9.76%	3,134,354	2.86%	
100-1602	Landscape Operations	1,007,669	1,340,268	1,276,725	1,394,973	4.08%	1,431,424	2.61%	
100-1603	Streets	3,213,775	3,680,102	3,631,260	4,049,886	10.05%	4,079,849	0.74%	
100-1701	Non-Departmental	1,230,746	1,233,986	736,424	2,026,725	64.24%	2,156,591	6.41%	
100-2101	Building	2,212,111	3,084,854	2,682,012	2,653,360	-13.99%	2,738,812	3.22%	
100-2102	Community Enrichment	0	0	0	714,282	100.00%	747,274	4.62%	
100-2201	Planning	1,376,646	1,552,884	1,534,983	1,517,933	-2.25%	1,561,625	2.88%	
100-2202	Planning Commission	25,795	36,584	36,556	37,166	1.59%	37,619	1.22%	
100-2301	Engineering Division	1,497,716	1,716,265	1,612,115	1,848,635	7.71%	1,904,262	3.01%	
100-2303	Transportation	659,453	740,729	706,754	513,955	-30.61%	529,161	2.96%	
100-3601	CIP Administration	1,070,462	1,266,532	1,170,269	1,263,269	-0.26%	1,302,489	3.10%	
100-5101	Parks and Recreation Administration	1,981,101	2,271,981	2,208,112	2,407,089	5.95%	2,481,712	3.10%	
100-5102	City Pool	840,344	919,655	908,826	985,130	7.12%	1,026,306	4.18%	
100-5106	Park and Recreation Commission	7,356	7,867	7,735	9,858	25.31%	9,875	0.17%	
100-5107	Youth Commission	1,461	2,400	2,200	4,400	83.33%	4,400	0.00%	
100-5109	Art Commission	586	600	600	620	3.33%	640	3.23%	
100-5110	Community Center	618,677	657,872	652,735	763,043	15.99%	786,941	3.13%	
100-5111	Senior Programs	209,974	252,255	224,755	256,076	1.51%	268,683	4.92%	
100-5112	Brentwood Senior Activity Center	277,617	290,598	290,598	325,831	12.12%	338,838	3.99%	
100-62xx	Sports Programs	284,750	346,704	318,195	377,560	8.90%	390,982	3.55%	
100-63xx	Recreation Programs	346,634	402,474	334,574	417,278	3.68%	427,275	2.40%	
Total General Fund		53,841,297	57,196,950	53,116,530	59,806,305	4.56%	61,489,569	2.81%	



FUND EXPENDITURE SUMMARY BY DIVISION (Continued)

Fund #	Fund Name	2016/17	2017/18	2017/18	2018/19	% Change	2019/20	% Change
		Actual	Budget	Projected	Budget		Budget	
ENTERPRISE FUNDS								
540, 543 - Solid Waste								
540-5301	Solid Waste Operations	\$ 9,434,595	\$ 10,228,463	\$ 9,963,405	\$ 11,859,571	15.95%	\$ 11,025,028	-7.04%
540-5302	Solid Waste Utility Billing	874,803	1,026,131	963,510	1,077,476	5.00%	977,331	-9.29%
540-5303	Solid Waste Transfer Station	1,448,130	1,585,299	1,584,174	1,639,438	3.42%	1,607,602	-1.94%
543-5350	Solid Waste Replacement	13,523	206,277	201,214	201,215	-2.45%	201,215	0.00%
	Total Solid Waste	<u>11,771,051</u>	<u>13,046,170</u>	<u>12,712,303</u>	<u>14,777,700</u>	13.27%	<u>13,811,176</u>	-6.54%
560, 563 - Water								
560-5501	Water Operations	20,509,578	24,091,933	22,374,366	22,961,249	-4.69%	23,774,731	3.54%
560-5502	Water Utility Billing	1,016,702	1,051,846	994,074	1,130,578	7.49%	1,030,634	-8.84%
560-5504	Water Non Potable	365,118	546,018	493,100	498,583	-8.69%	490,068	-1.71%
563-5550	Water Replacement	2,173,248	3,434,640	3,387,827	3,860,858	12.41%	4,169,701	8.00%
	Total Water	<u>24,064,646</u>	<u>29,124,437</u>	<u>27,249,367</u>	<u>28,451,268</u>	-2.31%	<u>29,465,134</u>	3.56%
590, 593 - Wastewater								
590-5801	Wastewater Operations	9,797,363	10,308,603	10,152,298	11,546,814	12.01%	14,332,942	24.13%
590-5802	Wastewater Utility Billing	822,897	957,649	903,642	1,030,967	7.66%	937,675	-9.05%
590-5803	Wastewater Lateral Maintenance	197,304	260,617	260,556	301,047	15.51%	273,049	-9.30%
593-5850	Wastewater Replacement	114,540	1,973,311	1,749,876	1,772,972	-10.15%	2,140,472	20.73%
	Total Wastewater	<u>10,932,104</u>	<u>13,500,180</u>	<u>13,066,372</u>	<u>14,651,800</u>	8.53%	<u>17,684,138</u>	20.70%
501 - City Rentals								
501-5001	Sand Creek Property Common Area Maintenance	407,848	495,947	493,820	414,944	-16.33%	414,502	-0.11%
501-5002	Sand Creek Property Rental	94,687	101,500	100,500	107,260	5.67%	110,347	2.88%
	Total City Rentals	<u>502,535</u>	<u>597,447</u>	<u>594,320</u>	<u>522,204</u>	-12.59%	<u>524,849</u>	0.51%
510, 511, 513 - Housing								
510-5010	Housing Administration	598,980	671,339	593,872	659,392	-1.78%	567,681	-13.91%
511-5100	Housing Rental Units	229,283	198,104	193,502	208,167	5.08%	214,152	2.88%
513-5050	Housing Replacement	22,598	50,000	40,841	75,384	50.77%	75,384	0.00%
	Total Housing	<u>850,861</u>	<u>919,443</u>	<u>828,215</u>	<u>942,943</u>	2.56%	<u>857,217</u>	-9.09%
	Total Enterprise Funds	<u>48,121,197</u>	<u>57,187,677</u>	<u>54,450,577</u>	<u>59,345,915</u>	3.77%	<u>62,342,514</u>	5.05%



FUND EXPENDITURE SUMMARY BY DIVISION (Continued)

Fund #	Fund Name	2016/17	2017/18	2017/18	2018/19	% Change	2019/20	% Change
		Actual	Budget	Projected	Budget		Budget	
INTERNAL SERVICE FUNDS								
700-7001	Emergency Preparedness	\$ 2,916,990	\$ 0	\$ 0	\$ 0	0.00%	\$ 0	0.00%
701-7101	Information Services	2,170,768	2,591,445	2,530,156	3,341,395	28.94%	2,934,377	-12.18%
702-7201	Equipment Replacement	1,922,994	3,620,602	3,589,907	4,225,050	16.69%	2,352,947	-44.31%
703-7301	Information Systems Replacement	900,219	996,718	980,246	1,467,568	47.24%	1,028,842	-29.89%
704 - Facilities Replacement								
704-7400	Facilities Replacement Administration	0	0	0	529,702	100.00%	354,702	-33.04%
704-7401	City Hall Facilities Replacement	174,861	642,921	415,048	88,065	-86.30%	29,015	-67.05%
704-7407	Police Facilities Replacement	5,189	51,862	51,862	130,000	150.67%	0	-100.00%
704-7408	City Council Chambers Facilities Replacement	0	11,300	0	0	-100.00%	0	0.00%
704-7409	Maintenance Service Center Facilities Replacement	0	4,100	0	0	-100.00%	0	0.00%
704-7410	Women's Club Facilities Replacement	9,435	0	0	0	0.00%	0	0.00%
704-7417	LMC/Tech Center Replacement	9,565	0	0	30,000	100.00%	0	-100.00%
704-7418	City Soundwall Replacement	2,275	20,000	20,000	25,000	25.00%	25,000	0.00%
704-7419	BUSD Joint Use Agreement	5,357	14,239	14,239	80,088	462.46%	5,630	-92.97%
704-7420	Fleet Maintenance Facilities Replacement	70,473	18,770	0	0	-100.00%	0	0.00%
704-7421	Community Center Facilities Replacement	9,689	0	0	0	0.00%	0	0.00%
704-7422	Senior Activity Center Facilities Replacement	8,170	2,381	0	30,000	1159.97%	0	-100.00%
	Total Facilities Replacement	<u>295,014</u>	<u>765,573</u>	<u>501,149</u>	<u>912,855</u>	<u>19.24%</u>	<u>414,347</u>	<u>-54.61%</u>
705-7501	Tuition	11,224	27,552	25,016	32,747	18.86%	32,837	0.27%
706-7601	Fleet Maintenance Services	1,362,264	1,579,675	1,524,703	1,969,660	24.69%	1,748,347	-11.24%
707 - Facilities Maintenance Service								
707-7701	Facilities Maintenance - Parks	872,987	987,536	838,472	1,189,318	20.43%	1,109,965	-6.67%
707-7702	Facilities Maintenance - Public Works	771,088	1,019,893	968,593	1,270,699	24.59%	1,145,431	-9.86%
707-7703	Facilities Maintenance - Information Services	308,187	383,349	132,809	136,204	-64.47%	138,607	1.76%
	Total Facilities Maintenance Service	<u>1,952,262</u>	<u>2,390,778</u>	<u>1,939,874</u>	<u>2,596,221</u>	<u>8.59%</u>	<u>2,394,003</u>	<u>-7.79%</u>
708 - Parks and LLAD Replacement								
708-7800	Citywide Parks Replacement	1,025,217	901,050	599,958	1,111,139	23.32%	1,324,441	19.20%
708-7801	LLAD Replacement Administration	11,881	463,858	325,032	214,985	-53.65%	214,985	0.00%
708-7802	94-1 Brentwood Country Club Replacement	69,189	0	0	0	0.00%	0	0.00%
708-7803	95-5 California Spirit and Glory Replacement	25,042	0	0	0	0.00%	0	0.00%
708-7804	95-6 Gerry Ranch Replacement	1,177	0	0	0	0.00%	0	0.00%
708-7805	95-2 Hawthorn Replacement	15,707	0	0	0	0.00%	0	0.00%
708-7806	95-7 SPA D Replacement	14,774	10,497	10,497	0	-100.00%	0	0.00%
708-7807	95-8 Garin Ranch Replacement	21,459	3,660	3,660	1,000	-72.68%	0	-100.00%
708-7809	97-1 Brentwood Lakes Replacement	0	3,721	3,721	0	-100.00%	43,941	100.00%
708-7811	98-5 Arroyo Seco Replacement	0	0	0	2,346	100.00%	0	-100.00%
708-7813	98-4 Birchwood Estates Replacement	200	0	0	3,819	100.00%	0	-100.00%
708-7814	99-3 SPA L Replacement	11,211	81,098	81,098	35,000	-56.84%	0	-100.00%
708-7815	99-4 California Grove Replacement	2,700	5,655	5,655	2,128	-62.37%	0	-100.00%
708-7816	99-5 Deer Creek Replacement	95,459	0	0	0	0.00%	0	0.00%
708-7817	99-6 Trailside Replacement	3,934	0	0	3,764	100.00%	0	-100.00%



FUND EXPENDITURE SUMMARY BY DIVISION (Continued)

Fund #	Fund Name	2016/17		2017/18		2017/18		2018/19		2019/20	
		Actual	Budget	Actual	Budget	Projected	Budget	% Change	Budget	% Change	
INTERNAL SERVICE FUNDS (Continued)											
708 - Parks and LLAD Replacement (Continued)											
708-7818	99-7 Termo Replacement	\$ 11,275	\$ 20,407	\$ 20,407	\$ 20,407	\$ 20,407	\$ 0	-100.00%	\$ 2,000	100.00%	
708-7819	99-8 Gerry Property Replacement	0	10,818	10,818	10,818	10,818	3,710	-65.71%	0	-100.00%	
708-7820	99-9 Richmond American Replacement	17,723	1,750	1,750	1,750	1,750	0	-100.00%	0	0.00%	
708-7821	00-2 Lyon Woodfield Replacement	0	0	0	0	0	1,528	100.00%	0	-100.00%	
708-7822	00-3 California Orchard Replacement	2,021	19,669	19,669	19,669	19,669	4,146	-78.92%	0	-100.00%	
708-7823	00-4 Brentwood Park Replacement	0	25,148	25,148	25,148	25,148	24,548	-2.39%	0	-100.00%	
708-7824	01-1 Laird Project Replacement	0	9,589	9,589	9,589	9,589	0	-100.00%	1,574	100.00%	
708-7825	02-2 Oak Street Replacement	593	0	0	0	0	74,752	100.00%	2,000	-97.32%	
708-7826	02-3 Apricot Way Replacement	15,230	6,167	6,167	6,167	6,167	189,654	2975.30%	0	-100.00%	
708-7827	02-4 Braddock and Logan Replacement	2,742	0	0	0	0	3,799	100.00%	0	-100.00%	
708-7828	02-5 Sand Creek and Brentwood Blvd Replacement	0	0	0	0	0	8,534	100.00%	0	-100.00%	
708-7829	02-6 Balfour and John Muir Replacement	0	0	0	0	0	7,354	100.00%	0	-100.00%	
708-7830	02-7 San Jose and Sand Creek Replacement	2,400	0	0	0	0	0	0.00%	0	0.00%	
708-7832	02-9 Balfour Plaza Replacement	0	0	0	0	0	328	100.00%	0	-100.00%	
708-7835	02-12 Sunset Industrial Replacement	5,048	0	0	0	0	0	0.00%	0	0.00%	
708-7836	02-13 Stonehaven Replacement	0	0	0	0	0	2,786	100.00%	0	-100.00%	
708-7837	03-2 Meritage Lone Tree Replacement	9,350	228,006	199,701	199,701	199,701	55,000	-75.88%	170,857	210.65%	
708-7838	03-3 Brookdale Court Replacement	18,641	3,500	3,500	3,500	3,500	4,000	14.29%	0	-100.00%	
708-7840	03-5 West Summerset Replacement	310	1,612	1,612	1,612	1,612	46,401	2778.47%	1,000	-97.84%	
708-7846	06-2 Palmilla Replacement	20,765	6,744	6,744	6,744	6,744	4,569	-32.25%	5,026	10.00%	
708-7848	06-4 Villa Amador Replacement	1,843	0	0	0	0	0	0.00%	0	0.00%	
708-7849	06-5 Barrington Replacement	0	12,697	12,697	12,697	12,697	0	-100.00%	0	0.00%	
708-7851	14-1 Mission Grove Replacement	0	0	0	0	0	2,000	100.00%	0	-100.00%	
	Total Parks and LLAD Replacement	<u>1,405,891</u>	<u>1,815,646</u>	<u>1,347,423</u>	<u>1,347,423</u>	<u>1,347,423</u>	<u>1,805,290</u>	<u>-0.57%</u>	<u>1,765,824</u>	<u>-2.19%</u>	
709 - Insurance											
709-7902	Legal Matters	91,035	50,000	50,000	50,000	50,000	60,000	20.00%	63,000	5.00%	
709-7903	Property and Flood Insurance	1,014,515	1,174,596	1,054,388	1,054,388	1,054,388	1,409,485	20.00%	1,476,419	4.75%	
	Total Insurance	<u>1,105,550</u>	<u>1,224,596</u>	<u>1,104,388</u>	<u>1,104,388</u>	<u>1,104,388</u>	<u>1,469,485</u>	<u>20.00%</u>	<u>1,539,419</u>	<u>4.76%</u>	
710 - Pension/OPEB Obligation											
710-7110	General Fund Pension/OPEB Obligation	57,634	8,678,574	7,457,615	7,457,615	7,457,615	13,802,783	59.04%	4,887,041	-64.59%	
710-7901	Citywide Pension/OPEB Obligation	4,010,736	4,592,219	4,589,419	4,589,419	4,589,419	8,766,354	90.90%	4,750,088	-45.81%	
	Total Pension/OPEB Obligation	<u>4,068,370</u>	<u>13,270,793</u>	<u>12,047,034</u>	<u>12,047,034</u>	<u>12,047,034</u>	<u>22,569,137</u>	<u>70.07%</u>	<u>9,637,129</u>	<u>-57.30%</u>	
	Total Internal Service Funds	<u>18,111,546</u>	<u>28,283,378</u>	<u>25,589,896</u>	<u>25,589,896</u>	<u>25,589,896</u>	<u>40,391,408</u>	<u>42.81%</u>	<u>23,848,072</u>	<u>-40.96%</u>	



FUND EXPENDITURE SUMMARY BY DIVISION (Continued)

Fund #	Fund Name	2016/17	2017/18	2017/18	2018/19	% Change	2019/20	% Change
		Actual	Budget	Projected	Budget		Budget	
SPECIAL REVENUE FUNDS								
203-209 - Gas Tax								
203-0001	2105 Highway Users Tax	\$ 362,931	\$ 337,092	\$ 337,092	\$ 355,595	5.49%	\$ 363,390	2.19%
205-0001	2106 Highway Users Tax	179,539	271,252	271,252	233,873	-13.78%	251,043	7.34%
206-0001	2107 Highway Users Tax	469,172	438,305	436,120	437,035	-0.29%	437,035	0.00%
207-0001	2107.5 Highway Users Tax	7,578	7,546	7,500	7,550	0.05%	7,550	0.00%
208-0001	2103 Highway Users Tax	145,051	277,610	277,610	580,010	108.93%	600,242	3.49%
209-0001	2032 Highway Users Tax	0	0	0	540,363	100.00%	1,000,363	85.13%
	Total Gas Tax	<u>1,164,271</u>	<u>1,331,805</u>	<u>1,329,574</u>	<u>2,154,426</u>	61.77%	<u>2,659,623</u>	23.45%
214-0001	SB1186 Disability Access	414	5,150	5,122	18,930	267.57%	18,930	0.00%
216 - Police Grants								
216-0001	Police Grants Administration	190	200	150	150,235	75017.50%	150,235	0.00%
216-15050	Supplemental Law Enforcement Services Fund (SLESF)	102,845	125,000	125,000	125,000	0.00%	125,000	0.00%
216-15140	OTS Sobriety Checkpoint	0	19,550	0	0	-100.00%	0	0.00%
216-15180	Every 15 Minutes	5,600	6,000	6,000	6,000	0.00%	6,000	0.00%
216-15190	Neighborhood Watch	0	100	100	100	0.00%	100	0.00%
216-15210	DOJ InterAgency LAP	8,933	0	0	0	0.00%	0	0.00%
216-15220	OTS Selective Traffic Enforcement Program	32,714	110,687	110,687	0	-100.00%	0	0.00%
216-15230	DOHS Emergency Management Performance	10,000	0	0	0	0.00%	0	0.00%
	Total Police Grants	<u>160,282</u>	<u>261,537</u>	<u>241,937</u>	<u>281,335</u>	7.57%	<u>281,335</u>	0.00%
217 - Grants								
217-0001	Grant Administration	0	16,771	0	100,050	496.57%	100,050	0.00%
217-18050	MPA Risk Control Services Grant	15,097	1,398	1,398	0	-100.00%	0	0.00%
217-18111	MTC - Bike/Pedestrian Safety	0	48,400	48,400	0	-100.00%	0	0.00%
217-18170	One Bay Area Grant (OBAG)	0	138,000	0	0	-100.00%	1,653,000	100.00%
217-18180	Federal Highway Admin (FHA) Earmark Funds	0	605,301	0	735,000	21.43%	0	-100.00%
217-18190	State Water Resource Control Board (SWRCB)	0	730,000	0	3,076,180	321.39%	3,672,500	19.39%
217-18200	Department of Water Resources/IRWM Grant	0	299,431	299,431	0	-100.00%	0	0.00%
	Total Grants	<u>15,097</u>	<u>1,539,870</u>	<u>49,798</u>	<u>3,911,230</u>	154.00%	<u>5,425,550</u>	38.72%
219-xxxxx	Economic Development Grant	175,933	200,300	191,777	225,320	12.49%	225,320	0.00%
220-0001	Infrastructure Improvements	6	50	0	6,368	12636.00%	0	-100.00%
230 - Citywide Park Assessment District								
230-2501	98-1 Citywide Park Administration	1,302,910	1,133,513	1,047,870	1,253,687	10.60%	1,262,303	0.69%
230-2502	98-1 Assessment Apple Hill Park	34,665	45,212	43,582	49,314	9.07%	52,074	5.60%
230-2504	98-1 Assessment Creekside Park	69,297	84,441	84,380	90,115	6.72%	94,456	4.82%
230-2505	98-1 Assessment Summerwood Park	55,755	75,435	72,511	77,648	2.93%	81,468	4.92%
230-2506	98-1 Assessment Garin Park	50,940	53,481	53,337	54,617	2.12%	57,188	4.71%
230-2507	98-1 Assessment Spirit & Glory Park	23,448	28,029	28,029	32,437	15.73%	34,049	4.97%
230-2508	98-1 Assessment McClarren Park	24,302	35,143	30,133	31,602	-10.08%	33,109	4.77%
230-2509	98-1 Assessment Veteran Park & Pool	112,602	145,323	135,078	142,086	-2.23%	148,998	4.86%



FUND EXPENDITURE SUMMARY BY DIVISION (Continued)

Fund #	Fund Name	2016/17	2017/18	2017/18	2018/19	% Change	2019/20	% Change
		Actual	Budget	Projected	Budget		Budget	
SPECIAL REVENUE FUNDS (Continued)								
230 - Citywide Park Assessment District (Continued)								
230-2510	98-1 Assessment Loma Vista Park	\$ 57,723	\$ 59,988	\$ 59,700	\$ 78,529	30.91%	\$ 82,385	4.91%
230-2511	98-1 Assessment Sunset Park	474,564	554,068	516,416	552,367	-0.31%	575,095	4.11%
230-2512	98-1 Assessment Marsh Creek Staging	10,920	9,312	9,312	14,950	60.55%	15,680	4.88%
230-2513	98-1 Assessment City Park	66,197	72,312	63,398	69,431	-3.98%	72,173	3.95%
230-2514	98-1 Assessment Curtis Park	3,762	4,934	4,569	5,166	4.70%	5,400	4.53%
230-2515	98-1 Assessment Windsor Way	5,617	7,296	7,195	7,523	3.11%	7,874	4.67%
230-2516	98-1 Assessment Homecoming Park	19,196	17,469	17,469	24,471	40.08%	25,449	4.00%
230-2517	98-1 Assessment Marsh Creek Vista	6,138	7,850	7,585	8,615	9.75%	9,017	4.67%
230-2518	98-1 Assessment CA Orchard Park	44,635	59,431	51,493	55,706	-6.27%	58,377	4.79%
230-2519	98-1 Assessment Miwok Park	125,908	133,414	101,448	129,743	-2.75%	135,798	4.67%
230-2520	98-1 Assessment Summerset	83,905	108,333	105,927	99,836	-7.84%	103,888	4.06%
230-2521	98-1 Assessment Arbor View Park	57,536	67,280	63,902	67,780	0.74%	70,845	4.52%
230-2522	98-1 Assessment Lake Park	13,781	16,502	16,502	17,540	6.29%	18,367	4.71%
230-2523	98-1 Assessment Balfour Guthrie Park	58,504	68,979	68,131	69,970	1.44%	73,084	4.45%
230-2524	98-1 Assessment Skate Park	6,640	8,268	8,268	8,899	7.63%	9,294	4.44%
230-2525	98-1 Assessment Walnut Park	50,720	61,850	60,525	61,459	-0.63%	64,322	4.66%
230-2530	98-1 Assessment Oak Meadow Park	104,813	129,751	117,588	125,476	-3.29%	131,258	4.61%
230-2531	98-1 Assessment Sand Creek Soccer	0	4,424	2,000	2,000	-54.79%	2,000	0.00%
230-2533	98-1 Assessment King Park	60,383	68,317	68,157	73,371	7.40%	76,824	4.71%
	Total Citywide Park Assessment District	<u>2,924,861</u>	<u>3,060,355</u>	<u>2,844,505</u>	<u>3,204,338</u>	4.70%	<u>3,300,775</u>	3.01%
231-0001	Community Facilities District #2	596,215	609,100	608,900	620,400	1.86%	632,600	1.97%
232-0001	Community Facilities District #3	2,523,025	1,987,198	1,986,447	2,459,318	23.76%	2,405,495	-2.19%
233, 235 - Community Facilities District #4								
233-0001	Community Facility District #4 - Services	2,015,411	2,301,400	2,301,143	2,524,550	9.70%	2,670,050	5.76%
235-0001	Community Facilities District #4 - Facilities	333,898	334,862	334,812	332,886	-0.59%	330,698	-0.66%
	Total Community Facilities District #4	<u>2,349,309</u>	<u>2,636,262</u>	<u>2,635,955</u>	<u>2,857,436</u>	8.39%	<u>3,000,748</u>	5.02%
234-0001	Community Facilities District #5	407,900	423,277	422,795	1,196,412	182.65%	1,483,834	24.02%
250-0001	Water Facility Fee	2,606,127	2,283,002	2,262,763	3,302,937	44.68%	1,819,668	-44.91%
251-0001	Roadway Facility Fee	2,141,144	2,003,082	1,627,601	4,775,488	138.41%	1,986,610	-58.40%
252-0001	Parks and Trails Facility Fee	2,260,736	1,305,549	1,305,549	726,765	-44.33%	474,066	-34.77%
255-0001	Wastewater Facility Fee	1,541,450	1,469,975	1,464,348	1,520,447	3.43%	6,480,745	326.24%
256-0001	Community Facility Fee	1,028,829	2,686,262	2,601,571	1,014,332	-62.24%	232,551	-77.07%
257-0001	Fire Facility Fee	3,865	12,376	7,376	8,345	-32.57%	5,856,345	70077.89%
261-0001	Facility Fee Administrative	450,532	501,600	501,600	501,648	0.01%	476,697	-4.97%
262-0001	Agriculture Land Administration	35,826	48,496	38,429	49,936	2.97%	51,063	2.26%
263-0001	Agriculture Land Acquisition	15,579	49,700	16,342	178,736	259.63%	176,236	-1.40%
264-0001	First-Time Homebuyer	15,772	135,980	135,980	136,151	0.13%	136,151	0.00%
265-0001	Affordable Housing In-Lieu Fee	556,418	631,125	550,859	610,852	-3.21%	519,092	-15.02%



FUND EXPENDITURE SUMMARY BY DIVISION (Continued)

Fund #	Fund Name	2016/17	2017/18	2017/18	2018/19	% Change	2019/20	% Change
		Actual	Budget	Projected	Budget		Budget	
SPECIAL REVENUE FUNDS (Continued)								
267-0001	Public Art Administration	\$ 50,441	\$ 52,500	\$ 50,542	\$ 537	-98.98%	\$ 537	0.00%
268-0001	Public Art Acquisition	226,198	230,796	202,491	2,423	-98.95%	2,443	0.83%
269-0001	Parking In-Lieu	27	28,050	22	50	-99.82%	50	0.00%
270-0001	Arts Commission	4,523	0	0	0	0.00%	0	0.00%
272-0001	Riparian Mitigation Site Maintenance	17	64	64	1,027	1504.69%	1,601	55.89%
280-xxxx	Asset Forfeiture	9,263	30,050	30,022	110,050	266.22%	30,050	-72.69%
281-0001	Abandoned Vehicle Abatement	238,540	120,200	40,000	40,050	-66.68%	40,050	0.00%
285-0001	PEG Media	819	26,000	5,788	5,916	-77.25%	5,916	0.00%
286-0001	Parks Advertising	16,662	19,200	19,064	19,065	-0.70%	19,065	0.00%
293-0001	Measure C / J Funds	1,101,770	989,100	988,380	969,065	-2.03%	979,265	1.05%
302-0001	City Low Income Housing	14	8,300	22	50	-99.40%	50	0.00%
6xx - Landscape and Lighting Assessment Districts (LLAD)								
600-6101	94-1 Brentwood Country Club	643,099	641,147	589,582	629,155	-1.87%	657,862	4.56%
603-6101	95-5 California Spirit and Glory	90,002	129,485	129,485	123,349	-4.74%	128,100	3.85%
604-6101	95-6 Gerry Ranch	16,326	15,672	15,672	16,904	7.86%	16,898	-0.04%
605-6101	95-2 Hawthorn	99,311	103,709	103,709	105,801	2.02%	106,548	0.71%
606-6101	95-7 SPA D	107,994	119,435	119,435	96,897	-18.87%	101,376	4.62%
607-6101	95-8 Garin Ranch	216,414	211,677	211,677	216,170	2.12%	226,106	4.60%
609-6101	97-1 Brentwood Lakes	222,322	269,491	268,847	229,230	-14.94%	239,515	4.49%
611-6101	98-5 Arroyo Seco	13,401	16,362	16,362	14,596	-10.79%	15,269	4.61%
612-6101	98-3 Solana	27,089	28,224	28,224	29,070	3.00%	30,421	4.65%
613-6101	98-4 Birchwood Estates	17,753	17,893	17,893	20,242	13.13%	24,103	19.07%
614-6101	99-3 SPA L	485,845	538,367	538,367	556,737	3.41%	522,090	-6.22%
615-6101	99-4 California Grove	17,650	18,912	18,862	16,377	-13.40%	17,130	4.60%
616-6101	99-5 Deer Creek	310,912	340,620	336,704	361,408	6.10%	381,139	5.46%
617-6101	99-6 Trailside	11,021	12,206	12,165	12,006	-1.64%	12,553	4.56%
618-6101	99-7 Terro	137,051	168,060	167,372	157,656	-6.19%	164,798	4.53%
619-6101	99-8 Gerry Property	58,266	75,655	75,655	58,547	-22.61%	61,272	4.65%
620-6101	99-9 Richmond American	117,012	114,907	114,907	136,127	18.47%	142,395	4.60%
621-6101	00-2 Lyon Woodfield	6,246	7,800	7,391	7,430	-4.74%	7,768	4.55%
622-6101	00-3 California Orchard	38,756	45,719	42,259	56,244	23.02%	69,911	24.30%
623-6101	00-4 Brentwood Park	60,771	72,118	71,547	58,108	-19.43%	60,684	4.43%
624-6101	01-1 Laird Project	64,031	73,099	69,746	77,996	6.70%	71,545	-8.27%
625-6101	02-2 Oakstreet	436,817	531,694	528,335	510,631	-3.96%	534,373	4.65%
626-6101	02-3 Apricot Way	858,137	988,024	976,788	1,032,244	4.48%	1,080,205	4.65%
627-6101	02-4 Braddock and Logan	34,422	37,384	36,846	40,894	9.39%	42,781	4.61%
628-6101	02-5 Sand Creek and Brentwood Blvd	37,082	37,999	37,862	40,649	6.97%	43,283	6.48%
629-6101	02-6 Balfour and John Muir	25,693	30,715	30,614	24,818	-19.20%	25,978	4.67%
630-6101	02-7 San Jose and Sand Creek	40,821	52,588	52,588	46,309	-11.94%	48,489	4.71%



FUND EXPENDITURE SUMMARY BY DIVISION (Continued)

Fund #	Fund Name	2016/17	2017/18	2017/18	2018/19	% Change	2019/20	% Change
		Actual	Budget	Projected	Budget		Budget	
SPECIAL REVENUE FUNDS (Continued)								
6xx - Landscape and Lighting Assessment Districts (LLAD) (Continued)								
631-6101	02-8 Lone Tree	\$ 4,040	\$ 4,294	\$ 4,277	\$ 87	-97.97%	\$ 87	0.00%
632-6101	02-9 Balfour Plaza	7,401	9,467	9,418	9,901	4.58%	10,337	4.40%
633-6101	02-10 Lone Tree Center	595	925	923	565	-38.92%	589	4.25%
634-6101	02-11 Lone Tree Plaza	554	1,113	1,112	705	-36.66%	734	4.11%
635-6101	02-12 Sunset Industrial	30,478	32,992	32,971	42,937	30.14%	51,472	19.88%
636-6101	02-13 Stonehaven	33,780	38,344	38,079	49,553	29.23%	52,178	5.30%
637-6101	03-2 Meritage Lone Tree	1,416,915	1,522,858	1,511,227	1,570,541	3.13%	1,643,251	4.63%
638-6101	03-3 Brookdale Court	96,535	135,734	133,402	93,922	-30.80%	98,179	4.53%
639-6101	03-4 Tri City Plaza	803	1,048	1,030	784	-25.19%	819	4.46%
640-6101	03-5 West Summerset	71,959	93,875	93,142	81,162	-13.54%	84,887	4.59%
644-6101	04-2 Balfour-Griffith Commercial	1,663	2,177	1,534	2,194	0.78%	2,293	4.51%
645-6101	05-2 South Brentwood Blvd Commercial	779	1,960	1,960	2,949	50.46%	3,079	4.41%
646-6101	06-2 Palmyra	144,171	407,172	323,626	471,457	15.79%	494,030	4.79%
647-6101	06-3 Vineyards	238,590	496,648	294,702	670,899	35.09%	645,192	-3.83%
648-6101	06-4 Villa Amador	30,165	33,290	32,895	38,229	14.84%	40,013	4.67%
649-6101	06-5 Barrington	348,022	546,081	411,703	592,140	8.43%	619,580	4.63%
650-6101	11-1 North Brentwood Blvd	8,794	16,661	10,214	17,454	4.76%	18,288	4.78%
651-6101	14-1 Mission Grove	47,567	59,513	56,263	90,766	52.51%	95,056	4.73%
652-6101	14-2 Ferro-Ronconi	37,525	94,105	75,662	142,335	51.25%	149,143	4.78%
653-6101	15-1 Bella Fiore	17,646	44,670	40,499	47,233	5.74%	49,475	4.75%
654-6101	15-2 Renaissance Estates	2,650	7,832	5,756	6,550	-16.37%	6,850	4.58%
655-6101	16-1 Bond Lane	1,197	28,824	18,498	61,686	114.01%	63,974	3.71%
656-6101	16-2 Sellers	0	14,326	72	67,230	369.29%	77,677	15.54%
657-6101	17-1 Sparrow	0	7,628	1,469	24,355	219.28%	30,140	23.75%
658-6101	17-2 Catchings Ranch	0	78	47	23,099	29514.10%	27,182	17.68%
659-6101	17-3 Cornerstone Fellowship	0	1,278	1,278	122	-90.45%	124	1.64%
	Total Landscape and Lighting Assessment Districts	<u>6,736,073</u>	<u>8,301,855</u>	<u>7,720,653</u>	<u>8,784,450</u>	5.81%	<u>9,097,221</u>	3.56%
	Total Special Revenue Funds	<u>29,357,938</u>	<u>33,287,597</u>	<u>30,185,707</u>	<u>39,693,833</u>	19.25%	<u>47,819,682</u>	20.47%
DEBT SERVICE FUNDS								
City Debt Obligations								
445-0001	Capital Improvement Revenue Refunding Bonds Series 2012	\$ 2,149,223	\$ 2,161,306	\$ 2,155,213	\$ 2,160,385	-0.04%	\$ 2,154,409	-0.28%
448-0001	General Obligation Bonds Series 2002	473,506	497,336	495,621	520,791	4.72%	545,791	4.80%
461-0001	2009 Civic Center Project Lease Revenue Bonds	5,392,417	5,369,320	5,368,219	5,321,681	-0.89%	5,273,485	-0.91%
466-0001	2015 Lease Financing	707,062	796,332	791,782	792,450	-0.49%	792,582	0.02%
	Total City Debt Obligations	<u>8,722,208</u>	<u>8,824,294</u>	<u>8,810,835</u>	<u>8,795,307</u>	-0.33%	<u>8,766,267</u>	-0.33%



FUND EXPENDITURE SUMMARY BY DIVISION (Continued)

Fund #	Fund Name	2016/17	2017/18	2017/18	2018/19	% Change	2019/20	% Change
		Actual	Budget	Projected	Budget		Budget	
DEBT SERVICE FUNDS (Continued)								
Assessment Districts								
435-0001	2018A Refinance	\$ 0	\$ 954,663	\$ 954,662	\$ 3,422,271	258.48%	\$ 3,954,962	15.57%
436-0001	2014 A & B Refinance	7,137,847	7,164,884	7,158,975	7,152,594	-0.17%	7,172,256	0.27%
437-0001	2012 A Refinance	2,679,265	2,914,204	2,908,848	1,325,163	-54.53%	1,314,463	-0.81%
438-0001	Capital Improvement Financing Program 2003-1	1,259,578	1,268,915	1,262,054	1,262,500	-0.51%	1,259,163	-0.26%
439-0001	Capital Improvement Financing Program 2002-1	1,204,386	12,540,641	12,272,062	1,208,749	-90.36%	1,204,519	-0.35%
441-0001	Capital Improvement Financing Program 94-1	2,746,722	2,760,961	2,747,591	2,766,736	0.21%	2,773,909	0.26%
442-0001	Capital Improvement Financing Program 98-1	693,174	703,413	698,783	704,009	0.08%	702,107	-0.27%
443-0001	Capital Improvement Financing Program 99-1	640,728	646,809	640,915	650,438	0.56%	641,112	-1.43%
444-0001	Capital Improvement Financing Program 2000-01	917,150	928,185	920,799	936,026	0.84%	940,297	0.46%
449-0001	Capital Improvement Financing Program 2004-1	1,577,977	1,571,302	1,566,871	1,562,688	-0.55%	1,564,514	0.12%
460-0001	Randy Way Assessment District	59,750	64,779	63,037	58,944	-9.01%	57,932	-1.72%
462-0001	2006 A & B Refinance Bonds	2,788,610	30,555,091	29,880,718	0	-100.00%	0	0.00%
463-0001	Capital Improvement Financing Program 2006-1	1,088,948	1,106,078	1,090,578	1,082,104	-2.17%	1,083,875	0.16%
464-0001	Capital Improvement Financing Program 2005-1	2,557,342	2,574,348	2,564,838	2,575,082	0.03%	2,582,552	0.29%
465-0001	96R Assessment District	1,383,094	1,477,157	1,460,351	629	-99.96%	629	0.00%
	Total Assessment Districts	<u>26,734,571</u>	<u>67,231,430</u>	<u>66,191,082</u>	<u>24,707,933</u>	<u>-63.25%</u>	<u>25,252,290</u>	<u>2.20%</u>
	Total Debt Service Funds	<u>35,456,779</u>	<u>76,055,724</u>	<u>75,001,917</u>	<u>33,503,240</u>	<u>-55.95%</u>	<u>34,018,557</u>	<u>1.54%</u>
CAPITAL FUNDS								
336-xxxx	Roadway Improvements	\$ 1,633,227	\$ 8,934,668	\$ 2,266,427	\$ 15,659,305	75.26%	\$ 4,109,254	-73.76%
337-xxxx	Community Facility Improvements	3,239,854	19,628,845	16,424,746	10,350,119	-47.27%	9,772,816	-5.58%
352-xxxx	Parks and Trails Improvements	447,822	1,232,240	963,769	1,020,228	-17.21%	1,020,228	0.00%
361-0001	Civic Center Project Lease Revenue Bond Acquisition	7,160,076	60,149	60,115	0	-100.00%	0	0.00%
366-0001	2015 Lease Financing Acquisition	5,971,504	4,972,617	4,972,617	440,000	-91.15%	0	-100.00%
380-0001	Civic Center Capital Improvement Financing Program	1,461,009	1,370,989	1,370,454	1,362,778	-0.60%	1,353,791	-0.66%
381-0001	City Capital Improvement Financing Program	227,954	291,562	203,573	403,414	38.36%	434,298	7.66%
392-0001	Capital Infrastructure	43,405	3,247,783	3,247,743	510,658	-84.28%	4,858	-99.05%
393-0001	Vineyards Projects	2,789	102,500	3,460	8,673	-91.54%	3,403,673	39144.47%
394-0001	Vineyards Event Center Projects	1,449,327	1,911,547	1,911,547	1,489	-99.92%	1,489	0.00%
562-xxxx	Water Improvements	4,122,726	5,885,381	5,861,151	7,644,323	29.89%	6,841,482	-10.50%
592-xxxx	Wastewater Improvements	4,637,276	22,032,473	8,689,254	54,296,299	146.44%	28,323,149	-47.84%
	Total Capital Funds	<u>30,396,969</u>	<u>69,670,754</u>	<u>45,974,856</u>	<u>91,697,286</u>	<u>31.62%</u>	<u>55,265,038</u>	<u>-39.73%</u>
	TOTAL FUNDS	<u>\$ 215,285,726</u>	<u>321,682,080</u>	<u>\$ 284,319,483</u>	<u>\$ 324,437,987</u>	<u>0.86%</u>	<u>\$ 284,783,432</u>	<u>-12.22%</u>



VEHICLE REPLACEMENT SCHEDULE (FUND 702)

Department	Division	Item	2018/19	2019/20
Parks and Recreation	City Parks District	Ford F250	\$ 31,517	\$ 0
Parks and Recreation	City Parks District	Ford F250	31,517	0
Parks and Recreation	Parks	Ford F250 Pick-up	37,080	0
Parks and Recreation	Parks	John Deere 1200A Field Rake Finisher	14,236	0
Parks and Recreation	Parks	John Deere 1200A Field Rake Finisher	14,236	0
Police Department	Administration	Jeep Cherokee	0	45,915
Police Department	Administration	Chevy Caprice	61,865	0
Police Department	Administration	Chevy Caprice	0	46,912
Police Department	CSO	Chevy Caprice	62,478	0
Police Department	Investigations	Chevy Caprice	45,692	0
Police Department	Investigations	Ford Fusion	0	34,990
Police Department	Investigations	Ford F150	35,184	0
Police Department	Patrol	Additional Equipment	0	128,289
Police Department	Patrol	Ford Interceptor Utility	49,539	0
Police Department	Patrol	Ford Interceptor Utility	49,539	0
Police Department	Patrol	Ford Interceptor Utility	49,539	0
Police Department	Patrol	Ford Interceptor Utility	49,539	0
Police Department	Patrol	Ford Interceptor Utility	49,539	0
Police Department	Patrol	Ford Interceptor Utility	49,539	0
Police Department	Patrol	Ford Interceptor Utility	49,539	0
Police Department	Patrol	Ford Interceptor Utility	49,539	0
Police Department	Patrol	Ford Interceptor Utility	49,539	0
Public Works	Streets	Sterling Dump Truck	116,913	0
Public Works	Streets	Ingersal Rand Asphalt Roller	0	38,759
Public Works	Streets	LeBoy Asphalt Roller	0	80,978
Public Works	Streets	Champion Roller Trailer	0	12,753
Public Works	Streets	Ford Escape	0	57,706
Public Works	Streets	Ford F550 Altec Aerial	0	200,000
Public Works	Streets	Concrete Saw	15,153	0
Public Works	Streets	Crafco Crack Sealer	123,000	0
Public Works	Streets	Hydro Tek Mobile Pressure Washer	10,568	0
Public Works	Streets	Downing Applicator	0	5,666
Public Works	Streets	Craco Paint Sprayer	9,605	0
Public Works	Solid Waste	Ford F450 bin hauler	87,550	0
Public Works	Solid Waste	Ford Escape	28,840	0
Public Works	Solid Waste	American LaFrance Condor w/Labrie Body	341,983	0
Public Works	Solid Waste	American LaFrance Condor w/Labrie Body	403,601	0
Public Works	Wastewater	International 7300 Vaccon Sewer Jetter/Vac	251,881	0
Public Works	Wastewater	Ford F250 Utility	56,102	0
Public Works	Water	Ford F550 Dump Flatbed	0	78,236
Public Works	Water	John Deere 3105G Backhoe	163,008	0
Public Works	Water	Sterling LT7500 Dump Truck	129,534	0
Public Works	Water	Ford Escape	36,000	0
Public Works	Water	Ford F250 Utility	39,042	0
Public Works	Water	Ford F150 Pick-up	22,175	0
Public Works	Water	Ford F250 Utility	0	36,918
Public Works	Water	Pacific Tek Water Valve/Vac System	0	59,133
Public Works	Water	Ford F150 pickup	28,840	0
Public Works	Water	Ford F150 Pick-up	28,840	0
Public Works	Water	Husqvarna Concrete Saw	3,218	0
City Wide	City Wide	Equipment Replacement Contingency for Equipment Failure	25,000	25,000
City Wide	City Wide	Equipment Replacement Bid Contingency	150,000	150,000
Total Vehicle Replacement			\$ 2,850,509	\$ 1,001,255

BUDGET POLICIES

Budget and Fiscal Policy

(Last Approved by City Council: April 24, 2018)

1. **PURPOSE**

The purpose of this policy is to establish guidelines for budget development, financial reporting and budget administration and management, as well as outline the City's fiscal policies in regard to user fee cost recovery goals, capital financing and debt management, fund balance, reserves, internal service funds, appropriation limitation, capital improvement and human resource 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, Objectives and Strategic Initiatives. 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 Using strategic planning to identify organizational priorities translated into goals and objectives.

- 2.1.1.9.1 Framing budgetary decisions on the basis of results and outcomes linked to the goals and objectives.
- 2.1.1.9.2 Using performance measures to monitor actual results and outcomes.
- 2.1.1.9.3 Comparing actual and projected results and outcomes.
- 2.1.1.9.4 Formally reporting the status of major program goals and objectives to the City Council on an ongoing and consistent basis.

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 two fiscal years 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 Prior to the commencement of 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.
- 2.3.4.7 Consistency with the City Council's two-year Strategic Planning process.

2.4 **Operating Carryover**

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

2.5 **Mid-Year Budget Reviews**

The Council will formally review the City's fiscal condition, and amend appropriations if necessary, no later than seven months after the beginning of each year.

2.6 **Components of Fund Balance**

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

2.6.1 **Nonspendable Fund Balance (inherently nonspendable)**

- 2.6.1.1 Portion of net resources that cannot be spent because of their form (e.g. prepaid items and long term receivables).
- 2.6.1.2 Portion of net resources that cannot be spent because they must legally or contractually remain intact (e.g. permanent funds).

2.6.2 **Restricted Fund Balance (externally enforceable limitations on use)**

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

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

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

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

2.6.4 **Assigned Fund Balance (limitation resulting from intended use)**

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

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

2.6.5 **Unassigned Fund Balance (residual net resources)**

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

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

2.7 **Balanced Budget**

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

2.7.1 Each fiscal year, current revenues must meet or exceed operating expenditures, including debt service in the General Fund. Use of fund balance commitments to offset non-operating expenditures may allow for current expenditures to exceed current revenues in a fiscal year.

2.7.2 Staff will present a General Fund budget for City Council consideration that maintains an Unassigned Fund Balance of 30% of the annual operating appropriations and operating transfers.

2.7.3 The City will strive to maintain cash reserves in the Enterprise Funds of 30% of annual operating appropriations and operating transfers.

2.7.4 One-time revenue sources, exclusive of Pension/OPEB Obligation Fund transfers, are not to be utilized to budget for ongoing program expenditures in the General Fund.

2.8 **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 and associated budget for adoption of the CIP 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.

2.8.1 **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 intent of the CIP is to reflect a balance between: 1) capital replacement projects, which repair, replace or enhance existing facilities, equipment or infrastructure and 2) capital facility projects, which significantly expand or add to the City's existing fixed assets.

2.8.2 **Capital Project**

A capital project typically involves 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. 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 as capital projects.

2.8.3 **Project Manager**

Every CIP project will have a Project Manager (PM). PMs submit project proposals to the CIP Executive Committee based on perceived need and feasibility of the project, as well as projects designated as part of the City's two-year Strategic Plan. PMs also manage approved projects by authorizing all project expenditures, ensuring that all regulations and laws are observed, and periodically reporting project status.

2.8.4 **CIP Executive Committee**

The CIP Executive Committee, made up of the City Manager, the Director of Public Works/City Engineer and the Director of Finance and Information Systems, evaluate and prioritize proposed projects based on need and available funding. Prioritized projects are then compared to available staffing and dollars and as many projects as feasibly possible are recommended for funding, either fully or partially, with any remaining projects designated as unfunded. All submitted projects, whether funded or unfunded, are included in the CIP and recommended to the City Council for approval.

2.8.5 **CIP Amendment**

After a CIP is adopted there may be a need to either increase a project budget or add a new project to the CIP, prior to the next CIP budget cycle. In these cases, a PM, upon approval from their Director, submits a staff report to City Council for approval of the CIP amendment. If the City Council approves the request for a budget amendment, Finance will increase the budget.

2.8.6 **CIP Project Closure**

When a project is ready to be closed, Finance will send the PM a Project Closure Form for their approval. Upon PM approval, Finance will: 1) close all open purchase orders; 2) transfer any remaining funds back to the appropriate accounts; and 3) close the project accounts. Any request for project closure, prior to any funds being spent, requires approval from the CIP Executive Committee.

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 unmodified auditor's 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.

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 Government Finance Officers Association's Award for Excellence in Financial Reporting program.

3.1.3 The City will issue audited financial statements within 180 days after yearend.

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 the update of quarterly revenue and expenditure reports 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, or designee, and/or Director of Finance and Information Systems, or designee, 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, or designee, and/or Director of Finance and Information Systems, or designee, 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, or designee, and/or Director of Finance and Information Systems, or designee, have the authority to make budget adjustments associated with Council approved Debt Issuance documentation including, but not limited to, Official Statements, Trust Agreements, and final debt service schedules.
- 3.3.4 The City Manager, or designee, and/or Director of Finance and Information Systems, or designee, have the authority to make budget adjustments for depreciation. 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. Depreciation will be recorded on a straight-line basis over the useful lives of capital assets, as follows:

Land Improvements	20 - 65 years
Buildings and Structures	50 years
Machinery and Equipment	3 - 20 years
Vehicles	4 - 12 years
Infrastructure	65 years
Intangible Assets	40 - 65 years

3.3.5 The City Manager, or designee, and/or Director of Finance and Information Systems, or designee, can make budget adjustments of up to one dollar to account for rounding.

3.3.6 The City Manager, or designee, and/or Director of Finance and Information Systems, or designee, 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, or designee, and/or Director of Finance and Information Systems, or designee, have the authority to make budget adjustments to allow for the transfer of investment income earned for the funds identified below:

<u>Transfer To/From Fund Name</u>	<u>Transfer To /From Fund Name</u>
Highway Users Tax Funds	General Fund
All Capital Project Funds	Project Funding Source
Pension/OPEB Obligation Fund	General Fund
Benefit (OPEB) Obligation Fund	
Special Assessment Districts Bond	Developer Fees
SB1186 Disability Access	General Fund

3.3.8 The City Manager, or designee, and/or Director of Finance and Information Systems, or designee, 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.

3.3.9 The City Manager, or designee, and/or Director of Finance and Information Systems, or designee, have the authority to make budget adjustments associated with mandatory legislative expenditures. Notification of such an adjustment pursuant to this section shall be provided to the City Council.

3.3.10 The City Manager, or designee, and/or Director of Finance and Information Systems, or designee, have the authority to make budget adjustments associated with investment expenses related to Council approved investment management agreements of the City's funds.

3.3.11 The City Manager, or designee, and/or Director of Finance and Information Systems, or designee, have the authority to make budget adjustments associated

with payments for repairs when the City will receive reimbursement through an insurance claim.

- 3.3.12 The City Manager, or designee, and/or Director of Finance and Information Systems, or designee, have the authority to make budget adjustments associated with payments for subrogation/cost recovery fees when the City will receive reimbursement for damages to City property.
- 3.3.13 The City Manager, or designee, and/or Director of Finance and Information Systems, or designee, have the authority to make budget adjustments associated with the implementation and annual adherence to GASB Statement reporting requirements, where there is no resulting cash impact in any individual fund. Transfers and/or expenditures of cash resources related to GASB Statement requirements 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.
- 3.3.14 The City Manager, or designee, and/or Director of Finance and Information Systems, or designee, have the authority to make budget adjustments for unexpected legal costs when those costs are incurred in pursuit of additional revenues and are reimbursed by a third party. Budget adjustments under this section shall be limited to the amount reimbursed to the City by a third party.
- 3.3.15 The City Manager, or designee, and/or Director of Finance and Information Systems, or designee, have the authority to make budget adjustments for Council approved acceptance of assets in existing Landscape and Lighting Assessment Districts. The budget adjustment amount shall be limited to the maintenance cost identified in the Council action accepting the assets.
- 3.3.16 The City Manager, or designee, and/or Director of Finance and Information Systems, or designee, have the authority to make budget adjustments to CIP project funding transfers to account for changes in the timing of the receipt of grant funds provided that the adjustments do not increase total transfers.
- 3.3.17 When requesting an amendment to the budget, the fiscal impact must include the following information:
 - 3.3.17.1 The total cost of the amendment and basis for the cost estimate.
 - 3.3.17.2 Whether the cost is "one-time" or recurring.
 - 3.3.17.3 Whether or not funds may be transferred from another source and if so, what effect the transfer would have on that source.

- 3.3.17.4 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.
- 3.3.17.5 A summary of any revenue offsets that are expected due to the amendment and when they will be received.
- 3.3.17.6 Whether there will be a future reduction of costs and if so, how long it will take to recover the initial cost.
- 3.3.18 The City Manager, or designee, and/or Director of Finance and Information Systems, or designee, have the authority to make budget adjustments, between budget years, for amounts approved for two-year strategic initiative expenditures. This authority includes adjustments to strategic initiative operating budgets and amendments to strategic initiative CIP budgets. The adjustments made will result in no change in the total amount appropriated in the two-year budget period, so long as there is an adequate funding source available.
- 3.3.19 Department Expenditures
 - 3.3.19.1 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.
 - 3.3.19.2 All budget transfers require the approval of the Director of Finance and Information Systems, or designee, except those affecting personnel expenditures which must be approved by the City Manager, or designee.
 - 3.3.19.3 Budget transfers required to hire additional permanent personnel require the City Council's approval.

4. **BUDGET MANAGEMENT**

4.1 **Diversified and Stable Base**

The City will seek to maintain a diversified and stable revenue base 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 Loans**

Interfund loans are defined as the lending of cash from one City fund to another for a specific purpose with a requirement of repayment. The practice of interfund loans is a recognized and necessary aspect of municipal finance. Such loans are typically short-term in nature and constitute the allocation of resources between individual funds for working capital purposes.

City Council approval is required for interfund loans except for: short-term working capital loans; interfund loans for working capital for Council approved reimbursable grants and projects; and other temporary timing differences in cash flows.

Interfund loans shall not be used to solve ongoing structural budget issues or hinder the accomplishment of any function or project for which the lending fund was established.

4.3.1 Long-term loans must be approved by the City Council. Council approval will incorporate the approval of the terms of the loan including:

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.

4.3.1.1 Purpose of the interfund loan.

4.3.1.2 Identification of the source fund, including:

- A review of multi-year plans for use of source fund cash.
- An analysis of legal or contractual restrictions, if any.

4.3.1.3 Repayment of long-term loans, including:

- Specific repayment schedule.
- Source and feasibility of repayment funding stream.

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. Staff will report on projected program subsidies, if any, provided by the General Fund as a part of the budget development and reporting process.

Annually, the City Council will consider the updated Cost Allocation Plan, Compensation Plan and Schedule of City Fees to be adopted at a noticed public hearing. A copy of the Cost Allocation Plan, Compensation 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, rezonings, general plan amendments, variances, use permits, etc.).
- 5.4.2 Engineering (public improvement plan checks, inspections, subdivision requirements encroachments, etc.).
- 5.4.3 Building (enforcement of California building, electrical, plumbing and mechanical codes and other codes, laws and ordinances).
- 5.4.4 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.
- 5.4.5 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 in a process that complies with Article XIII D, Section 6 of the California Constitution, enacted by Proposition 218. Proposed rate and fee changes will be subject to the public hearing and protest requirements of Proposition 218. Revenues derived from fees or charges shall not exceed the cost to provide service; shall not be used for any purpose other than that for which it is imposed; and the amount of a fee or charge upon a parcel shall not exceed the proportional cost of the service attributable to the parcel.

5.7 **Assessment District Administration**

The City Council, through the Landscaping and Lighting act of 1972, has approved the formation of assessment districts to ensure the proper flow of funds for the ongoing operation, maintenance, and servicing of specific improvements within the boundaries of the City of Brentwood. Generally, developers construct these public improvements as conditions of approval for their permits for new housing or commercial/industrial developments. The ongoing operation, maintenance and servicing of these improvements are then financed through assessment districts. The assessment districts ensure that the ongoing costs of maintaining the improvements are paid for by those property owners who directly benefit from the improvements. In 1998, a Citywide assessment district for park maintenance was also created via a vote of the residents of Brentwood.

Although the annual maximum levy amounts for each assessment district are authorized by an annual Engineer's Report, the City Manager, in consultation with the City Attorney, has the authority to reduce levy amounts in circumstances where he/she has determined that the current year's levy and the benefit received by a parcel are not proportional. Typically, an adjustment of this nature would occur during the development phase, subsequent to the approval of a subdivision map and prior to the commencement of construction. In the event the City Manager, in consultation with the City Attorney, determines a levy reduction is warranted subsequent to the release of the tax roll by the County Assessor's Office, the City Manager shall have the authority to refund any resulting assessment overpayments.

5.8 **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

5.8.1 Cost recovery - Recreation Programs

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

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

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

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

5.8.1.5 All non-resident rates excluding section 5.8.1.4 above are set at direct cost plus 50% of Department overhead.

5.8.1.6 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

- 5.8.1.7 Free programs:
- Concerts in the Park
 - Christmas tree lighting
 - Park and facility grand openings
 - Movies in the park
 - 4th of July Parade

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

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

5.8.2.2 **Non-Resident** – the price for non-residents is 10% above the resident rate.

5.8.2.3 **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.

5.8.2.4 **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.

5.8.3 The following categories describe how rates are set for group picnic facility rentals:

5.8.3.1 **Resident** – this category is the base price used for group picnic facility rentals and is set based on the market price for like rentals.

5.8.3.2 **Non-Resident** – the price for non-residents is 30% above the resident rate and is intended to recover most if not all costs.

5.8.3.3 **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.

5.8.3.4 **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.

5.9 **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, or designee, and/or Director of Finance and Information Systems, or designee, have the authority to write-off uncollectible receivables not to exceed \$5,000 per transaction and not to exceed \$50,000 in the aggregate for any individual debtor. Any uncollectible account exceeding \$5,000 per transaction or \$50,000 in the aggregate for any individual debtor will require the City Council's approval.

5.10 **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 15 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 actively support legislation or initiatives sponsored or approved by the 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.

6.5 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, REPLACEMENT FUNDS AND INTERNAL SERVICE FUNDS**

7.1 **Minimum Fund Balances/Reserves**

Staff will present a General Fund budget for City Council consideration that maintains an Unassigned Fund Balance of 30% of annual operating appropriations and operating transfers. The City will strive to maintain cash reserves in the Enterprise Funds of 30% of annual

operating appropriations and operating transfers. 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/ OPEB Obligation Fund.

7.1.2 The City Manager, or designee, and/or Director of Finance and Information Systems, or designee, shall designate in Fund Balance any unspent General Fund Strategic Initiative budgeted amount at the end of the current two-year Strategic Plan period. The fund balance designation amount shall be limited to the subsequent two-year General Fund Strategic Initiative total costs.

7.2 **Replacement Funds**

Replacement Funds shall provide for the accumulation of resources and associated expenditures for the maintenance and/or replacement of assets. Replacement funds shall be accumulated such that the amount available in any given Replacement Fund will be sufficient to meet the maintenance and/or replacement requirements of the assets assigned to that fund based on maintenance and replacement schedules developed utilizing the useful life of the assets and the estimated cost of repair or replacement including a factor for inflation. For facilities replacement, once the debt service requirements for construction of a facility have ended, an evaluation will be made of the amount to be set aside as a component of the replacement financing plan for the facility at the end of its useful life. Fund balances and required contributions to the Replacement Funds from other Funds will be reviewed during the two-year budget preparation process to ensure that the Funds have adequate resources to meet the maintenance and replacement requirements of the assets.

7.3 **Pension/Other Post-Employment Benefits (OPEB) Obligation Fund**

The Pension/OPEB Obligation Fund is an intermediate-term funding source to be used to help offset the rising cost of 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.

7.4 **Equipment Replacement**

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 Finance and Information Systems, or designee. Interest earnings and sales of surplus equipment will be credited to the Equipment Replacement Fund.

7.5 **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. Interest earnings and sales of surplus equipment will be credited to the Information Systems Replacement Fund.

7.6 **Facilities Replacement**

The City will maintain a Facilities 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.

7.7 **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. This fund 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 Services 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 Services 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 the type of information systems equipment utilized by each department or fund. Interest earnings will be credited to the Information Services Fund.

7.12 **Parks and LLAD Replacement Fund**

The City will maintain a Parks and Landscape and Lighting Assessment Districts (LLAD) Replacement Fund to provide for the accumulation of funds and associated expenditures related to landscaping, equipment and facilities in the Citywide Parks and Landscape and Lighting Assessment 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 LLAD Replacement Fund.

8. **OTHER POST-EMPLOYMENT BENEFIT (OPEB) FUNDING**

8.1 The City provides certain post-retirement health care benefits to employees. To address the unfunded actuarial accrued liability for these benefits, the City will make annual contributions to the OPEB trust in amounts equal to 85% of the annual actuarial required contribution, or a substantially equivalent financial metric as calculated by the City's actuary, beginning in fiscal year 2017/18 and in subsequent fiscal years.

9. **CAPITAL FINANCING AND DEBT MANAGEMENT**

9.1 **Capital Financing**

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.

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 and infrastructure.
- 9.1.4 The City will use the following criteria to evaluate pay-as-you-go versus long-term financing in funding capital improvements:
- 9.1.4.1 Factors Favoring Pay-As-You Go Financing:
 - 9.1.4.1.1 Current revenues and adequate fund balances are available or project phasing can be accomplished.
 - 9.1.4.1.2 Existing debt levels adversely affect the City's credit rating.
 - 9.1.4.1.3 Market conditions are unstable or present difficulties in marketing.
 - 9.1.4.2 Factors Favoring Long Term Financing:
 - 9.1.4.2.1 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.
 - 9.1.4.2.2 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.
 - 9.1.4.2.3 Market conditions present favorable interest rates and demand for City financing.
 - 9.1.4.2.4 A project is mandated by state or federal requirements, and resources are insufficient or unavailable.
 - 9.1.4.2.5 The project is immediately required to meet or relieve capacity needs and current resources are insufficient or unavailable.

9.2 **Debt Management**

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.

- 9.2.1 The City will not obligate the General Fund to secure long-term financings except when marketability can be significantly enhanced.
- 9.2.2 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.
- 9.2.3 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.
- 9.2.4 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.
- 9.2.5 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.
- 9.2.6 The City will diligently monitor its compliance with bond covenants and ensure its adherence to federal arbitrage regulations.
- 9.2.7 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).
- 9.2.8 The City will use debt proceeds as a funding source for City Council approved one-time capital improvement projects.
- 9.2.9 The City may issue the following types of debt: General Obligation Bonds, Certificates of Participation, Lease Revenue Bonds, Assessment Bonds, Special Tax Bonds, Water and Sewer Revenue Bonds or Installment Purchase/Installment Sale Agreements, Variable Rate Demand Obligations, Commercial Paper, Tax Revenue Anticipation Notes, Bond Anticipation Notes, Capital Leases or any other type of debt permitted under State or Federal law for local agencies.

9.2.10 **Variable Rate Debt**

9.2.10.1 To maintain a predictable debt service burden, the City may give preference to debt that carries a fixed interest rate. However, the City may consider variable rate debt in certain instances, such as:

9.2.10.1.1 **High Interest Rate Environment** - Current interest rates are above historic average trends.

9.2.10.1.2 **Variable Revenue Stream** - The revenue stream for repayment is variable, and is anticipated to move in the same direction as market-generated variable interest rates, or the dedication of revenues allows capacity for variability.

9.2.10.1.3 **Adequate Safeguards Against Risk** - Financing structure and budgetary safeguards are in place to prevent adverse impacts from interest rate shifts; such structures could include, but are not limited to, interest rate swaps, interest rate caps and the matching of assets and liabilities.

9.2.10.1.4 **Variable Rate Debt Capacity** - Consistent with rating agency guidelines, the percentage of variable rate debt outstanding shall not exceed 20% of the City's total outstanding debt (excluding land-secured debt).

9.2.11 **Interest Rate Risk Mitigation Policy (Swap Policy)**

9.2.11.1 An interest rate swap is an agreement between two parties to exchange one stream of interest payments for another, over a set period of time. Swaps are derivative contracts and trade over-the-counter. Investment and commercial banks with strong credit ratings are swap market-makers, offering both fixed and floating-rate cash flows to their clients. By convention, each participant in a swap transaction is known by its relation to the fixed rate stream of payments. The party that elects to receive a fixed rate and pay floating is the "receiver" and the party that received floating in exchange for fixed is the "payer." Both the receiver and payer are known as counterparties in the swap transaction.

9.2.11.2 The City is not considered an active issuer and therefore it is not appropriate for the City to enter into any interest rate swap agreements unless specifically approved by City Council action.

9.2.12 **Post Debt Issuance Annual Debt Transparency Report**

9.2.12.1 Effective January 1, 2017, the City is required to submit an Annual Debt Transparency report for any debt issuance for which a Report of Final Sale is submitted. At a minimum the report must include:

9.2.12.1.1 Debt authorized during the reporting period, which shall include: Debt authorized at the beginning of the reporting period; Debt authorized and issued during the reporting period; Debt authorized but not issued at the end of the reporting period; Debt authority that has lapsed during the reporting period.

9.2.12.1.2 Debt outstanding during the reporting period, which shall include: Principal balance at the beginning of the reporting period; Principal paid during the reporting period; Principal outstanding at the end of the reporting period.

9.2.12.1.3 The use of proceeds of issued debt during the reporting period, which shall include: Debt proceeds available at the beginning of the reporting period; Debt proceeds spent during the reporting period and the purposes for which it was spent; Debt proceeds remaining at the end of the reporting period.

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

9.2.13.1 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.

9.2.13.2 Ultimate responsibility for all matters relating to Issuer financings and refinancing rests with the Treasurer/Controller of the Authority and the Director of Finance and Information Systems of the City (collectively, the "Responsible Officer").

9.2.13.3 **External Advisors and Documentation**

9.2.13.3.1 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.

9.2.13.3.2 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.

9.2.13.3.3 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.

9.2.13.4 **Role of the Issuer as Bond Issuer**

9.2.13.4.1 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.

9.2.13.4.2 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.

9.2.13.5 **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.)

9.2.13.5.1 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.

9.2.13.5.2 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.

9.2.13.5.3 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.

9.2.13.5.4 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.

9.2.13.5.5 The Issuer shall retain copies of all arbitrage reports and trustee statements as described below under "Record Keeping Requirements".

9.2.13.6 **Use of Bond Proceeds** The Responsible Officer and other appropriate Issuer personnel shall:

9.2.13.6.1 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.

9.2.13.6.2 Maintain records identifying the assets or portion of assets that are financed or refinanced with proceeds of each issue of Bonds.

9.2.13.6.3 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.

9.2.13.6.4 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.

9.2.13.6.5 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.

9.2.13.7 **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:

9.2.13.7.1 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.

9.2.13.7.2 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.

9.2.13.7.3 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.

9.2.13.7.4 Copies of all records of investments, investment agreements, arbitrage reports and underlying documents, including trustee statements.

9.2.14 **Debt Capacity**

9.2.14.1 **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.

9.2.14.2 **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.

9.2.15 **Land-Based Financings**

9.2.15.1 **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.

9.2.15.2 **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.

- 9.2.15.3 **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.
- 9.2.15.4 **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.
- 9.2.15.5 **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.
- 9.2.15.6 **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.
- 9.2.15.7 **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%.
- 9.2.15.8 **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.
- 9.2.15.9 **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.
- 9.2.15.10 **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.

- 9.2.15.11 **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.

9.2.16 **Conduit Financings**

- 9.2.16.1 The City will consider requests for conduit financing on a case-by-case basis using the following criteria:

9.2.16.1.1 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.

9.2.16.1.2 There is a clearly articulated public purpose in providing the conduit financing.

9.2.16.1.3 The applicant is capable of achieving this public purpose.

- 9.2.16.2 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.

- 9.2.16.3 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.

9.2.17 **Refinancing Outstanding Debt**

- 9.2.17.1 The Responsible Officer shall have the responsibility to analyze outstanding bond issues for refunding opportunities that may be presented by underwriting and/or Municipal Advisor firms. The

Responsible Officer will consider the following issues when analyzing possible refunding opportunities:

- 9.2.17.1.1 **Debt Service Savings** The City establishes a guideline net present value savings threshold goal of three percent (3%) of the refunded bond principal amount. The net present value savings will be net of all costs related to the refinancing. The City will evaluate each refunding candidate on a case-by-case basis. In evaluating such refundings and the appropriateness of a 3% or higher refunding goal, the City will take into account whether the refunding will be current or advance, and if the latter, the period of time before the call date and the efficiency of the refunding escrow.
- 9.2.17.1.2 **Restructuring** The City will refund debt when in its best interest to do so. Refunding will include restructuring to meet unanticipated revenue expectations, achieve cost savings, mitigate irregular debt service payments, release reserve funds, or remove unduly restrictive bond covenants.
- 9.2.17.1.3 **Term of Refunding Issues** The City may refund bonds within the term of the originally issued debt. However, the City may consider maturity extension, when necessary to achieve a desired outcome, provided that such extension is legally permissible. The City may also consider shortening the term of the originally issued debt to realize greater savings. The remaining useful life of the financed facility and the concept of inter-generational equity should guide this decision.
- 9.2.17.1.4 **Escrow Structuring** The City shall utilize the least costly securities available in structuring refunding escrows. The City will examine the viability of an economic versus legal defeasance on a net present value basis. In the case where open market securities are purchased, the City shall procure a minimum of three (3) competitive bids from approved broker-dealers. Such securities must be more cost effective than State and Local Government Obligations, and that the price paid for the securities must be reasonable within Federal guidelines. Under no circumstances shall the Underwriter or Municipal Advisor

of a particular project sell escrow securities to the City from its own account.

- 9.2.17.1.5 **Arbitrage** The City shall take all necessary steps to optimize escrows and to avoid negative arbitrage on any refunding.

9.3 **Financing Team Selection**

9.3.1 **Selection of Bond Counsel**

9.3.1.1 The issuance of debt by the City will include a written opinion by legal counsel affirming that the debt is a valid and binding obligation of the issuer of the debt and, to the extent the interest on the debt is expected to be excluded from gross income for federal income tax purposes, the exclusion of interest on the debt from gross income for federal income tax purposes. The approving opinion and other documents relating to the issuance of debt will be prepared by counsel with extensive experience in public finance and tax issues.

9.3.1.2 It is within the City's best interest to be in a position to be able to react quickly and issue debt based on favorable market conditions. Therefore, on a case-by-case basis, firms may be selected to work on a particular financing. The selection of Bond Counsel will be determined by the Responsible Officer in consultation with the City Attorney's Office.

9.3.1.3 Bond Counsel compensation shall be negotiated on a case-by-case basis.

9.3.2 **Selection of Disclosure Counsel**

9.3.2.1 In any sale of City debt in which legal counsel is required to represent the City, the Responsible Officer shall select a Disclosure Counsel from qualified firms in consultation with the City Attorney's office.

9.3.2.2 Disclosure Counsel compensation shall be negotiated on a case-by-case basis.

9.3.3 **Selection of Municipal Advisor**

9.3.3.1 The City may select a Municipal Advisor to assist in its debt issuance and debt administration processes. Selection of the City's Municipal Advisor(s) shall be based on, but not limited to, the following criteria:

- Experience in providing consulting services to complex issuers.
- Knowledge and experience in structuring and analyzing complex issues.
- Experience and reputation of assigned personnel.
- Fees and expenses.

9.3.3.2 Municipal Advisor compensation shall be negotiated 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 Finance and Information Systems, or designee.

10.1.3.3 The Human Resources Department will coordinate and oversee the hiring of all regular and limited service 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, or designee, shall authorize the use of these positions in consultation with the Director of Finance and Information Systems, Director of Human Resources/Risk Manager and Police Chief 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, or designee.
- 10.3.4 Limited service employees work with time specific offer letters approved by the City Manager, or designee, and may receive approved benefits, as required by law, depending on hourly requirements and the length of their employment. Limited service 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 service employees will be discontinued upon completion of the assigned project, program or activity. Accordingly, limited service employees will not be used to perform work that is anticipated to be delivered on an ongoing basis.

11. **ECONOMIC DEVELOPMENT INCENTIVES**

Economic development incentives are used to foster a business-friendly culture with the goals of attracting, retaining and expanding businesses. Incentives may be established to encourage business development within the City to generate jobs, increase retail/commercial activity and increase property values. These incentives could take the form of tax revenue sharing agreements or other incentive programs between the City and business owners or developers used to meet economic development goals.

The fiscal impact of the terms and conditions of any economic development incentive will be calculated for both the current and long-term effect on the operating budget by utilizing the City's ten-year General Fund fiscal model projection.

The terms and conditions, along with the current and long-term fiscal impact of any economic development incentive shall be presented to the City Council as a component of the staff report accompanying any economic development incentive being considered for approval.

No agreement for any economic development incentive shall be entered into without the approval of the City Council.

11.1 **Sales Tax Sharing Agreements**

- 11.1.1 Sales tax sharing agreements shall generally apply to retail centers that generate a City share of annual sales tax revenue of \$500,000 or more. Sales tax sharing agreements are intended to be used to incentivize tenant improvements, construction of new leasable space or as an incentive to lease significant square footage.
- 11.1.2 Sales tax sharing agreements shall establish a base year of revenue for the retail center. Sales tax sharing shall occur only on the increase in the City share of sales tax revenue above the base revenue established in the agreement; the base revenue will include an annual escalator of not less than 2% per year.
- 11.1.3 Sales tax sharing agreements shall be limited to a maximum of 15 years.
- 11.1.4 The amount of sales tax to be shared under sales tax sharing agreements will be limited to the actual cost of tenant improvements for a new tenant or the actual cost of improvements for expansion for an existing tenant or the construction cost of new leasable space or infrastructure.
- 11.1.5 Annual updates on the status of sales tax sharing agreements shall be provided to the City Council by the parties to the agreements.

Investment Policy

(Last Approved by City Council: June 13, 2017)

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 a rating category of "AA", its equivalent or higher (without regard to any gradations within such categories by numerical qualifier or otherwise) by a nationally recognized statistical rating 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 a rating category of "A", its equivalent or higher (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 a rating category of "A", its equivalent or higher (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 a rating category of "A", its equivalent or higher (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 in a rating category of "A-1" or higher, or the equivalent, by a NRSRO.

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 may be purchased by the City.

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 a rating category of "A", its equivalent or higher (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 a rating category of "A", its equivalent or higher (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 deposit limit 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 NRSROs 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 the rating category of "AA", its

equivalent or higher (without regard to any gradations within such categories by numerical qualifier or otherwise) by a NRSRO.

- 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 a rating category of "AA", its equivalent or higher (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 a rating category of "A", its equivalent or higher (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.

Arbitrage

The simultaneous purchase and sale of the same or an equivalent security in order to profit from price discrepancies. In government finance, the most common occurrence of arbitrage involves the investment of the proceeds from the sale of tax-exempt securities in a taxable money market instrument that yields a higher rate, resulting in interest revenue in excess of interest costs.

Assessed Valuation

An official value established for real estate or other property as a basis for levying property taxes.

Assessments

Charges made to parties for actual services or benefits received.

Assets

Government-owned property that has monetary value.

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 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 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 Improvement Program

A financial plan of authorized expenditures for tangible, long-term construction of, or improvements to, public physical facilities.

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. For example, a purchase order for a budgeted computer purchase is placed in FY 2016/17. The budget for FY 2017/18 did not include a purchase of a computer. The unspent FY 2017/18 budget is adjusted (increased) for this purchase.

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 GAAP as set forth by 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.

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.

Costs

Amount of money that must be paid to acquire something, purchase price or expense.

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. For complete fund descriptions, refer to the Guide to Funds.

Fee

Cost of a service.

Fiscal Year

The 12-month period for recording financial transactions specified by the City as beginning July 1st and ending June 30th.

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 Employee

The designation of staffing based on the Full-Time Employee 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. For a detailed list of the City's funds and 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

A sum of money given by an organization or agency for a particular purpose. The use of grant funds must be consistent with any funding conditions required by the grant.

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 J

An extension of the transportation sales tax initially authorized by the passage of Contra Costa Measure C in 1988. Funding can be spent on the construction, maintenance, improvement or operation of local streets, road, and highways and public transit systems. 18% of the annual sales tax revenues from Measure J are distributed to all local jurisdictions based on a defined allocation. Expiration date in 2034.

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.

Operating 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

Specific quantitative measures of work performed within a program (e.g. miles of streets cleaned). Also, specific quantitative measures of results obtained through a program (e.g., percent change in response time compared to previous year).

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 Fund

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

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 factor or an element.

Variance

Difference between actual experience and budgeted or projected experience in any financial category.

ACRONYMS

This document includes numerous abbreviations and acronyms in need of explanation. Thus, a list of acronyms is provided to aid the reader when the context does not define the meaning.

AED – Automated External Defibrillator

ADA – Americans with Disabilities Act

AMR – Automated Meter Reading

ARC – Actuarial Required Contribution

BABs – Build America Bonds

BNC – Brentwood Neighborhood Committee

BART – Bay Area Rapid Transit

BDCP – Bay Delta Conservation Plan

BFAC – Brentwood Family Aquatic Complex

BUSD – Brentwood Union School District

CAD – Computer Aided Dispatch

CAFR – Comprehensive Annual Financial Report

CalPERS – California Public Employees’ Retirement System

CAP – Cost Allocation Plan

CCTA – Contra Costa Transportation Authority

CERT – Community Emergency Response Team

CFD – Community Facilities District

CIFP – Capital Improvement Financing Program

CIP – Capital Improvement Program

CPI – Consumer Price Index

CPR – Cardiopulmonary Resuscitation

CSMFO – California Society of Municipal Finance Officers

DFP – Development Fee Program

DOF – Department of Finance

ECCFPD – East Contra Costa Fire Protection District

ECCRFFA – East Contra Costa Regional Fee and Financing Authority

EIR – Environmental Impact Report

EOC – Emergency Operations Center

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

GPD – Gallons Per Day

LAIF – Local Agency Investment Fund

LLAD – Landscape and Lighting Assessment District

LUHSD – Liberty Union High School District

MGD – Millions of Gallons Per Day

MXU – Meter Transmitting Unit

NPDES – National Pollution Discharge Elimination System

O&M – Operating and Maintenance



OPEB – Other Post-Employment Benefits

PA-1 – Priority Area 1

PEG – Public, Education and Government

PIO – Public Information Officer

PTM – People, Time and Money

RDA – Redevelopment Agency

RMS – Records Management System

SAS – Statement on Auditing Standards

SB 1 – Road Repair and Accountability Act

SR – State Route

SRF – State Water Resources Control Board Revolving Fund

SWRCB – State Water Resources Control Board

VOIP – Voice Over Internet Protocol

VLF – Vehicle License Fee

WWTP – Wastewater Treatment Plant

GUIDE TO FUNDS – DESCRIPTION OF FUNDS

Fund Accounting System

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

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

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.

Capital Project Funds account for financial resources segregated for the acquisition of major capital projects or facilities (other than those financed by proprietary fund types).

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

Permanent Funds account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support City programs for the benefit of the City and its citizens.

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.

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.

Private-Purpose Trust Funds account for the activities and financial position of the Successor Agency to the Brentwood Redevelopment Agency. These funds are held in a trust arrangement for the benefit of local taxing entities, including the City of Brentwood.

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.

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.
- 209 Gas Tax** – This fund accounts for monies received from the State of California under Street and Highways Code Section 2032. 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 public safety services; acquisitions and maintenance of open space; clean water maintenance and construction and maintenance of flood and storm drain facilities.
- 232 Community Facilities District #3** – This fund accounts for public safety services; acquisitions and maintenance of open space; clean water maintenance and construction and maintenance of joint-use school facilities.
- 233 Community Facilities District #4 (Services)** – This fund accounts for public safety services; maintenance of open space; clean water maintenance; maintenance of joint-use school facilities; roadway rehabilitation and under grounding of overhead utilities.
- 234 Community Facilities District #5** – This fund accounts for acquisition, construction and maintenance of flood and storm drainage facilities; public safety services; construction and maintenance of joint-use school facilities; rehabilitation/expansion of library sites; government facilities and community facilities and roadway rehabilitation and utility undergrounding.
- 235 Community Facilities District #4 (Facilities)** – This fund accounts for acquisition, construction of flood and storm drainage facilities; construction of joint-use school facilities; rehabilitation/expansion of library sites; government facilities and community facilities.
- 250 Water Development Impact Fee** – This fund accounts for development fees collected for the design and construction of water facilities within the City.
- 251 Roadway Development Impact Fee** – This fund accounts for development fees collected for the design and construction of roadways within the City.
- 252 Parks and Trails Development Impact Fee** – This fund accounts for development fees collected for the design and construction of parks within the City.
- 255 Wastewater Development Impact Fee** – This fund accounts for development fees collected for the design and construction of wastewater facilities within the City.
- 256 Community Facilities Development Impact Fee** – This fund accounts for development fees collected for the design and construction of public facilities within the City.
- 257 Fire Development Impact 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 Development Impact Fee Administration** – This fund accounts for development fees collected for the administration of the Developer Facility 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.
- 267 Public Art Administration** – This fund accounts for 20% of the Public Art fees collected from development for the administration of the Public Art Program.
- 268 Public Art Acquisition** – This fund accounts for 80% of the Public Art fees collected from development 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.
- 272 Riparian Mitigation** – This fund accounts for a stewardship endowment for maintenance of a riparian mitigation site.
- 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, educational and governmental access fees collected from cable operators established per the Municipal Code and franchise agreements. 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 Parks and Recreation advertising fees collected to publish and distribute the Parks and Recreation Activities guide, as well as, enhance the amenities at the Sunset Athletic Complex, the Brentwood Family Aquatic Complex and the Brentwood Skate Park.

- 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 for 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 roadway 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 and trail 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 and their use 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.
- 392 Capital Infrastructure** – Under the oversight of the 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.
- 435 2018 A Refinance Debt Service** – This fund accounts for CIPF tax assessment receipt and debt service payments of CIPF Infrastructure Revenue Bonds.
- 436 2014 A & B Refinance Debt Service** – This fund accounts for CIPF tax assessment receipt and debt service payments of CIPF Infrastructure Revenue Bonds.
- 437 2012 A Refinance Debt Service** – This fund accounts for CIPF tax assessments receipts and debt service payments of CIPF Infrastructure Revenue Bonds.
- 438 Capital Improvement Financing Program 2003-1 Debt Service** – This fund accounts for CIPF tax assessment receipts and debt service payments on CIPF Infrastructure Revenue Bonds.
- 439 Capital Improvement Financing Program 2002-1 Debt Service** – This fund accounts for CIPF tax assessments receipts and debt service payments of CIPF Infrastructure Revenue Bonds.
- 441 Capital Improvement Financing Program 94-1 Debt Service** – This fund accounts for CIPF tax assessment receipts and debt service payments on CIPF Infrastructure Revenue Bonds.
- 442 Capital Improvement Financing Program 98-1 Debt Service** – This fund accounts for CIPF tax assessments receipts and debt service payments on CIPF Infrastructure Revenue Bonds.
- 443 Capital Improvement Financing Program 99-1 Debt Service** – This fund accounts for CIPF tax assessments receipts and debt service payments on CIPF Infrastructure Revenue Bonds.
- 444 Capital Improvement Financing Program 2000-01 Debt Service** – This fund accounts for CIPF tax assessment receipt and debt service payments on CIPF 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 CIPF Tax assessment receipts and debt service payments on CIPF Infrastructure Revenue Bonds.
- 460 Randy Way Assessment District Debt Service** – This fund accounts for Randy Way tax assessment receipts and debt service payments of CIPF 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 CIPF tax assessment receipt and debt service payments of CIPF Infrastructure Revenue Bonds.
- 463 Capital Improvement Financing Program 2006-1 Debt Service** – This fund accounts for CIPF tax assessment receipt and debt service payments of CIPF Infrastructure Revenue Bonds.
- 464 Capital Improvement Financing Program 2005-1 Debt Service** – This fund accounts for CIPF Tax assessments receipts and debt service payments on CIPF Infrastructure Revenue Bonds.
- 465 96R Assessment District Debt Service** – This fund accounts for CIPF Tax assessment receipts and debt service payments on CIPF 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 rental 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.
- 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.
- 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.
- 701 Information Services** – To provide a source of funding for the development and coordination of the City’s information system’s needs.
- 702 Equipment Replacement** – To provide a source of funding for vehicle and equipment replacement.
- 703 Information Systems Replacement** – To provide a source of funding for the replacement of information systems such as computers and the phone system.
- 704 Facilities Replacement** – To provide a source of funding for repairs or the replacement of City facilities.
- 705 Tuition** – To provide a source of funding for expenditures related to continuing education.
- 706 Fleet Maintenance Services** – To provide a source of funding for the maintenance of all City vehicles, except for Police Department vehicles.
- 707 Facilities Maintenance Services** – To provide a source of funding for maintenance and repairs of City facilities.
- 708 Parks and LLAD Replacement** – To provide a source of funding for the replacement of landscaping, equipment and facilities in the citywide parks and Landscape and Lighting Assessment Districts (LLAD).
- 709 Insurance** – To provide a source of funding for future insurance costs and unforeseen expenses due to legal matters or lawsuits.
- 710 Pension/Other Post-Employment Benefits (OPEB) Obligation** – To provide an intermediate-term funding source for OPEB and pension expenses.